

ER

CONFIDENTIAL

DESKBY 080900Z MAY 82
FM LIMA 050100Z MAY 82
TO IMMEDIATE FCO
TELEGRAM NUMBER 161 OF 08 MAY

ms

MIPT: FALKLANDS

1. WHEN I CALLED ON THE MINISTER OF FOREIGN AFFAIRS THIS EVENING HE ASKED ME HOW WE COULD RECONCILE OUR AVOWED DESIRE TO REACH A PEACEFUL SETTLEMENT WITH OUR LATEST MOVE IN IMPOSING A 12 MILE EXCLUSION ZONE OFF THE COAST OF ARGENTINA. I SAID THAT IT HAD ALWAYS BEEN OUR DECLARED INTENTION TO MAINTAIN DIPLOMATIC, ECONOMIC AND MILITARY PRESSURE ON ARGENTINA AS A MEANS OF OBTAINING THE IMPLEMENTATION OF RESOLUTION 502 AND THAT IT WAS CLEARLY CONTRARY TO OUR INTERESTS AND OBJECTIVES TO ALLOW THE ARGENTINES TO SPIN OUT NEGOTIATIONS AT THE U.N. HENCE THE NEED FOR ADDITIONAL MILITARY PRESSURE.

2. DR ARIAS SAID HE WONDERED IF WE WERE RIGHT TO DO THIS. IN ALL THEIR CONSIDERATION OF THE PROBLEM THE PERUVIANS HAD TAKEN INTO ACCOUNT THE ADVICE OF THE MINISTRY'S LEGAL EXPERTS WHOSE JURIDICAL OPINION WAS THAT ARGENTINA WAS THE AGGRESSOR. BUT HE THOUGHT THE POSITION HAD NOW CHANGED. ARGENTINA'S INTERNATIONAL POSTURE ON A 200-MILE TERRITORIAL ZONE (SHARED BY PERU) WAS WELL KNOWN AND THE BRITISH THREAT TO CARRY HOSTILITIES INTO THIS AREA WOULD CONVERT US INTO THE AGGRESSOR IN JURIDICAL TERMS.

WALLACE

GNNN