

FLASH

[PLEASE RETURN COPY TO TYPISTS] *Don't Minnie To note plan Lopez duty clerk 1/4/82*

FALKLANDS SELECTIVE ADVANCES (38)

PS
PS/MR HURD
PS/MR ONSLOW
PS/PUS
MR BULLARD
SIR I SINCLAIR
MR GIFFARD
MR WRIGHT
MR GILLMORE
MR URE
MR BARRETT
HS/S AM D
HD/DEF D
HD/PLANNING STAFF
HD/UND
HD/NEWS D
HD/ERD
HD/ECD(E)
HD/PUSD
~~EMERGENCY ROOM~~
RESIDENT CLERK

PS/NO 10 DOWNING STREET (2 copies)
PS/S OF S DEFENCE
PS/HOME SECRETARY
PS/HOME SECRETARY (c/o NO 10 DST)
PS/ATTORNEY GENERAL
PS/CHANCELLOR DUCHY OF LANCASTER
PS/SIR R ARMSTRONG)
PS/SIR M PALLISER)
PS/SIR A DUFF) CABINET
MR WADE-GERY)
MR FULLER) OFFICE
MR O'NEILL HD ASSESS-)
MENTS STAFF)
DIO
MR J M STEWART AUSD STAFF MOD
ADMIRAL SIR ROY HALLIDAY DGI MOD
DIRECTOR G.C.H.Q. (Via Rim 8)

CONFIDENTIAL
FM UKMIS NEW YORK 131955Z MAY 82
TO FLASH F C O
TELEGRAM NUMBER 739 OF 13 MAY 1982
INFO IMMEDIATE WASHINGTON.

YOUR TELNO 396: FALKLANDS

SUMMARY

1. I ACTED ON THESE INSTRUCTIONS WITH THE SECRETARY GENERAL THIS MORNING (13 MAY). I JUDGED THAT TO MAKE THE POINTS ABOUT SOUTH GEORGIA AND THE INTERIM ADMINISTRATION IN PARAGRAPHS 2 AND 3 OF YOUR TELEGRAM UNDER REFERENCE WOULD ALMOST CERTAINLY PRECIPITATE AN IMMEDIATE BREAKDOWN. I THEREFORE TOOK THE LINE THAT BECAUSE OF THE EMERGENCY DEBATE IN THE HOUSE OF COMMONS YOU HAD NOT YET HAD TIME TO SEND ME SUBSTANTIVE INSTRUCTIONS ON THESE TWO POINTS BUT THAT MEANWHILE YOU HAD INSTRUCTED ME TO PERSUE DISCUSSIONS ABOUT THE RISK OF A VACUUM AT THE END OF THE INTERIM PERIOD. I MADE SOME PROGRESS ON THIS. BUT PEREZ DE CUELLAR IS VERY WORRIED AND FEELS INCREASINGLY EXPOSED. HE SEES THE RIGHTS AND WRONGS CLEARLY ENOUGH BUT FEELS OBLIGED, IN HIS SEARCH FOR PEACE, TO ASK YOU TO OFFER SOME CONCESSION IN RESPONSE TO THAT MADE BY

WRONGS CLEARLY ENOUGH BUT FEELS UNABLE TO ASK YOU TO OFFER SOME CONCESSION IN RESPONSE TO THAT MADE BY ARGENTINA OVER SOVEREIGNTY. HE IS SEEING ROS THIS AFTERNOON. THERE IS A RISK THAT ROS WILL THEN BREAK OFF THE TALKS: IF HE DOES NOT DO SO, WE WILL HAVE GOT THROUGH ANOTHER DAY. MEANWHILE THE PRESIDENT OF THE SECURITY COUNCIL HAS CAVED IN AND CONVENED AN INFORMAL MEETING FOR TOMORROW AFTERNOON (14 MAY).

DETAIL

2. I SAW THE SECRETARY GENERAL AND HIS TEAM AT 1600Z. I DESCRIBED WHAT I HAD HEARD OF THE PRIME MINISTER'S QUESTIONS TODAY AND THE OPENING SALVOS IN THE EMERGENCY DEBATE. THESE CONFIRMED ALL I HAD SAID TO HIM YESTERDAY BOTH ABOUT THE NEED FOR HIM TO TAKE ACCOUNT OF THE POLITICAL REALITIES IN BRITAIN AND ABOUT THE EFFECT OF ARGENTINE STATEMENTS WHICHZ APPEARED TO CONTRADICT THEIR ACCEPTANCE HERE THAT THE SOVEREIGNTY QUESTION SHOULD NOT BE PREJUDGED. EVERY DAY COSTA MENDEZ OR SOME OTHER ARGENTINE SPOKESMAN REVIVED OUR DOUBTS. THESE KIND OF STATEMENTS MADE IT NONSENSE TO TALK ABOUT OUR ACCEPTING ARGENTINE GOOD FAITH, WHICH WAS ANYWAY DIFFICULT AFTER THE WAY THEY HAD BROKEN OFF NEGOTIATIONS AND INVADED THE ISLANDS.

3. I WENT ON TO SAY THAT, BECAUSE OF THE EMERGENCY DEBATE, YOU AND YOUR COLLEAGUES HAD NOT YET BEEN ABLE TO SEND ME DEFINITIVE INSTRUCTIONS ON THE TWO MAJOR ISSUES WE HAD DISCUSSED YESTERDAY (IE THE DEPENDENCIES AND THE NATURE OF THE INTERIM ADMINISTRATION). (PEREZ DE CUELLAR SAID THAT HE ALWAYS PREFERRED DELAYS TO BAD NEWS). I DID, HOWEVER, HAVE AN ANSWER OF SUBSTANCE ON THE RISK OF A VACUUM AFTER 31 DECEMBER 1982 IF NO AGREEMENT HAD BEEN REACHED BY THEN. THIS WAS NOT A PERIPHERAL ISSUE: INDEED IT WAS ALMOST AS ESSENTIAL FOR US AS THE QUESTION OF NON-PREJUDGEMENT. IT WAS UNREALISTIC TO THINK THAT SUFFICIENT CONFIDENCE COULD BE GENERATED BETWEEN US AND THE ARGENTINES FOR IT TO BE SAFELY LEFT IN THE AIR. IT SEEMED TO ME THAT IT WAS AN EQUALLY IMPORTANT POINT TO THE UN, THE UK AND ARGENTINA. IF NO AGREEMENT HAD BEEN REACHED BY THE END OF THE YEAR AND THE ARGENTINES THEN REINVADED THE ISLANDS, THE STANDING OF THE UN AND THE SECRETARY GENERAL WOULD BE DEALT A MORTAL BLOW: THE UK WOULD HAVE TO REMOUNT A MAJOR MILITARY OPERATION: AND THE ARGENTINES WOULD STILL BE FRUSTRATED IN THEIR DESIRE TO OBTAIN AN EARLY RESOLUTION OF THE SOVEREIGNTY ISSUE. I WAS INSTRUCTED TO ASK WHETHER THE SECRETARY GENERAL HAD ANY FURTHER IDEAS ON THIS CENTRAL QUESTION.

4. PEREZ DE CUELLAR SAID THAT BOTH SIDES WERE PRESSING HIM FOR IDEAS ON IT. THE ARGENTINES WERE PREPARED TO LET HIM ASK FOR AN EXTRA MONTH OR TWO IF NO AGREEMENT WAS IN SIGHT AT THE END OF THE YEAR.

ON IT. THE ARGENTINES WERE PREPARED TO LET HIM ASK FOR AN EXTRA MONTH OR TWO IF NO AGREEMENT WAS IN SIGHT AT THE END OF THE YEAR. BUT THEY WANTED TO GUARD AGAINST THE RISK THAT THE UN INTERIM ADMINISTRATION WOULD LAST FOR EVER. I SAID THAT WE COULD TRUST THE SECRETARY GENERAL BUT NOT THE SECURITY COUNCIL. MIGHT IT BE POSSIBLE TO DEVISE SOME FORMULA UNDER WHICH, IF THE SECRETARY GENERAL DECIDED THAT FURTHER TIME WAS NEEDED, BEING SATISFIED THAT BOTH SIDES WERE NEGOTIATING IN GOOD FAITH AND WITH A SENSE OF URGENCY, THE INTERIM ADMINISTRATION WOULD REMAIN IN BEING UNLESS THE SECURITY COUNCIL DECIDED OTHERWISE? AHMED AND DE SOTO SAID THAT THE ARGENTINES ALSO FELT UNCOMFORTABLE ABOUT THE INVOLVING THE SECURITY COUNCIL (BECAUSE OF OUR VETO) AND THAT THE SECRETARIAT WERE WORKING ON LANGUAGE WHICH WOULD CONTAIN NO REFERENCE TO THE SECURITY COUNCIL BUT WOULD PROVIDE THAT THE INTERIM AGREEMENT WOULD REMAIN IN FORCE "FOR THE DURATION OF THE NEGOTIATIONS, WHICH CAN BE EXTENDED BY THE SECRETARY GENERAL". THE TROUBLE WAS THAT THIS FORMULA WOULD NOT MEET ARGENTINE CONCERNS, UNLESS IT SPECIFIED THAT ONLY ONE EXTENSION WOULD BE POSSIBLE. I INDICATED THAT THE LATTER CONDITION WOULD NOT BE ACCEPTABLE TO US.

5. I WAS THEN SUBJECTED TO A BURST OF RHETORIC FROM AHMED TO THE EFFECT THAT WE COULD NOT EXPECT THE ARGENTINES TO MAKE ANOTHER CONCESSION. THEY WOULD SEE THAT BY GIVING THIS PROMINENCE TO THE RISK OF A VACUUM, WE WERE "CRAFTILY" TRYING TO GET ANOTHER CONCESSION FROM THEM, WITHOUT OFFERING ANYTHING IN RETURN. THE SECRETARY GENERAL WAS ALREADY SUSPECTED IN SOME QUARTERS OF "PLAYING FOOTSY WITH THE BRITS". THESE SUSPICIONS WOULD BE CONFIRMED IF HE NOW TOLD THE ARGENTINES THAT WE WERE STALLING ON THE DEPENDENCIES AND THE INTERIM ADMINISTRATION BUT ASKING THEM MEANWHILE FOR A CONCESSION ON WHAT WOULD HAPPEN AFTER 31 DECEMBER 1982.

6. I DEALT VERY FIRMLY WITH THIS. I SAID THAT IF THE UN WAS TO CONTRIBUTE TO A SETTLEMENT IT WAS ESSENTIAL THAT THEY SHOW THEMSELVES CAPABLE OF LOOKING AT THE PROBLEM THROUGH LONDON EYES. I THEN REPEATED THE POINTS I HAD MADE YESTERDAY, READING OUT VERBATIM PARAGRAPH 2 OF MY TELNO 733. AHMED HAD TO REALISE THAT THAT WAS THE LONDON VIEW. THERE WAS ALREADY TALK OF A "SELL-OUT" IN THE HOUSE OF COMMONS. THE UN WOULD FUEL THESE SUSPICIONS IF IT GAVE THE IMPRESSION THAT THERE WAS SYMMETRY OF RIGHT AND WRONG BETWEEN BRITAIN AND ARGENTINA. PEREZ DE CUELLAR INTERRUPTED TO SAY THAT HE ENTIRELY UNDERSTOOD OUR POSITION. BUT WE HAD TO LOOK AT THE PROBLEM THROUGH HIS EYES. WORLD PEACE WAS AT STAKE. THAT WAS WHY HE WAS ASKING US FOR CONCESSIONS - NOT CONCESSIONS TO ARGENTINA, BUT CONCESSIONS TO PEACE. FAILURE OF HIS EFFORTS WOULD MEAN A BLOODBATH, ESPECIALLY IF WE BOMBED THE MAINLAND. HE WOULD NEVER FORGIVE THE ARGENTINES FOR THEIR USE OF FORCE AND HIS PURPOSE WAS TO OBTAIN

ESPECIALLY IF WE BOMBED THE MAINLAND. HE WOULD NEVER FORGIVE THE ARGENTINES FOR THEIR USE OF FORCE AND HIS PURPOSE WAS TO OBTAIN IMPLEMENTATION OF SCR 502. BUT HE DID NOT BELIEVE THAT THIS WOULD BE POSSIBLE UNLESS WE WERE PREPARED TO MAKE THE SACRIFICE OF OFFERING SOME CONCESSION.

7. PEREZ DE CUELLAR SAID THAT HE HAD INVITED ROS TO SEE HIM AT 2000Z TODAY AND WOULD TELL HIM WHAT I HAD SAID ABOUT THE RISK OF A VACUUM AFTER 31 DECEMBER 1982. I ASKED HIM TO ASSURE ROS THAT I WAS NOT PLAYING GAMES. PEREZ DE CUELLAR WAS OBVIOUSLY AFRAID THAT ROS WOULD BREAK OFF BECAUSE OF MY FAILURE TO MAKE ANY MOVE ON EITHER THE DEPENDENCIES OR THE INTERIM ADMINISTRATION. HE SAID THAT HE NOW FELT THAT BY SUNDAY (16 MAY) AT THE LATEST HE WOULD HAVE TO PRESENT SOME UN IDEAS TO BOTH OF US. HE RECOGNISED THAT ONE OR BOTH OF US MIGHT REJECT HIS IDEAS. BUT HE FELT OBLIGED TO TRY. HIS TEAM WERE NOW WORKING ON THE "CONCILIATORY IDEAS" WHICH HE WOULD PRESENT. IF WE HAD ANY NEW POINTS COULD WE PLEASE GIVE THEM TO HIM?

8. IN CONCLUSION, PEREZ DE CUELLAR SAID THAT THE AMERICANS HAD SUDDENLY BECOME VERY CONCERNED. HE WAS PUZZLED BY THIS. SOMETHING SEEMED TO HAVE HAPPENED. HAIG HAD TELEPHONED HIM YESTERDAY (12 MAY) TO ASK HOW HE WAS GETTING ON AND TO OFFER ANY HELP THE AMERICANS COULD PROVIDE. MRS KIRKPATRICK HAD TELEPHONED HIS THIS MORNING WITH THE SAME MESSAGE. THIS WAS THE FIRST TIME SHE HAD BEEN IN TOUCH WITH HIM FOR DAYS. SHE HAD SAID THAT PRESIDENT REAGAN WAS FOLLOWING THE MATTER CLOSELY.

9. I WENT OVER THIS GROUND ON THE TELEPHONE WITH PEREZ DE CUELLAR PRIVATELY AN HOUR LATER AFTER TALKING TO NICKO HENDERSON. PEREZ DE CUELLAR SAID THAT HE HAD RECEIVED A TELEPHONE CALL FROM HAIG ON 12 MAY AND ANOTHER ONE ON THE SAME LINES TODAY (13 MAY) AFTER OUR MEETING. MRS KIRKPATRICK HAD ADDED IN HER CONVERSATION WITH HIM THAT PRESIDENT REAGAN MIGHT GET IN TOUCH WITH THE PRIME MINISTER. HE, PEREZ DE CUELLAR, HAD HAD NO CONTACT WITH THE WHITE HOUSE.

10. I HAD HOPED TO BRIEF THE PRESIDENT OF THE SECURITY COUNCIL AFTER THIS MORNING'S MEETING WITH PEREZ DE CUELLAR. BUT I MISSED HIM AND SUBSEQUENTLY LEARNED THAT HE HAD DECIDED TO CONVENE THE COUNCIL IN INFORMAL CONSULTATIONS AT 2000Z TOMORROW (14 MAY) TO DISCUSS THE FALKLANDS QUESTION TOGETHER WITH LEBANON AND SEYCHELLES.

11. I WILL TELEGRAPH MY COMMENTS AND RECOMMENDATIONS LATER TODAY.

PARSONS