

## 5. Telegram From the Embassy in Argentina to the Department of State<sup>1</sup>

Buenos Aires, March 30, 1981, 1830Z

2289. Subject: (U) Falkland Islands Negotiations: The View From Buenos Aires. Ref: London 4663.<sup>2</sup>

1. (C) Summary: Argentine Government hopes that recent New York talks<sup>3</sup> have convinced Falkland Islanders and HMG that freeze in the status quo is unacceptable. The GOA would be willing to consider a lease-back arrangement. End summary.

2. (U) On March 6 the Argentine Foreign Ministry issued a communique in which it referred to recent rumors about the status of negotiations on the Falkland/Malvinas question and declared GOA continues to reject any proposal that does not recognize Argentine sovereignty over the Islands as a first principle. GOA statement also noted that the negotiations have been stepped up since April of 1980.<sup>4</sup>

3. (C) EmbOff called on Ricardo Forrester of the Foreign Ministry's Office of Antarctic and Malvinas Affairs. Although Argentines firmly maintain that the negotiations are bilateral between the UK and Argentina, Forrester did not indicate that GOA is miffed at the participation in the UK Delegation of the two Islanders, known as "Kelpers" (for the seaweed that grows along the Islands' shorelines). Noting that the Kelper lobby is strong in London, he implicitly acknowledged that Islander attitudes are an important factor in finding a solution. He said he hopes that a more realistic debate will now take place on the Islands. An Argentine Army Colonel who works on Malvinas matters told EmbOff that he was cautiously optimistic that negotiations would not get off dead center, although, he added, previous talks have gone through cycles of hope and disillusion in the past. Argentines, therefore, seem to approach a new phase in the discussion with circumspection.

4. (C) The Islanders will be holding elections in the second half of this year. According to UK Embassy Malvinas Officer Richard Gosney, the incumbent popularly-elected leaders, called Counsellors, are reluctant to make commitments that would limit their successors' options. Nevertheless, the community of 1,800 is closely knit despite being scattered and isolated, and, according to Gosney, there is reason to hope that discussion among the Islanders will proceed so that the new

---

<sup>1</sup> Source: Department of State, Central Foreign Policy File, D810152-0335. Confidential. Sent for information to London.

<sup>2</sup> See Document 4.

<sup>3</sup> See footnote 3, Document 4.

<sup>4</sup> See footnote 3, Document 2.

authorities will be ready to present views to HMG soon after taking office in the latter part of 1981.

5. (C) The Argentines are prepared to wait a while, but their patience is limited, according to Forrester. He acknowledged that Argentina would be willing to consider a lease-back arrangement, depending on the formulation. Economic decline of the Islands is of concern to all parties, although he noted that in addition to promising geological structures indicating that the area has petroleum potential, there are substantial fishing resources. These at present are exploited mostly by the Poles and Soviets. Argentina and the UK, according to Forrester, share the hope that the sovereignty issue can finally be resolved so that progress can be made on economic problems.

**Shlaudeman**