Mr yre hu Handing.

ARGENTINA AND THE FALKLAND ISLANDS

1. Further to the Embassy, Buenos Aires', note dated 31 August of my calls in the Argentine Foreign Ministry on 24 August, I think it worth recording the following additional points made by Ambassador Oliveri-Lopez over lunch, hosted by the Head of Chancery Mr Murray, at which Mr Gozney was also present:

- (a) He personally considered Britain as a natural partner for Argentina: the Argentine man in the street harboured no ill-feelings whatsoever towards Britain and found much to admire in our country. But there was a real need to find a mutually satisfactory solution to the Falkland Islands dispute if this relationship was to prosper. No Argentine Government, of whatever colour, could possibly survive the surrender of the Argentine claim to the Islands. On the other hand, there was no great need for hurry, so long as continuous forward movement was evident. He personally had been much disappointed that the Falkland Islanders had been allowed to veto the agreement on joint economic and scientific exploitation of the South Sandwich Islands (?) which had been agreed between Mr Rowlands and Argentine Ministers.
- (b) He had therefore been correspondingly encouraged to hear Mr Ridley say that the wishes of the Falkland Islanders, though of paramount importance, were not an insuperable obstacle to the reaching of an agreement between the two Governments.
- (c) He welcomed the idea of a preliminary meeting with me before the first round of resumed Ministerial negotiations. He could, if necessary, come straight to a rendezvous after the Antarctic conference in Washington; he would not need to return first to Buenos Aires for briefing, as he had it all in his head anyway!
- 2. As to point (c) above, you will recall that Ambassador Oliveri-Lopez told Mr Hall last week that he still very much wanted to meet me again. Mr Hall explained to him that there was really nothing of substance that I could say at the moment. Oliveri-Lopez replied that he understood this and realised that any matters of substance would have to await the Ministerial meeting; but he would still nevertheless like to come to London. He mentioned one or two points about fishing and other practical measures discussed in March which he would like to explain to me. Mr Hall believes, however, that his main concern was to wangle a trip to London for purely personal reasons.

3. I have as yet been unable to speak to Mr Hall on the telephone about this. But I ought to do so soon. I take it that, in the light of the impending OD discussion and the conversation between the Secretary of State and the Argentine Foreign Minister we shall have to put Oliveri-Lopez off. I should be grateful for your views on this point.

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G W Harding

4 October 1979

Mr Harding

1. I agree that we should try to put off Sr Oliveri-Lopez. I would have thought that Mr Hall could say that, as the Argentines already know, British Ministers are actively considering how best to continue our dialogue and it seems very possible that the next step proposed may be a meeting between Mr Ridley and Commodore Cavandoli (though nothing is definite). At all events, it would probably be premature to rush into another meeting of senior officials before the way ahead had been more clearly charted.

Burg

J B Ure South America Department

4 October 1979

Bu 1/x

what sets me hat I. Oliver lope 2 was completely myshifted by his antennery his dalk between Brig. Generator and his S/Stade! No fuller action for his moment, I write.

(2) Dur Confidential