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cc Sir A Acland Mr Ure Plaming Staff ECD(E) Emergency Unit, Mr Fearn

## FALKLAND ISLANDS: ITALIAN ATTITUDE

1. There have been some telegrams from Rome about this, and when the Minister at the Italian Embassy called this afternoon he gave me, on a very strict and personal basis, the attached rough translation of a telegram of instructions send on 7 April to the Italian Ambassador in Buenos Aires. (Incidentally it was confirmed to me that there could be no question of withdrawing the Ambassador from Argentina, owing to the presence of a very large Italian community.)

2. I welcomed the insistence on Argentine compliance with the resolution of the Security Council (para 3). I did not register objections to the argument (para 5) that withdrawal of the Argentine forces would activate the other parts of that resolution, including the search for a diplomatic solution. But I criticised the reference to 'the possibility of some compromise formula', if this meant that the Italians supposed that there could be some sort of middle position between that of Argentina and that of Britain.

3. As a matter of fact the instructions are firmer on essentials than I had expected from the Rome telegrams. But this is probably only a foretaste of the sort of ideas that will be ventilated tomorrow in the Political Committee.

4. Fontana-Giusti's other points showed that as usual he has been following events with exceptional conscientiousness. He was a bit concerned about the effect which the declaration of a Zone of Exclusion would have on the time available for finding a peaceful solution to the crisis.

J L Bullard

This shald now be outered and put away. Gel

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8 April 1982

## SEGRETO

## NON PAPER

1. The present crisis if pushed to the extreme, seems to us to be such to put at serious risk the common values of Western culture, of which Argentina and the United Kingdom th outstanding Representatives, and therefore it calls for a deep and immediate reflection on the part of all those who share such values.

2. Italy, who in the framework of the European Community has deep and ever closer links with Great Britain, maintains a very special relationship of friendship with the Argentinian people due to blood links existing between the two Countries and those based on history and on the constant Italian participation to the progress of Argentina. This compel us in the present emergency situation, to express our frank and sincere concern, beyond the normal diplomatic habits.

3. We believe that, whatever the reasons (which we do not want to discuss here) that Argentina may invoke, it is totally unacceptable that a Western Country would initiate a military action against another Country which belongs to the same Western world, and to the European Community.

For this reason, while renewing the plea expressed by the United Nations Security Council, the Italian Government reasserts the call by the Ten that Argentina withdraws her military forces, that she refrains from the use of force, and that she continues in the search for a diplomatic solution in the controversy with the United Kingdom.

4. In this dramatic situation, and notwithstanding the determined and unequivocal statements by the Argentinian Government which we want to think are due to the emotion of the moment, it is difficult for us to believe that the Argentinian Authorities are not considering the possibility of some compromise formula. Only a formula of this kind infact - by providing both parties with an honourable way out from this difficult and apparently irreversible situation - would allow them to find a political understanding which would avoid a heavy and in our opinion totally, disproportioned

loss of life.

Therefore, on the part of Italy - while time is running out - we would like to know from the Argentinian Autho rities if and how they think to be able to avoid a deplorable armed clash with the United Kingdom having in mind - if so wished - that we could give a contribution to their will for peace. This also taking into account the possible negative and destabilizing consequences that a military solution to the problem would imply not only for Buenos Ayres but for the whole of the Sub-Continent.

SEGRETO

5. On the Italian part, we wish to emphasize the gra vity with which the issue is certainly looked upon by the public opinion of Great Britain and consequently of Europe. This implies the necessity that a first gesture of goodwill - in the opposite direction of the one which has been taken up to now should come from Buenos Ayres in order to avoid a military clash which seems imminent. The withdrawl of the Argentinian Forces would authomatically put into practice the Resolution No. 502 of the Security Council and would constitute the starting point for a process of negotiations which would be immediately favoured by Third Countries, friends of both contendents. Such a gesture would put Argentina in a favourable light on the international field, thus we believe favouring a diplomatic solution without previous conditions imposed by one or the other Party. Such solution would respond to the real interests of a power like Argentina, which has vast responsibilities in Latin America and in the Atlantic.

London, 8th April 1982.

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