

FALKLANDS SELECTIVE ADVANCES (32) 38

DB 100700z TYPISTS

PS (6)
PS/MR HURD
PS/MR ONSLOW
PS/PUS
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

PS/No.10 DOWNING STREET (2 Copies)

PS/S of S DEFENCE

IMMEDIATE

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 AUSD STAFF (MOD)

CONFIDENTIAL

DESKBY 100700Z

FM UKMIS NEW YORK 100300Z MAY 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 694 OF 9 MAY

INFO IMMEDIATE WASHINGTON.

MY TEL NO 691: FALKLANDS.

1. I HAD ANOTHER HOUR WITH THE SECRETARY-GENERAL AND HIS TEAM AT 2330Z TODAY (9 MAY).

2. PEREZ DE CUELLAR SAID THAT HE HAD TOLD ROS (ARGENTINA) THAT WE DID NOT CONSIDER THAT THE DEPENDENCIES WERE INCLUDED IN THE PRESENT EXERCISE. ROS HAD OBJECTED STRONGLY, SAYING THAT IT WOULD BE IMPOSSIBLE FOR THE ARGENTINE AUTHORITIES TO EXPLAIN TO THEIR PUBLIC OPINION THAT ARGENTINA WOULD WITHDRAW FROM THE FALKLANDS BUT THAT THERE WOULD BE NO BRITISH MILITARY WITHDRAWAL FROM SOUTH GEORGIA. PEREZ DE CUELLAR HAD PURSUED THE QUESTION WITH ROS AT A PRIVATE MEETING. BUT ROS HAD REFUSED TO ACCEPT OUR POSITION: THE DEPENDENCIES WERE INCLUDED IN THE GENERAL ASSEMBLY RESOLUTIONS AND IN THE 1977 COMMUNIQUE; THE ARGENTINES WOULD INSIST THAT ALL THE ISLANDS BE INCLUDED. ROS WAS AS USUAL SPEAKING TO A PREPARED BRIEF - THERE WAS

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3. ON WITHDRAWAL ETC, THE ARGENTINES WANTED THE BRITISH TASK FORCE TO WITHDRAW OUTSIDE THREE CIRCLES OF 150 NAUTICAL MILES RADIUS FROM THE CO-ORDINATES IN PARA 2 OF THE DRAFT PROPOSALS OF 12 APRIL (YOUR TELNO 369), IE FROM THE CENTRES OF THE FALKLANDS, SOUTH GEORGIA AND THE SOUTH SANDWICH ISLANDS. THEY WANTED A PROVISION THAT WITHDRAWAL COULD BE EXTENDED FOR A BIT BEYOND 14 DAYS IF BAD WEATHER OR OTHER FACTORS CAUSED DELAYS. AND THEY WANTED THE LIFTING OF THE EXCLUSION ZONES AND OF ECONOMIC SANCTIONS QUOTE TO BE EFFECTIVE AS OF TIME 'T' UNQUOTE; OTHERWISE THE IMPRESSION MIGHT BE GIVEN THAT THEIR WITHDRAWAL WAS TAKING PLACE UNDER PRESSURE.

4. PEREZ DE CUELLAR SAID THAT ROS HAD NOT GIVEN A CLEAR ANSWER ON WHETHER THE ARGENTINES ACCEPTED OUR PROPOSAL THAT 31 DECEMBER 1982 SHOULD BE DESCRIBED AS THE QUOTE TARGET DATE UNQUOTE FOR COMPLETION OF THE DIPLOMATIC NEGOTIATIONS. INSTEAD, HE HAD ASKED HOW LONG AN EXTENSION WE ENVISAGED IF AGREEMENT HAD NOT BEEN REACHED BY 31 DECEMBER. I SAID THAT IT WOULD BE REDICULOUS FOR THE AGREEMENT TO INCLUDE TWO TARGET DATES, ONE AFTER THE OTHER: IN OUR VIEW IT SHOULD BE LEFT TO THE SECRETARY GENERAL TO REPORT, SAY IN MID-DECEMBER, ON HOW MUCH MORE TIME IN HIS JUDGEMENT WAS NEEDED, IF AGREEMENT WAS NOT IN SIGHT BY THEN.

5. PEREZ DE CUELLAR SAID THAT THE ARGENTINES WERE FIRM IN THEIR WISH FOR THE DIPLOMATIC NEGOTIATIONS TO TAKE PLACE IN NEW YORK, ESPECIALLY IF THE SECRETARY GENERAL WAS TO PARTICIPATE PERSONALLY. ROS DID NOT THINK THAT OTTAWA WOULD BE ACCEPTABLE. PEREZ DE CUELLAR WAS WONDERING WHETHER SOMEWHERE IN NEW YORK STATE MIGHT BE ACCEPTABLE: IT HAD BECOME A CONVENTION THAT THE SECRETARY GENERAL DID NOT LEAVE NEW YORK DURING THE GENERAL ASSEMBLY.

6. ON THE INTERIM ADMINISTRATION, PEREZ DE CUELLAR SAID THAT THE ARGENTINES CONTINUED TO OBJECT STRONGLY TO ANY ROLE FOR THE ISLANDERS, EVEN OF AN ADVISORY CHARACTER, BECAUSE THIS WOULD PREJUDGE THE OUTCOME OF THE NEGOTIATIONS. I SAID THAT WE COULD NOT ACCEPT THIS. YOU HAD TALKED FIRMLY ABOUT HMG'S INSISTENCE ON THE RESTORATION OF THE TRADITIONAL ADMINISTRATION. ANY SUBSTANTIAL CHANGE IN THE CONSTITUTION OF THE FALKLAND ISLANDS WOULD REQUIRE LEGISLATION; WE OUTLINED THE PARLIAMENTARY IMPLICATIONS OF THIS.

7. I WENT ON TO RAISE A FRESH POINT. HAVING HEARD COSTA MENDEZ TODAY, I WAS CONCERNED AT THE POSSIBILITY THAT, IF AN INTERIM AGREEMENT WAS REACHED AND THE NEGOTIATIONS STARTED, THE ARGENTINES WOULD AT THAT STAGE INSIST THAT THEY WERE ONLY PREPARED TO TALK ON THE BASIS THAT THEY OBTAINED SOVEREIGNTY IN THE END. THIS WOULD

WOULD AT THAT STAGE INSIST THAT THEY WERE ONLY PREPARED TO TALK ON THE BASIS THAT THEY OBTAINED SOVEREIGNTY IN THE END. THIS WOULD PROVOKE AN IMMEDIATE DEADLOCK. WOULD THE WHOLE INTERIM AGREEMENT THEN COLLAPSE, PRODUCING A VACUUM? TO GUARD AGAINST THIS RISK, I THOUGHT THAT THERE WOULD HAVE TO BE A QUOTE NO-BREAK UNQUOTE CLAUSE IN THE AGREEMENT, EG QUOTE THIS INTERIM AGREEMENT SHALL ENTER INTO FORCE ON SIGNATURE AND SHALL REMAIN IN FORCE UNTIL A DEFINITIVE SETTLEMENT OF THEIR DIFFERENCES HAS BEEN REACHED AND IMPLEMENTED BY THE PARTIES UNQUOTE. PEREZ DE CUELLAR TOOK NOTE OF THIS. DE SOTO COMMENTED (RIGHTLY) THAT IT WOULD MAKE AGREEMENT MORE DIFFICULT ON OUR POINT ABOUT THE TARGET DATE.

8. PEREZ DE CUELLAR SAID THAT HE HAD HAD A VERY DIFFICULT DISCUSSION WITH ROS ABOUT THE TERMS OF REFERENCE OF THE NEGOTIATIONS AND THE LINKED QUESTION OF COSTA MENDEZ'S TELEVISION INTERVIEW TODAY. THE KIND OF LANGUAGE THE ARGENTINES HAD IN MIND FOR THE TERMS OF REFERENCE WAS: QUOTE THE NEGOTIATIONS WOULD HAVE TO SOLVE THE DISPUTES BETWEEN THE PARTIES, TAKING INTO ACCOUNT RELEVANT GENERAL ASSEMBLY RESOLUTIONS UNQUOTE. I SAID THAT THIS WOULD NOT DO. COSTA MENDEZ'S REMARKS TODAY HAD BEEN VERY CLOSE TO ARGENTINE STATEMENTS WHICH HAD CAUSED THE COLLAPSE OF PREVIOUS NEGOTIATIONS. WE MUST HAVE PROPER CLARIFICATION. EVEN IF ROS WAS ABLE TO CONFIRM THAT THE ARGENTINE POSITION WAS AS PEREZ DE CUELLAR HAD DESCRIBED IT TO ME YESTERDAY, WE WOULD HAVE TO INSIST ON CERTAIN FORMULATIONS BEING INCLUDED IN THE AGREEMENT, IN ORDER TO REMOVE ANY SHADOW OF DOUBT. WE WOULD ALSO HAVE TO INSIST THAT ALL THREE MEMBERS OF THE JUNTA SIGNED THE AGREEMENT. PEREZ DE CUELLAR ADMITTED THAT HIS CONVERSATION ON THIS POINT WITH ROS HAD NOT BEEN SATISFACTORY AND SAID THAT HE WOULD TRY AGAIN.

9. LATER IN THE CONVERSATION HE INVITED ME TO GIVE HIM LANGUAGE WHICH, OSTENSIBLY AS HIS OWN INITIATIVE, HE WOULD PRESENT TO THE ARGENTINES IN ORDER TO SMOKE OUT THEIR POSITION AND, HE HOPED, CONFIRM THAT THEY REALLY DID ACCEPT THAT THE FINAL OUTCOME COULD NOT BE PREJUDGED. MAKING IT CLEAR THAT I WAS ACTING WITHOUT INSTRUCTIONS, I HAVE GIVEN HIM THE FOLLOWING FORMULATIONS:

(A) AS A FIRST ARTICLE IN THE AGREEMENT:

QUOTE

(1) NO PROVISION OF THIS INTERIM AGREEMENT SHALL IN ANY WAY PREJUDICE THE RIGHTS, CLAIMS AND POSITIONS OF EITHER PARTY IN THE ULTIMATE PEACEFUL SETTLEMENT OF THEIR DIFFERENCES OVER THE FALKLAND ISLANDS (ISLAS MALVINAS).

(2) NO ACTS OR ACTIVITIES TAKING PLACE WHILST THIS INTERIM AGREEMENT IS IN FORCE SHALL CONSTITUTE A BASIS FOR ASSERTING, SUPPORTING OR DENYING A CLAIM TO TERRITORIAL SOVEREIGNTY OVER THE FALKLAND ISLANDS (ISLAS MALVINAS) OR CREAT ANY RIGHTS OF SOVEREIGNTY OVER THEM UNQUOTE.

(B) AS AN ARTICLE PROVIDING FOR THE DIPLOMATIC NEGOTIATIONS:

IS IN FORCE SHALL CONSTITUTE A BASIS FOR ASSERTING, SUPPORTING OR DENYING A CLAIM TO TERRITORIAL SOVEREIGNTY OVER THE FALKLAND ISLANDS (ISLAS MALVINAS) OR CREAT ANY RIGHTS OF SOVEREIGNTY OVER THEM UNQUOTE.

(B) AS AN ARTICLE PROVIDING FOR THE DIPLOMATIC NEGOTIATIONS: QUOTE THE PARTIES UNDERTAKE TO ENTER INTO NEGOTIATIONS UNDER THE AUSPICES OF THE SECRETARY GENERAL OF THE UNITED NATIONS FOR A PEACEFUL SETTLEMENT OF THEIR DIFFERENCES AND SQUARE BRACKETS BEGIN SOME FORMULA ABOUT THE TARGET DATE CLOSE SQUARE BRACKETS. THESE NEGOTIATIONS SHALL BE CONDUCTED WITHOUT PREJUDICE TO THE RIGHTS, CLAIMS AND POSITIONS OF EITHER PARTY AND WITHOUT PREJUDGING THE OUTCOME. UNQUOTE.

THESE HAVE BEEN TAKEN FROM ARTICLE 40 OF THE CHARTER, FROM THE ISRAEL/JORDAN ARMISTICE AGREEMENT (BASED ON ARTICLE 40) AND FROM ARTICLE IV (2) OF THE ANTARCTIC TREATY.

20. PEREZ DE CUELLAR SAID THAT HE WOULD TRY OUT THIS KIND OF LANGUAGE ON ROS, WHO WOULD CERTAINLY HAVE TO REFER TO BUENOS AIRES. IF THE ARGENTINES WOULD ACCEPT SUCH LANGUAGE, WOULD WE DROP OUR INSISTENCE ON A ROLE FOR THE ISLANDERS IN THE INTERIM ADMINISTRATION? DE SOTO SAID THAT THIS LOOKED LIKE THE MAKINGS OF A TRADE-OFF. I SAID THAT IT WOULD NOT BE A TRADE-OFF AT ALL: DE SOTO WAS NOT COMPARING LIKE WITH LIKE: CONSIDER IT THE OTHER WAY ROUND: IF THE ARGENTINES ACCEPTED A ROLE FOR THE ISLANDERS, WE CERTAINLY COULD NOT GIVE UP OUR INSISTENCE THAT THE FINAL OUTCOME NOT BE PREJUDGED. THIS WAS AN ABSOLUTELY ESSENTIAL POINT FOR US. IT NEEDED TO BE CLEARED UP FIRST SO THAT WE COULD ALL KNOW WHETHER IT WAS WORTH PROCEEDING WITH THE SECRETARY GENERAL'S INITIATIVE. PEREZ DE CUELLAR AGREED AND SAID THAT HE WOULD NOT ASK ME TO SEE HIM AGAIN UNTIL HE HAD HAD AN ARGENTINE REPLY ON THIS POINT.

11. PLEASE SEE MIFT FOR COMMENT AND RECOMMENDATIONS.

PARSONS

NNNM