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FM ROME 171540Z JUN 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 319 OF 17 JUNE

REPEATED FOR INFORMATION IMMEDIATE OTHER FC

REPEATED FOR INFORMATION IMMEDIATE OTHER EC POSTS, WASHINGTON, UKMIS NEW YORK, UKDEL NATO, UKREP BRUSSELS

INFO SAVING TOKYO, CANBERRA, WELLINGTON, OSLO, UKMIS GENEVA, BERNE.

YOUR TELNOS 147 AND 149 TO BRUSSELS AND MY TELNO 312:

FALKLANDS: CESSATION OF HOSTILITIES

1. THE ITALIAN MFA IS BOTH CONFUSED AND CONCERNED ABOUT OUR MESSAGES. THEY HAVE NO DIFFICULTY WITH PARA 2 OF YOUR TELNO 147, AS ESSENTIALLY AN APPEAL TO OUR PARTNERS NOT TO UNDERMINE A BILATERAL COMMUNICATION FROM US TO THE ARGENTINES VIA THE SWISS. THE ITALIANS WILL MAKE NO PUBLIC STATEMENT THAT WILL PREJUDGE THE QUESTION, AND AS REPORTED IN MY TELNO 312 ARE ALIVE TO THE HUMANITARIAN ASPECT.

2. ON YOUR TELNO 149, WHICH ASKED THE ITALIANS TO TAKE BILATERAL ACTION IN BUENOS AIRES IN OUR SUPPORT, WE UNDERSTAND THAT THIS WAS FOLLOWED BY A COREU TELEGRAM FROM THE PRESIDENCY WHICH WE HAVE NOT YET SEEN RECOMMENDING A JOINT DEMARCHE. COLOMBO WHO IS IN NEW YORK, WAS CONSULTED YESTERDAY ABOUT THE LATTER, BUT HAD NOT GIVEN THE MFA INSTRUCTIONS BEFORE RECEIPT OF A FRENCH COREU WHICH, ACCORDING TO THE ITALIANS, REGISTERED FRENCH OPPOSITION TO A JOINT DEMARCHE IN BUENOS AIRES, THE ITALIANS THEREFORE REGARD THE REQUEST IN YOUR TELNO 149 AS SOMETHING WHICH WILL NOW HAVE TO BE DISCUSSED FIRST BY POLITICAL DIRECTORS AND THEN BY FOREIGN MINISTERS IN BRUSSELS NEXT WEEK.

3. WE PRESSED THE MFA (BARBARANI) TO TELL US HOW THEY WOULD HAVE REPLIED HAD THE FRENCH COREU NOT INTERVENED. HE SAID THERE WERE DIVIDED COUNCELS. BOTTAI' VIEW WAS THAT ITALY WAS OBLIGED TO SUPPVCT THE UK BECAUSE SHE COULD NOT UNDERMINE US A SECOND TIME, AFTER THE ITALIAN DECISION NOT TO RENEW SANCTIONS.

THE ITALIAN EMBASSY IN LONDON HAD JUST DELIVERED A MESSAGE FROM COLOMBO TO YOU WHICH, APPARENTLY SAID THAT ITALY WOULD DO ITS BEST TO ENCOURAGE THE ARGENTINES TO ENTER INTO NEGOTIATIONS FOR A PEACEFUL SETTLEMENT, BUT THAT POLITICAL DIRECTORS, MEETING ON 14 JUNE, WERE 'PERPLEXED' BY THE LINKAGES WE PROPOSED AND THAT MOST OF THEM FAVOURED AN EARLY RESUMPTION OF NEGOTIATIONS.

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- 4. BARBARANI ADMITTED THAT ITALY'S REAL DIFFICULTY LAY IN THE PRIME MINISTER'S APPARENT EXCLUSION OF ANY NEGOTIATIONS ON THE FALKLANDS BETWEEN UK AND ARGENTINA, AND AGAINST THIS BACKGROUND OUR REQUEST (YOUR TELNO 149) AMOUNTED TO INVITING OUR PARTNERS TO TAKE SIDES WITH US ON THE SOVEREIGNTY QUESTION. WE ARGUED IT WAS NOT RELEVANT TO THE PRESENT URGENT HUMANITARIAN PROBLEM. BARBARANI SAID THAT THE ARGENTINES WOULD NEVER AGREE TO CEASE HOSTILITIES IF WE FOR OUR PART EXCLUDED ANY FUTURE PROSPECT OF NEGOTIATIONS. WHEN WE ARGUED THAT, THERE WAS NO CHANCE WHATSOEVER OF EARLY TALKS FOLLOWING 10 WEEKS OF FIGHTING AND THE DAMAGE DONE TO THE ISLANDERS AND THEIR PROPERTY, BARBARANI SAID THEIS WAS WELL UNDERSTOOD BUT REPEATED THAT OUR POSITION SEEMED TO EXCLUDE NEGOTIATIONS FOR ALL TIME.
- 5. ITALIAN RESERVATIONS SEEM THEREFORE SOMEWHAT DIFFERENT FROM THE GERMAN ONES SET OUT IN BONN TELNO 575, THOUGH THERE IS NO DOUBT THAT THE ITALIANS , GERMANS AND FRENCH HAVE BEEN IN CONSTANT TOUCH OVER THE PAST TWO DAYS. IF WE ARE TO SEEK TO INFLUENCE THE ITALIAN MFA BEFORE THEIR DELEGATION LEAVES FOR BRUSSELS OVER THE WEEKEND, WE SHALL NEED EARLY INSTRUCTIONS.

FCO PLEASE PASS ALL SAVING ADDRESSEES.

ARCULUS

[REPEATED AS REQUESTED]

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