

ADVANCE COPIES: FALKLAND ISLANDS

(30) + 7 CAB.

PS +6  
PS/MR HURD  
PS/MR ONSLOW  
PS/PUS  
MR GIFFARD  
MR WRIGHT  
MR ADAMS  
MR URE  
MR GILLMORE

IMMEDIATE

ED/S AM D (FCO DIST + A/D F/I)  
ED/DEF D  
ED/NEWS D  
ED/UND  
ED/PLANNING STAFF  
MR ANTHONY WILLIAMS W60  
RESIDENT CLERK

PS NO 10 DOWNING ST  
PS/S OF S FOR DEFENCE  
PS/CHANCELLOR )  
SIR K COUZENS )  
MR LITTLER )  
MR HAWTIN )  
MR PERETZ ) TREASURY  
MR ILETT )  
MR McINTYRE )

MISS DICKSON (EIP DIV) D/EN

DIO CABINET OFFICE  
MR WADE-GERY CABINET OFFICE  
MR FULLER SAPU/DIO " "

SIR M PALLISER CABINET OFFICE  
SIR R ARMSTRONG " "

(Copy passed to Emergency Staff)

CONFIDENTIAL

DESKBY 010700Z MAY  
FROM UKMIS NEW YORK 302251Z APR 82  
TO IMMEDIATE F C O  
TELEGRAM NUMBER 614 DATED 30 APRIL 82  
INFO IMMEDIATE WASHINGTON

MY TELNO 613: FALKLAND ISLANDS

1. I SAW PEREZ DE CUELLAR FOR 40 MINUTES ON THE AFTERNOON OF 30 APRIL.

2. HE READ RAPIDLY FROM THE RECORD OF HIS MEETING WITH THE ARGENTINE FOREIGN MINISTER EARLIER IN THE DAY. COSTA MENDEZ HAD SAID THAT THE ARGENTINE GOVERNMENT WAS OPEN TO ALL ALTERNATIVES FOR A PEACEFUL SOLUTION. ARGENTINA WAS READY TO ACCEPT DIRECT ACTION BY THE UN. HAIG'S MEDIATION HAD NOT SUCCEEDED BECAUSE OF THE SOVEREIGNTY QUESTION, WHICH WAS OF CAPITAL IMPORTANCE TO ARGENTINA AND ON WHICH THEY HAD THE STRONG SUPPORT OF LATIN AMERICA AND THE NON-ALIGNED.

3. COSTA MENDEZ HAD SAID THAT ARGENTINA WAS READY TO ABIDE BY SCR 502. THERE WOULD OF COURSE HAVE TO BE A PHASING OUT PERIOD FOR THE WITHDRAWAL OF ARGENTINE TROOPS: AND A TRANSITIONAL ADMINISTRATION UNTIL THE FULL EXERCISE OF ARGENTINE SOVEREIGNTY BECAME POSSIBLE. RECOGNITION OF ARGENTINA'S RIGHT TO SOVEREIGNTY WAS A BASIC CONDITION. APART FROM THAT, ARGENTINA WAS READY TO ENTER INTO NEGOTIATIONS ON THE WIDEST POSSIBLE BASIS. SHE WAS READY TO TAKE INTO CONSIDERATION THE "INTERESTS" OF THE ISLANDERS BUT NOT THEIR "WISHES" WHICH HAD BEEN IMPOSED BY THE ADMINISTERING POWER. BUT SHE COULD ACCEPT A FORM OF LOCAL ADMINISTRATION WHICH RETAINED A BRITISH FLAVOUR: AND IN THEIR TREATMENT OF THE ISLANDERS, ARGENTINE GENEROSITY WOULD KNOW NO LIMITS. ARGENTINA WAS THEREFORE OPEN TO ALL POSSIBILITIES, EXCEPT ON SOVEREIGNTY.

4. PEREZ DE CUELLAR SAID THAT HE HAD THEN EXPLAINED THE POSSIBLE FORMS WHICH SECURITY COUNCIL ACTION MIGHT TAKE, AND WAYS IN WHICH THE SECRETARY GENERAL COULD EXERCISE HIS GOOD OFFICES. HE HAD SAID THAT HE WOULD NOT TAKE ANY INITIATIVE WHILE HAIG'S MISSION WAS ALIVE. AT THIS POINT IN THE CONVERSATION A RESUME OF HAIG'S PRESS CONFERENCE (TAKING PLACE SIMULTANEOUSLY) HAD BEEN BROUGHT IN. (THE SECRETARY GENERAL NOTED IN PASSING THAT HAIG HAD NOT ANNOUNCED OFFICIALLY THAT HIS MISSION WAS OVER. THIS COMPLICATED PEREZ DE CUELLAR'S POSITION). COSTA MENDEZ STATED THAT ARGENTINA WANTED TO AVOID WAR, AND SAW "NO INCONVENIENCE" IN ACTION BY THE UN. HE THOUGHT THAT, IN THE LIGHT OF HAIG'S STATEMENT, THE CONTINUATION OF HAIG'S MISSION APPEARED IMPOSSIBLE.

5. COSTA MENDEZ HAD SAID THAT HE WOULD BE STAYING IN NEW YORK UNTIL SATURDAY AND WOULD BE AVAILABLE IF REQUIRED. HE HAD THEN LEFT TO MEET THE PRESS. PEREZ DE CUELLAR NOTED THAT, IN HIS REMARKS TO THEM (SEE MY IMMEDIATELY FOLLOWING TELEGRAM) COSTA MENDEZ HAD NOT SAID THAT HAIG'S MISSION WAS OVER.

6. THE SECRETARY GENERAL HAD ALSO RECEIVED A LETTER FROM MR HAIG (WHICH HE WOULD NOT BE PUBLISHING). THIS COVERED THE SAME GROUND AS HAIG'S PRESS STATEMENT, BUT ENDED BY SAYING THAT REAGAN WAS READY FOR HAIG TO RESUME HIS EFFORTS EVEN IF MILITARY ACTION TOOK PLACE.

7. IN REPLY, I GAVE THE SECRETARY GENERAL THE TEXT OF YOUR PRESS STATEMENT AND THE TRANSCRIPT OF SOME OF YOUR REPLIES TO QUESTIONS. I DREW HIS ATTENTION IN PARTICULAR TO YOUR REMARKS ABOUT THE THREE MAJOR ELEMENTS OF A POSSIBLE AGREEMENT: AND ABOUT THE

I DREW HIS ATTENTION IN PARTICULAR TO YOUR REMARKS ABOUT THE THREE MAJOR ELEMENTS OF A POSSIBLE AGREEMENT: AND ABOUT THE PURPOSES OF YOUR VISITS TO WASHINGTON AND NEW YORK.

8. REFERRING TO COSTA MENDEZ'S STATEMENTS ABOUT ARGENTINE SOVEREIGNTY, I SAID THAT IT WAS IMPOSSIBLE FOR THE BRITISH GOVERNMENT TO CONCEDE ARGENTINE SOVEREIGNTY IN ADVANCE, OR TO ACCEPT CONDITIONS IMPLYING THAT THEY WERE PREPARED TO CONCEDE SOVEREIGNTY. I THOUGHT THAT WHEN COSTA MENDEZ SAID THAT ARGENTINA WAS READY TO IMPLEMENT SCR 502 IN ITS ENTIRETY, HE WAS IMPLYING THAT HE WOULD START AT THE BOTTOM END OF THE RESOLUTION. PEREZ DE CUELLAR SAID THAT COSTA MENDEZ HAD TOLD HIM THAT ARGENTINA WISHED TO BEGIN IMPLEMENTATION WITH NEGOTIATIONS. I POINTED OUT THAT THIS CONFIRMED THAT THE ARGENTINES WERE NOT PREPARED TO WITHDRAW WITHOUT SECURING RECOGNITION OF THEIR SOVEREIGNTY IN ADVANCE.

9. RAFAEUDDIN AHMED SUGGESTED THAT WE SHOULD EXPLORE FURTHER COSTA MENDEZ'S REMARKS ABOUT IMPLEMENTATION. I WARNED HIM FIRMLY THAT WE WERE GOING ROUND IN CIRCLES. BRITAIN COULD NOT ACCEPT A PROCESS OF MEDIATION OR NEGOTIATION WHILE THE ARGENTINES DUG THEMSELVES IN. WE COULD NOT HAVE A GUNNAR JARRING TYPE OF NEGOTIATION DRAGGING ON FOR YEARS WHILE NOTHING CHANGED ON THE GROUND. THIS WOULD BE A PROBLEM FOR ANY POTENTIAL MEDIATOR, FROM THE UN OR ELSEWHERE.

10. WE AGREED TO TAKE MATTERS NO FURTHER BEFORE YOUR VISIT. BUT PEREZ DE CUELLAR THEN SAID THAT HE WAS WORRIED ABOUT THE POSSIBILITY OF MILITARY CLASHES DURING THE NEXT TWO DAYS. AHMED INTERJECTED THAT THIS COULD PUT THE SECRETARY GENERAL IN AN IMPOSSIBLE POSITION. PEREZ DE CUELLAR SAID THAT HE HAD CONSTANTLY MADE CLEAR THAT HE WAS AVAILABLE TO ASSIST THE SEARCH FOR A PEACEFUL SOLUTION; BUT HE WOULD HAVE TO DO SOMETHING, IF THERE WAS A SERIOUS CLASH. I SAID THAT IT WAS ESSENTIAL THAT THERE SHOULD BE NO PUBLIC CONTROVERSY BETWEEN HIM AND ME. I WOULD CONTACT HIM IMMEDIATELY IF ANYTHING HAPPENED.

11. FINALLY, PEREZ DE CUELLAR SAID THAT, IF ARGENTINA STATED OFFICIALLY THAT HAIG'S MISSION WAS DEAD, A VOID WOULD EXIST WHICH HE AND THE SECURITY COUNCIL WOULD BE EXPECTED TO FILL. HE ALSO WONDERED WHETHER ILLUECA (PANAMA), WHO WAS ABOUT TO SEE HIM, MIGHT TRY TO CONVENE THE COUNCIL. I SAID FIRMLY THAT, IF SOMEONE CALLED THE COUNCIL AND IT BECAME EMBROILED IN UNTIDY PROCEEDINGS, I WOULD HAVE TO ADVISE YOU NOT TO COME TO NEW YORK.

PROCEEDINGS, I WOULD HAVE TO ADVISE YOU NOT TO COME TO NEW YORK.

12. BY AGREEMENT WITH PEREZ DE CUELLAR, I TOLD THE PRESS ONLY THAT I HAD INFORMED HIM OF MY GOVERNMENT'S VIEWS, OF YOUR LATEST STATEMENT, AND OF YOUR FORTHCOMING VISIT TO NEW YORK. HE HAD INFORMED ME OF HIS HIS MEETING WITH COSTA MENDEZ. IN REPLY TO A QUESTION, I SAID THAT THE UNITED KINGDOM HAD NOT ASKED THE SECRETARY GENERAL TO MEDIATE.

PARSONS

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