

UNCLASSIFIED

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TO IMMEDIATE F C O

TELNO 1682 OF 9 MAY 1982,

INFO IMMEDIATE UKMIS NEW YORK, BIS NEW YORK.

FALKLAND ISLANDS: US TELEVISION INTERVIEW WITH COSTA-MENDEZ

1. COSTA-MENDEZ WAS INTERVIEWED FROM BUENOS AIRES BY CBS TELEVISION THIS MORNING. COSTA MENDEZ SAID THAT BRITISH ATTACKS ON THE FALKLANDS, NOW UNDER WAY, WERE CHARACTERISTIC OF BRITISH BEHAVIOUR WHICH HAD BEEN TO LAUNCH AN ATTACK WHENEVER "SOUND TALKS" DESIGNED TO LEAD TO A NEGOTIATED SETTLEMENT WERE IN PROGRESS.

2. ASKED ABOUT ARGENTINE CONDITIONS FOR A SETTLEMENT, COSTA MENDEZ SAID ARGENTINA WAS READY TO WITHDRAW ITS TROOPS IF BRITAIN WAS WILLING TO WITHDRAW ITS FLEET. THE AUTHORITY OF THE UN COULD BE ESTABLISHED AND, AS PART OF SUCH AN ARRANGEMENT, DISCUSSIONS ON SOVEREIGNTY COULD BE UNDERTAKEN. BUT ALL THIS MUST LEAD TO RECOGNITION OF ARGENTINE SOVEREIGNTY, EVEN IF THE BRITISH DID NOT ACCEPT THAT SOVEREIGNTY AT THE VERY BEGINNING.

3. WHEN ONE OF THE INTERVIEWERS COMMENTED THAT COSTA MENDEZ SEEMED TO BE SAYING THAT HE WAS WILLING TO NEGOTIATE SO LONG AS THE OUTCOME WAS KNOWN IN ADVANCE, COSTA MENDEZ SAID THIS WAS NOT CORRECT. ARGENTINA WAS NOT SAYING THAT BRITAIN MUST ACCEPT ARGENTINE SOVEREIGNTY AT THE BEGINNING. SOVEREIGNTY WAS NOT BEING PUT AS PRECONDITION FOR TALKS THOUGH NEGOTIATIONS SHOULD ARRIVE AT ARGENTINE SOVEREIGNTY.

4. ASKED AGAIN WHETHER HE WAS SAYING THAT ARGENTINA NO LONGER HAD TO BE GUARANTEED SOVEREIGNTY AT THE BEGINNING OF THE NEGOTIATIONS, COSTA MENDEZ APPEARED TO AGREE. THERE WAS NO DOUBT OF THE GOAL: RECOGNITION OF ARGENTINE SOVEREIGNTY, BUT ARGENTINA DID NOT DEMAND THAT BRITAIN SIT AT THE TABLE AND SAY THAT THEY RECOGNISED ARGENTINE SOVEREIGNTY AT THE BEGINNING. THERE WAS NO OTHER GOAL THAN SOVEREIGNTY. EVERYTHING ELSE COULD BE DISCUSSED WITH BRITAIN.

~~5. OTHER POINTS MADE DURING THE INTERVIEW INCLUDED:~~

A) THE ISLANDERS WOULD BE GRANTED EVERY RIGHT - RELIGION, LANGUAGE, EDUCATION, OWNERSHIP OF PROPERTY. EVEN NATIONAL MINORITY STATUS FOR THE ISLANDERS WAS UNDER

OVER

5 OTHER POINTS MADE DURING THE INTERVIEW INCLUDED:

- A) THE ISLANDERS WOULD BE GRANTED EVERY RIGHT - RELIGION, LANGUAGE, EDUCATION, OWNERSHIP OF PROPERTY. EVEN NATIONAL MINORITY STATUS FOR THE ISLANDERS WAS UNDER STUDY.
- B) THERE WOULD BE FAIR COMPENSATION FOR THOSE ISLANDERS WHO WISHED TO LEAVE. THOSE WHO WERE NOT LANDOWNERS WOULD BE GIVEN ACCESS TO LAND EITHER ON THE ISLANDS OR IN ARGENTINA AND SOFT LOAN TERMS WOULD BE MADE AVAILABLE. ARGENTINA WOULD EVEN HELP THOSE WHO MIGHT WANT TO LEAVE EG FOR AUSTRALIA OR NEW ZEALAND.
- C) THE FALKLANDS WAS A CLASSIC CASE OF COLONIALISM WITH 46% OF THE LAND AND 90% OF THE BUSINESS IN THE HANDS OF ONE COMPANY. MANY ISLANDERS HAD NO ACCESS TO PROPERTY.
- D) ARGENTINA HAD NOT ASKED THE SOVIET UNION FOR MILITARY ASSISTANCE. THE TWO COUNTRIES HAD EXCELLENT TRADING RELATIONS. ARGENTINA'S FAVOURABLE TRADE BALANCE WITH THE SOVIET UNION ENABLED HER TO PAY FOR THE IMBALANCE IN HER TRADE WITH THE US.
- E) THE US HAD GONE TOO FAR BY ABANDONING NEUTRALITY IN THE DISPUTE AND WAS PUTTING AT RISK ITS INTERESTS IN LATIN AMERICA.

HENDERSON

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