(Valid 7/4) DVANCE COPIES: FALKLAND ISLANDS PS PS NO 10 DOWNING ST PS/LPS PS/CHANCELLOR PS/ SIR K COUZENS PS/LORD TREFGARNE MR LITTLER PS/PUS MR PERETZ MR GIFFARD)H M TREASURY MR HAWTIN MR WRIGHT MR ILETT MR ADAMS MR J D MCINTYRE MR URE MR GILLMORE DIO CABINET OFFICE HD/S AM D (STANDARD DIST.+ A.D. "F/I") HD/DEFENCE D HD/NEWS D HD/UND HD/EESD RESIDENT CLERK (Copies passed to the Emergency Staff, MOD DITCHEN AND CINC FLEET) . Hd HKGD ADVANCE COS OO BONN OOWASHINGTON GRS 750 CONFIDENTIAL FM UKDEL NATO Ø71655Z APR 82 TO IMMEDIATE FOREIGN AND COMMONWEALTH OFFICE TELEGRAM NUMBER 168 OF 7 APRIL 1982 AND TO IMMEDIATE MODUK INFO IMMEDIATE BONN AND WASHINGTON THE FALKLANDS MY GERMAN COLLEAGUE (PLEASE PROTECT UNLESS THE FRG HAVE 1. TAKEN SIMILAR ACTION IN BONN) HAS PASSED TO ME A TRANSLATION OF A REPORT FROM THE FRG MILITARY ATTACHE IN BUENOS AIRES WHICH HE SAID APPEARED TO HAVE BEEN TELEGRAPHED ONLY TO HIMSELF AND BONN. THE REPORT SEEMS TO BE OF SOME INTEREST (ALTHOUGH

THE ARGENTINE ADMIRAL MAY WELL HAVE BEEN SPEAKING WITH AN EYE

TO HIS WORDS BEING PASSED ON TO US). THE TEXT IS AS FOLLOWS

BEGINSE

- 1. THE A2 OF THE ARGENTINE ADMIRALTY, REAR-ADMIRAL GIRLING ASKED THE GERMAN MILITARY ATTACHE IN RIO DE JANEIRO TO MEET HIM FOR A TALK ON 4 APRIL 1982 AT 1700 HRS. HE TOLD HIM OF THE VISIT OF THE US NAVAL ATTACHE ON 3 APRIL 1982 WHERE THE LATTER HAD INFORMED HIM, ACTING ON INSTRUCTIONS, THAT THE UNITED STATES FULLY SUPPORTED THE BRITISH POSITION. THE UNITED STATES DEMANDED THE WITHDRAWAL OF THE ARGENTINE ARMED FORCES FROM THE FALKLAND ISLANDS. HE ALSO SAID THAT ALL COOPERATION WITH ARGENTINA WOULD BE ENDED. THE US NAVAL ATTACHE ADDED THAT THE UNITED STATES WOULD MAKE AVAILABLE THE US BASE ON THE BRITISH ASCENSION ISLAND TO THE UK AS A LOGISTICAL BASE FOR HER UNITS AND WOULD GIVE THEM ALL ASSISTANCE. HE HAD THEN DEPARTED IN AN UNUSIALLY FORMAL MANNER AND WITHOUT SHAKING HANDS.
- 2. ADMIRAL GIRLING SAID THAT ARGENTINA WOULD NOW ALSO STOP ALL COOPERATION WITH THE UNITED STATES, ESPECIALLY SUPPORT OF THE UNITED STATES IN CENTRAL AMERICA. HE CLEARLY POINTED OUT THAT THE FALKLAND ISLANDS WOULD BE DEFENDED WITH ALL AVAILABLE MEANS AND FORCES AND THAT SOVIET ASSISTANCE WOULD BE ACCEPTED FOR THIS PURPOSE. THE NORMALLY IRRECONCILABLE DIFFERENCES BETWEEN THE USSR AND ARGENTINA HAD TO BE IGNORED. IN VIEW OF THE DISPATCH OF STRONG BRITISH NAVAL FORCES, A SPECIAL SITUATION HAD ARISEN WHICH LEFT NO ALTERNATIVE TO ARGENTINA. ADMIRAL GIRLING CONFIRMED THAT THE US ATTACHES WOULD BE GIVEN SPECIAL PROTECTION BY THE SECURITY FORCES TO PREVENT POSSIBLE ACTION AGAINST US FACILITIES AND ACCOMODATION.
- MEGOTIATE WITH THE UK AS LONG AS SUCH NEGOTIATIONS DID NOT CONCERN ARGENTINA'S SOVEREIGNTY OVER THE ISLANDS. ARGENTINA WAS PREPARED TO WITHDRAW FORCES. ADMIRAL GIRLING POINTED OUT, HOWEVER, THAT FOLLOWING REPORTS OF THE SAILING OF BRITISH FORCES, STRONG FORCES WOULD BE DEPLOYED IN THE FALKLAND ISLANDS TO DEFEND THEM TO THE LAST.
- 4. ADMIRAL GIRLING SAID THAT THE MAKING AVAILABLE OF THE US BASE ON THE ASCENSION ISLAND TO THE UK WAS CLEARLY IN CONFLICT WITH THE INTER-AMERICAN TREATY ON MUTUAL AID IN THE CASE OF ATTACKS FROM OUTSIDE TO WHICH THE UNITED STATES WAS A PARTY. ON THE OTHER HAND, THIS ACTION WOULD CAUSE A LOSS OF FAITH IN THE UNITED STATES ON THE PART OF THE REMAINING PARTIES TO THE TREATY. THE UNITED STATES WERE FACING CONSIDERABLE PROBLEMS IN CENTRAL AMERICA, WHERE PANAMA HAD ALSO OPENLY

PARTY. ON THE OTHER HAND, THIS ACTION WOULD CAUSE A LOSS OF FAITH IN THE UNITED STATES ON THE PART OF THE REMAINING PARTIES TO THE TREATY. THE UNITED STATES WERE FACING CONSIDERABLE PROBLEMS IN CENTRAL AMERICA, WHERE PANAMA HAD ALSO OPENLY SUPPORTED ARGENTINA AND, BECAUSE OF HER ATTITUDE VIS—A—VIS ARGENTINA, THE UNITED STATES WOULD ALSO BE FACING AN INCREASINGLY DIFFICULT SITUATION IN LATIN AMERICA. BY SIDING WITH THE UK, THE UNITED STATES HAD ALSO DEPRIVED ITSELF OF THE POSSIBILITY OF ACTING AS A MEDIATOR. ARGENTINA WAS PREPARING FOR THE DEFENCE OF HER ISLANDS AND HE CALLED ATTENTION TO THE LONG LINES OF COMMUNICATION FROM EUROPE AND THE LACK OF BASES FOR THE BRITISH FORCES.

- FORCES WITH TROOP CARRIERS COULD ONLY REACH THE THEATRE IN TWO OR THREE WEEKS IN WHICH THE SEASONAL WEATHER CONDITIONS SERIOUSLY AFFECTED MILITARY OPERATIONS, THIS NEGATIVE TIME FACTOR FOR THE BRITISH SIDE WOULD BE EXPLOITED TO PREPARE THE DEFENCES.
- 6. AT THE END OF THE CONVERSATION THE DEPUTY TO THE A2
 AGAIN EXPRESSLY REPEATED TO THE GERMAN MILITARY ATTACHE
 THAT ARGENTINA WOULD ACCEPT AID FROM ANYONE OFFERING IT AND
 THAT THIS MIGHT BE THE USSR.
- JANEIRO ARGENTINA IS ENTIRELY PREPARED TO NEGOTIATE BUT WILL NOT RETREAT ONE STEP AS FAR AS THE ISLANDS' SOVEREIGNTY IS CONCERNED. THE SERIOUSNESS OF THE SITUATION IS BEING RECOGNISED, AND ALL PREPARATIONS FOR AN EMERGENCY ARE BEING TAKEN. THE PSYCHOLOGICAL SITUATION AND THE EMOTIONS OF THE POPULATION ARE BEING FURTHER HEATED UP BY THE PRESSA RADIO AND TELEVISION. THE SITUATION MIGHT BECOME DIFFICULT FOR MEMBERS OF THE US EMBASSY BUT ALSO FOR US.

GRAHAM