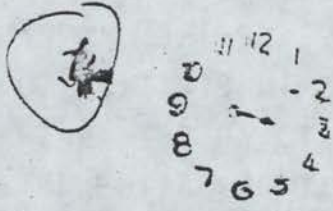


- 8 MAY 1982

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CONFIDENTIAL

DESKBY 090500Z (BRUSSELS)
FM UKMIS NEW YORK 090107Z MAY 82



TO FLASH FCO
TELEGRAM NUMBER 686 OF 8 MAY

AND TO IMMEDIATE BRUSSELS (FOR S OF S'S PARTY).
INFO IMMEDIATE WASHINGTON.

MIPT: FALKLAND ISLANDS.

1. AFTER TODAY'S ROUNDS, IT IS CLEAR THAT THE ARGENTINES HAVE ORGANISED THEIR NEGOTIATING POSITION VERY THOROUGHLY. PEREZ DE CUELLAR TOLD ME IN STRICT CONFIDENCE (PLEASE PROTECT) THAT ROS HAS A PREPARED BRIEF ON EVERY TOPIC FROM WHICH HE READS VERBATIM AS APPROPRIATE. INTERESTINGLY EACH PAGE OF HIS BRIEF IS INITIALLED, BUT PEREZ DE CUELLAR CANNOT SEE BY WHOM EXCLAM.

2. I THINK THAT THERE ARE THREE POSSIBILITIES. THE FIRST, AND LEAST LIKELY, IS THAT THE ARGENTINES HAVE DECIDED TO NEGOTIATE IN GOOD FAITH AND TO PLAY IT STRAIGHT, INCLUDING ENTERING A NEGOTIATION WITH ALL OPTIONS OPEN FOLLOWING LINKED WITHDRAWAL/CEASEFIRE ETC. AGAIN, IN STRICT PRIVACY, PEREZ DE CUELLAR IS AS SCEPTICAL ABOUT THIS AS I AM. I HOPE WE ARE WRONG.

3. THE SECOND POSSIBILITY IS THAT THE ARGENTINES HAVE REALISED THAT IF THE SEARCH FOR A DIPLOMATIC SOLUTION FINALLY FAILS BECAUSE OF THEIR INSISTENCE ON PREJUDGING THE SOVEREIGNTY QUESTION, IT WILL BE DIPLOMATIC GAME, SET AND MATCH TO US. THIS WOULD BE TRUE THROUGHOUT THE MEMBERSHIP OF THE UN WHATEVER THEIR PRECONCEPTIONS MAY BE ON THE MERITS OF THE SUBSTANCE OF THE DISPUTE. HENCE, THE ARGENTINES ARE LOOKING FOR AN ALTERNATIVE TO OBLIGE US TO BREAK OFF NEGOTIATIONS ON GROUNDS WHICH WOULD AWARD GAME, SET AND MATCH TO THEM DIPLOMATICALLY. THIS COULD EXPLAIN THEIR CURRENT INSISTENCE THAT THE ISLANDS SHOULD BE ADMINISTERED EXCLUSIVELY BY THE UNITED NATIONS THROUGH THE INTERIM PERIOD. THIS PROPOSITION WOULD COMMAND MAXIMUM SUPPORT HERE AND, IF WE TURNED IT DOWN, THE ARGENTINES WOULD BE ABLE TO GO HOME AND CLAIM THAT THE BRITISH HAD REFUSED SOMETHING WHICH WAS OBVIOUSLY REASONABLE TO THE WHOLE OF THE INTERNATIONAL COMMUNITY, AND WERE CLEARLY DETERMINED TO PURSUE THE MILITARY OPTION ONLY. THEY WOULD THUS NOT HAVE TO EXPOSE IN THE UN THEIR ACHILLES HEEL ON THE PREJUDGMENT OF SOVEREIGNTY, AND WOULD FIND IT EASIER TO WRONG-FOOT US IN THE SECURITY COUNCIL ON AN UNCONDITIONAL CALL FOR CESSATION OF HOSTILITIES COMBINED WITH A

4. THE THIRD POSSIBILITY IS THAT THEY HAVE DECIDED THAT THEY CANNOT GET WHAT THEY WANT NOW, AND THAT THEY SHOULD PREPARE THE GROUND TO GET IT THE DAY AFTER THE INTERIM PERIOD EXPIRES. THIS WOULD MEAN THAT THEY WOULD GENUINELY NEGOTIATE AN AGREEMENT WITH US NOW, THUS BRINGING ABOUT A CEASEFIRE, MUTUAL WITHDRAWAL ETC PLUS AN INTERIM PERIOD UNDER UN ADMINISTRATION TO TERMINATE ON A FIXED DATE. BUT THEY WOULD REFUSE TO ACCEPT ANYTHING IN THE AGREEMENT WHICH ENVISAGED PROLONGATION OF THE INTERIM PERIOD IF NO AGREEMENT HAD BEEN REACHED. THERE WOULD THEN BE NO WAY IN WHICH WE COULD PERSUADE THE SECURITY COUNCIL TO ADOPT WORDING OUTSIDE THE AGREEMENT WHICH WOULD PROLONG THE INTERIM PERIOD IF AGREEMENT HAD NOT BEEN REACHED BY THE TERMINAL DATE. THE ARGENTINES WOULD GET THE SOVIET UNION TO VETO ANY SUCH PROPOSITION ON THE GROUND THAT THE BRITISH WERE DEMONSTRATING EVEN BEFORE THE BEGINNING OF THE TRANSITIONAL PERIOD THAT THEY WERE PLANNING TO DRAG THEIR FEET, AS WE HAVE BEEN ACCUSED OF DOING OVER THE PAST 15 YEARS. ALL THE ARGENTINES WOULD THEN HAVE TO DO WOULD BE TO INSIST THAT NO AGREEMENT WAS POSSIBLE EXCEPT ON THE BASIS OF BRITISH RECOGNITION OF THEIR SOVEREIGNTY AND POSSESSION (OBVIOUSLY ACCOMPANIED BY A LOT OF PROMISES REGARDING THE WELFARE, ETC OF THE ISLANDERS). AT THE TERMINAL DATE, THE UN WOULD WITHDRAW BECAUSE IT WOULD NO LONGER HAVE A MANDATE TO REMAIN, AND THEY WOULD WALK IN. IN THE MEANTIME, THEY WOULD PROBABLY HAVE SUCCEEDED IN ENGINEERING A BIG MAJORITY FOR A RESOLUTION AT THE FORTHCOMING REGULAR SESSION OF THE GENERAL ASSEMBLY, EG IN NOVEMBER OR DECEMBER, AFFIRMING THAT THE ISLANDS SHOULD BE DECOLONISED AND PASS TO THEIR SOVEREIGNTY WITH APPROPRIATE SAFEGUARDS FOR THE INTERESTS OF THE ISLANDERS.

5. I SHOULD SAY AT THIS POINT THAT, ALTHOUGH UN ADMINISTRATION WOULD BE NO GUARANTEE IN ITSELF OF ARGENTINE GOOD BEHAVIOUR DURING THE INTERIM PERIOD, I STRONGLY DOUBT WHETHER THEY WOULD ACTUALLY INVADE AND THROW OUT THE UN (AS NASSER DID WITH UNEF IN 1967) WHILE THEY WERE NEGOTIATING UNDER THE SECRETARY-GENERAL'S AUSPICES IN THE FRAMEWORK OF AN AGREEMENT WHICH THEY HAD SIGNED AND WHICH HAD BEEN ENDORSED BY THE SECURITY COUNCIL. TO DO THIS WOULD PROBABLY BE TOO CATASTROPHIC EVEN FOR THEIR REPUTATION. BUT, AS SUGGESTED ABOVE, THEY WOULD NOT BE SLOW TO FILL THE VACUUM WHICH WOULD RESULT THE DAY AFTER THE TERMINATION OF THE INTERIM PERIOD IF NO AGREEMENT HAD BEEN REACHED.

6. WHAT SHOULD OUR TACTICS BE IN THE LIGHT OF THE ABOVE CONSIDERATIONS? FIRST, WE MUST CONTINUE TO SHOW A POSITIVE, SINCERE AND URGENT ATTITUDE TOWARDS THE NEGOTIATIONS. PEREZ DE CUELLAR IS IN MY VIEW BEHAVING EXTREMELY WELL, AND HE IS AS SUSPICIOUS OF THE ARGENTINES AS I AM. OUR TETE-A-TETE SESSIONS ARE INVALUABLE.

7. SPECIFICALLY, I SUGGEST THAT WE SHOULD RETURN CONCRETE REPLIES TO THE QUESTIONS IN PARA 10 OF MY TEL NO 679 INCLUDING A DRAFT SCHEDULE FOR QUOTE SIMULTANEOUS UNQUOTE WITHDRAWAL CEASEFIRE LIST

AS I AM. OUR TETE-A-TETE SESSIONS ARE INVOLVED.

7. SPECIFICALLY, I SUGGEST THAT WE SHOULD RETURN CONCRETE REPLIES TO THE QUESTIONS IN PARA 12 OF MY TEL NO 679 INCLUDING A DRAFT SCHEDULE FOR QUOTE SIMULTANEOUS UNQUOTE WITHDRAWAL, CEASEFIRE, LIFT-OF EXCLUSION ZONES, ECONOMIC MEASURES, ETC. FOR THE MOMENT, WE CAN POCKET WHAT ROS HAS SAID ABOUT ACCEPTING THAT THE PROVISIONAL MEASURES ARE WITHOUT PREJUDICE TO THE RIGHTS, CLAIMS AND POSITIONS OF THE PARTIES. I HAVE MADE CLEAR TO PEREZ DE CUELLAR AND HIS STAFF THAT OUR ULTIMATE ACCEPTANCE OF ARGENTINE GOOD FAITH ON THIS POINT WILL DEPEND ON THE VALIDITY OF THEIR FINAL RESPONSE, IE WE ARE NOT PREPARED TO ACCEPT ANYTHING ON THE SAY SO OF CIVILIAN OFFICIALS.

[Faint, mostly illegible text]

[Faint, mostly illegible text]

8. THE TRICKY POINT AT THIS MOMENT, AS I HAVE SUGGESTED IN PARA 3 ABOVE, IS OUR ATTITUDE TOWARD THE NATURE OF THE INTERIM ADMINISTRATION. I UNDERSTAND FROM WASHINGTON TEL NO 1597 THAT OUR REASON FOR PREFERING THE CONTACT GROUP IS THAT IT WOULD BE THE BEST GUARANTEE THAT WE COULD GET NOT ONLY IN THE INTERIM PERIOD BUT TO FILL THE VACUUM IF WE FAILED TO REACH AGREEMENT BY THE TERMINAL DATE. BUT I BELIEVE THAT IF WE STAND FAST ON THE CONTACT GROUP, THERE IS A REAL DANGER THAT THE ARGENTINES WILL TRY TO MAKE THIS A BREAKING POINT AND TO SCORE HEAVILY AS I HAVE INDICATED. MY SUGGESTION IS THAT I MIGHT TAKE THE FOLLOWING LINE TOMORROW (9 MAY). WE ARE PREPARED TO LOOK MORE CLOSELY AT THE POSSIBILITY OF UN ADMINISTRATION, BUT WE COULD NOT ACCEPT THE TOTAL EXCLUSION OF THE ISLANDERS, AS PROPOSED IN THE LATEST ARGENTINE FORMULATION: THIS IS A GREAT DEAL MORE RIGID THAN THE IDEAS THEY DISCUSSED WITH HAIG WHERE THE PROBLEM WAS THE DISPROPORTIONATE NUMBER OF ARGENTINES WHICH THEY REQUIRED ON THE TWO COUNCILS. WE WOULD WANT THE ADMINISTRATION IN THE INTERIM PERIOD TO BE CARRIED OUT QUOTE IN CONSULTATION WITH THE ELECTED REPRESENTATIVES OF THE POPULATION OF THE ISLANDS UNQUOTE (THE UK VERSION OF THE PERUVIAN PROPOSALS). (IT WOULD BE HELPFUL IF YOU COULD SPELL THIS OUT IN MORE DETAIL, IE WOULD THERE BE A COUNCIL WITH FORMAL RULES OF PROCEDURE ETC AND AN ORGANIC LEGAL RELATIONSHIP WITH THE ADMINISTRATOR, OR WOULD HE ACT FOLLOWING INFORMAL CONSULTATIONS WITH THE ELECTED REPRESENTATIVES?) I COULD TAKE THIS LINE AS AN EXPLORATORY MOVE WITHOUT CONCEDED OUR POSITION ON THE CONTACT GROUP FOR THE TIME BEING.

9. LOOKING A LITTLE FURTHER DOWN THE ROAD, IF WE WERE TO ACCEPT UN ADMINISTRATION ON CONDITIONS WITH WHICH WE COULD LIVE, WE WOULD HAVE MADE A CONCESSION BY GIVING UP THE CONTACT GROUP. WE SHOULD EXTRACT A COUNTER CONCESSION FOR THIS. MY INCLINATION WOULD BE TO CLEAN UP THE TERMS OF REFERENCE FOR THE NEGOTIATIONS (WHICH WE HAVE NOT YET SEEN) AND ELIMINATE ANY PREJUDICIAL LANGUAGE SUCH AS REFERENCES TO GENERAL ASSEMBLY RESOLUTIONS.

10. IF YOU COULD GIVE ME INSTRUCTIONS ON ALL THE ABOVE, THIS WOULD CARRY ME THROUGH TOMORROW'S NEGOTIATIONS. I REALISE THAT I HAVE NOT TACKLED THE ANSWER TO THE THIRD AND PERHAPS MOST SINISTER POSSIBILITY OUTLINED IN PARA 4 ABOVE. IT IS EXTREMELY HARD TO SEE A WAY OUR OF THIS DILEMMA. I SHALL EXPLORE IT AGAIN WITH PEREZ DE CUELLAR STRICTLY TETE-A-TETE AND SEE IF HE HAS ANY IDEAS. IF WE SEEMED TO BE GETTING CLOSE TO AN AGREEMENT, HE MIGHT JUDGE IT POSSIBLE TO INSERT SOMETHING WHICH WOULD ALLOW FOR A CONTINUING PROCESS WITH UN INVOLVEMENT IF NO AGREEMENT HAD BEEN REACHED BY THE END OF THE TRANSITIONAL PERIOD. I WILL REVERT TO THIS IN A FURTHER TELEGRAM, PROBABLY TOMORROW (9 MAY).

11. WE MUST NOT IN ALL THIS FORGET ABOUT SOUTH GEORGIA AND THE OTHER DEPENDENCIES. BUT I DO NOT THINK THAT THE TIME HAS YET COME TO INJECT THEM INTO THE DISCUSSION

INJECT THEM INTO THE DISCUSSION.

12. I HAVE MORE IDEAS ABOUT HOW WE MIGHT DEPLOY A TRUSTEESHIP PROPOSAL. I WILL LET YOU HAVE THESE SHORTLY. FOR THE MOMENT I THINK WE SHOULD KEEP IT CLOSE TO OUR CHESTS (AND CERTAINLY NOT DISCUSS IT WITH THE RUSSIANS - MOSCOW TEL NO 260).

PARSONS

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