

FALKLANDS SELECTIVE ADVANCES (32)

PS (6)
 PS/MR HURD
 PS/MR ONSLOW
 PS/PU\$
 MR BULLARD
 SIR I SINCLAIR
 MR GIFFARD
 MR WRIGHT
 MR GILLMORE
 MR URE
 HD/SAMD
 HD/DEF D
 HD/PLANNING STAFF
 HD/UND
 HD/NEWS D
 HD/ERD
 HD/PUSD
 EMERGENCY ROOM *Sent*
 RESIDENT CLERK

IMMEDIATE

PS/No.10 DOWNING STREET (2 Copies)
 PS/S of S DEFENCE
 PS/HOME SECRETARY
 PS/HOME SECRETARY(C/O No.10 D St)
 PS/ATTORNEY GENERAL
 PS/CHANCELLOR DUCHY OF LANCASTER
 PS/SIR R ARMSTRONG)
 PS/SIR M PALLISER)
 MR WADE-GERY) CABINET OFFICE
 MR FULLER)
 D I O)
 MR J M STEWART AU\$D STAFF (MOD)

CONFIDENTIAL

DESKBY 100700Z
 FM UKMIS NEW YORK 100301Z MAY 82
 TO IMMEDIATE FCO
 TELEGRAM NUMBER 695 OF 9 MAY
 INFO IMMEDIATE WASHINGTON.

MW 0344

MIPT: FALKLANDS.

1. MY TACTICS TODAY HAVE BEEN TO MAKE AS MUCH GENUINE PROGRESS AS POSSIBLE WHILE AVOIDING BEING CORNERED ON THE POSSIBILITY OUTLINED IN THE SECOND HALF OF PARA 3 OF MY TEL NO 686, IE HAVING TO RISK A BREAK ON A PROPOSITION - EXCLUSIVE UN ADMINISTRATION ON THE ISLAND - WHICH WOULD COMMAND TOTAL SUPPORT IN THE UN AND LEAVE US ISOLATED.
2. IT WAS FOR THIS REASON THAT, APART FROM THE FUNDAMENTAL QUESTION OF SUBSTANCE, I INSISTED THAT THE ARGENTINES MUST COME CLEAN ON THE QUESTION OF PREJUDGMENT OF THE OUTCOME OF THE NEGOTIATIONS BEFORE WE MOVED ON TO ANYTHING ELSE OF A CONTENTIOUS NATURE.
3. SO FAR, SO GOOD, THIS BALL IS NOW FIRMLY IN THE ARGENTINE COURT AND BUESNOS AIRES WILL HAVE TO GIVE ROS INSTRUCTIONS ON THE SOVEREIGNTY QUESTION BEFORE WE COME UNDER FURTHER PRESSURE. IF THEY COME

2. IT WAS FOR THIS REASON THAT, AT THE TIME OF SUBSTANCE, I INSISTED THAT THE ARGENTINES MUST COME CLEAN ON THE QUESTION OF PREJUDGMENT OF THE OUTCOME OF THE NEGOTIATIONS BEFORE WE MOVED ON TO ANYTHING ELSE OF A CONTENTIOUS NATURE.

3. SO FAR, SO GOOD, THIS BALL IS NOW FIRMLY IN THE ARGENTINE COURT AND BUESNOS AIRES WILL HAVE TO GIVE ROS INSTRUCTIONS ON THE SOVEREIGNTY QUESTION BEFORE WE COME UNDER FURTHER PRESSURE. IF THEY COME UP WITH THE WRONG ANSWER, IE AN ANSWER UNSATISFACTORY TO US, THE STAGE WILL BE SET EITHER FOR A BREAK DOWN OF THE NEGOTIATIONS OR FOR A FINAL DRAMATIC EFFORT BY PEREZ DE CUELLAR TO PERSUADE THE JUNTA TO THINK AGAIN.

4. IN THE UNLIKELY EVENT OF THEIR ACCEPTING THE FORMULATION ON NEGOTIATIONS SET OUT IN PARA 9 OF MIPT, THE PRESSURE WILL THEN BE ON US. IT WILL COME ON THE TWO PRINCIPAL POINTS OUTSTANDING, NAMELY ACCEPTANCE OF UN ADMINISTRATION OF THE FALKLANDS WITH THE LOCAL REPRESENTATIVE BODIES IN ABEYANCE, AND WITHDRAWAL OF OUR MILITARY FORCES (NOT SCIENTISTS) FROM SOUTH GEORGIA IN PARALLEL WITH ARGENTINE WITHDRAWAL FROM THE FALKLANDS.

5. I REALISE THAT BOTH THESE ARE EXTREMELY DIFFICULT POINTS FOR YOU, TO SAY THE LEAST. WE MAY WELL NOT REACH THIS STAGE IF THE ARGENTINES FAIL TO DELIVER ON THE SOVEREIGNTY QUESTION. AND I DO NOT NEED INSTRUCTIONS TOMORROW (10 MAY). HOWEVER, MY GUESS IS THAT THE WHOLE NEGOTIATION WILL HAVE TO MAKE OR BREAK BY 11 MAY OR 12 MAY AT THE LATEST.

6. THERE IS NO DOUBT IN MY MIND THAT IF WE WERE SEEN TO HAVE BROKEN OFF THE NEGOTIATIONS ON EITHER THE INTERIM ADMINISTRATION OR THE QUESTION OF MILITARY WITHDRAWAL FROM SOUTH GEORGIA OR BOTH, WE WOULD BE IN AN EXTREMELY ISOLATED POSITION IN THE UNITED NATIONS. FROM A TELEPHONE CONVERSATION I HAVE HAD WITH SIR N HENDERSON, I GATHER THAT THE AMERICANS MIGHT BE PREPARED TO MAKE A GENUINE EFFORT TO DRIVE THE ARGENTINES OFF INSISTING ON THE SOUTH GEORGIA POINT, WHICH HAS NOT SURFACED IN THE PREVIOUS NEGOTIATIONS. HOWEVER, I VERY MUCH DOUBT IF THEY WOULD BE PREPARED TO MAKE TO CONCEDE BOTH, IE THAT OUR MILITARY FORCES REMAIN ON SOUTH GEORGIA, AND THAT THE EXECUTIVE AND LEGISLATIVE COUNCILS SHOULD REMAIN IN BEING THROUGHOUT THE INTERIM PERIOD. I AM NOT MAKING A RECOMMENDATION BUT WE MIGHT HAVE TO CONSIDER A TRADE OFF.

7. MEANWHILE, I DO NOT THINK THAT I NEED FURTHER DETAILED INSTRUCTIONS ON THE POINTS IN PARAS 4, 5 AND 7 OF MIPT PROVIDED THAT YOU ARE CONTENT WITH THE LINES I AM TAKING (I THINK THAT WE SHOULD SETTLE FOR A VENUE FOR THE NEGOTIATIONS IN NEW YORK STATE, PROVIDED THAT IT IS NOT IN NEW YORK CITY) AND THAT YOU ARE CONTENT WITH THE PROPOSITIONS I HAVE ADVANCED ON THE CENTRAL QUESTION OF SOVEREIGNTY IN PARAS 8 AND 9. IT WOULD HOWEVER BE USEFUL TO HAVE ANY COMMENTS YOU MAY WISH TO PROPOSE ON THE DETAILED POINTS IN PARA 3.