FALMLANDS POLICY ADVANCES (32)

[TYP15TS

PS

PS/MR HURD

PS/MR ONSLOW

PS/PUS

MR BULLARD

SIR I SINCLAIR

MR GIFFARD

MR WRIGHT

MR GILLMORE

MR URE

HD/S AND D

HD/DEF DEPT

HD/PLANNING STAFF

HD/UND .

HD/NEWS DEPT

HD/ERD

HD/PUSD

EMERGENCY ROOM

PS/NO 10 DOWNING STREET (2 copies)

PS/S OF S DEFENCE

PS/HOME SECRETARY

PS/HOLL SECRETARY C/O No 10 Dst.

PS/ATTURNEY GENERAL

PS/CHANCELLOR DUCHY OF LANCASTER

PS/SIR R ARMSTRONG )

PS/SIR M PALLISER

MR WADE GERY

MR FULLER

DIO

· MR J M STEWART AUSD STAFF (MOD)

ADVANCE COPY

DBY 0808502

IMMEDIATE

CONFIDENTIAL

DESKBY Ø8Ø8ØØZ

FROM UKMIS NEW YORK Ø72357Z MAY 82

TO IMMEDIATE F C O

TELEGRAM NUMBER 674 DATED 7 MAY 82

INFO IMMEDIATE WASHINGTON

MY TELNO 672: FALKLAND ISLANDS

1. ROS, THE ARGENTINE DEPUTY FOREIGN MINISTER, ARRIVED IN NEW YORK TODAY (7 MAY) AND SAW THE SECRETARY GENERAL AT 2100Z.

PEREZ DE CUELLAR IS TO SEE HIM AGAIN AT 1330Z TOMORROW AND HAS ASKED ME TO CALL AT 1530Z. PEREZ DE CUELLAR TOLD ME THIS EVENING THAT ROS HAD GIVEN HIM 'AMPLIFICATIONS' OF THE ARGENTINE REPLY WHICH PEREZ DE CUELLAR WAS STUDYING.

2. THE MOD STATEMENT IN YOUR TELNO 91 TO BERNE HAS ALREADY CAUSED A STIR HERE. IT HAS PROVOKED A LETTER FROM ROCA (ARGENTINA) TO THE PRESIDENT OF THE SECURITY COUNCIL (TEXT IN MY IMMEDIATELY FOLLOWING TELEGRAM), HAS WORRIED PEREZ DE CUELLAR, AND IS BEING PRESENTED DRAMATICALLY IN THE NEW YORK MEDIA (THE NEW YORK

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CABINET OFFICE

TO THE PRESIDENT OF THE SECURITY COUNCIL (TEXT IN MY IMMEDIATELY FOLLOWING TELEGRAM), HAS WORRIED PEREZ DE CUELLAR, AND IS BEING PRESENTED DRAMATICALLY IN THE NEW YORK MEDIA (THE NEW YORK POST HEADLINE READS : "MAINLAND BLOCKADE: BRITAIN EXPANDS WAR AS INVASION LOOMS''). I HAD A DIFFICULT INTERVIEW THIS EVENING WITH CBC RADIO BUT WAS ABLE TO USE THE GUIDANCE IN THE LAST PARAGRAPH OF YOUR TELNO 91 TO BERNE. I SHALL WRITE TO THE PRESIDENT OF THE SECURITY COUNCIL IN SIMILAR TERMS TOMORROW. FOLLOWING MY TELECON WITH THE PUS, I HAVE REASSURED PEREZ DE CUELLAR THAT THE MOD STATEMENT SHOULD NOT BE SEEN AS A DRAMATIC ESCALATION OF THE CONFLICT BUT RATHER AS A CLARIFICATION OF EARLIER ANNOUNCEMENTS. THE ARGENTINES HAVE NOT ASKED FOR A MEETING OF THE SECURITY COUNCIL. THERE IS A RISK HOWEVER THAT EITHER THE PRESIDENT OR DORR (IRELAND) MAY OVER-REACT AND DO SC. PEREZ DE CUELLAR IS GOING TO SPEAK TO THE PRESIDENT TO STOP HIM PANICKING AND I WILL TRY TO TAKE CARE OF DORR.

3. URQUHART (PLEASE PROTECT) HAS TOLD US THAT THE SECRETARY-GENERAL IS DESPONDENT AND WORRIED. THIS IS MAINLY BECAUSE OF WHAT HE SEES AS HAIG'S ATTEMPTS TO BLOCK HIS INITIATIVE. MRS KIRKPATRICK TELEPHONED HIM TODAY, AT HA'IG'S REQUEST (SHE SAID), TO TELL HIM THAT OTHER EFFORTS (UNSPECIFIED) WERE UNDER WAY AND THAT IT WOULD BE A PITY IF THE SECRETARY-GENERAL WERE TO CUT ACROSS THEM. PEREZ DE CUELLAR REPLIED VERY FIRMLY THAT HE HAD STAYED OUT OF THE GAME FOR THREE WEEKS TO GIVE HAIG HIS CHANCE, THAT HE HAD ONLY COME INTO IT NOW VERY RELUCTANTLY, BUT THAT, ONCE IN, HE WAS GOING TO PERSEVERE AND NOT ALLOW ANYONE TO CUT ACROSS HIM. PEREZ DE CUELLAR IS ALSO DETERMINED NOT TO BE USED BY THE ARGENTINES OR OTHERS. URQUHART HAS CONFIRMED, THAT HE ABSOLUTELY ACCEPTS WHAT I SAID THIS MORNING (MY TELEGRAM UNDER REFERENCE) ABOUT THE RISK THAT ANYTHING AGREED WITH ROS WILL SUBSEQUENTLY BE DISOWNED BY THE JUNTA: HE HAS NO ILLUSIONS ABOUT THE ARGENTINES. HE WILL PRESS ROS HARD AND, IF ROS FAILS TO CONFIRM THAT THE ARGENTINES ARE PREPARED TO LEAVE THE SOVEREIGNTY QUESTION OPEN DURING AN INTERIM PERIOD, HE WILL SAY THAT IN THAT CASE HIS EFFORT IS AT AN END. FINALLY, HE IS WORRIED BY THE RISK OF ANOTHER MAJOR MILITARY ENGAGEMENT. BUT HE FULLY ACCEPTS THE ASSURANCES I GAVE HIM THIS MORNING ABOUT OUR GOOD FAITH.

PARSONS