

SECRET

F4 UKMIS NEW YORK 190500Z MAY 82
TO FLASH FCO
TELEGRAM NUMBER 780 OF 19 MAY,
INFO IMMEDIATE WASHINGTON.

MY TEL NO 769.

FALKLANDS.

SUMMARY:

1. ROS (ARGENTINA) SAW THE SECRETARY-GENERAL LATE THIS EVENING (18 MAY). PEREZ DE CUELLAR SUMMONED ME IMMEDIATELY AFTERWARDS. HE SAID THAT ROS HAD GIVEN HIM A DOCUMENT CONTAINING ARGENTINE "IDEAS AND VIEWS" TO BRIDGE THE DIFFERENCES BETWEEN US. DE SOTO THEN DESCRIBED THESE. THEY WERE A MIXTURE OF REQUESTS FOR CLARIFICATION, RE-STATEMENT OF KNOWN ARGENTINE POSITIONS AND INTRODUCTION OF NEW POINTS. I UNDERTOOK TO REPORT THESE TO YOU BUT MADE IT CLEAR THAT THEY COULD ONLY BE INTERPRETED AS A REJECTION OF OUR DRAFT AGREEMENT. IT WAS LEFT THAT I WOULD LET PEREZ DE CUELLAR HAVE YOUR FORMAL REACTION THIS MORNING (19 MAY) AND THAT HE AND I WOULD THEN DISCUSS WHAT WOULD HAPPEN HERE FOLLOWING THE BREAKDOWN OF HIS INITIATIVE.

DETAIL.

2. AFTER REPEATED DELAYS ROS (ARGENTINA) SAW THE SECRETARY-GENERAL AT 190150Z TONIGHT. THE SECRETARY-GENERAL SUMMONED ME IMMEDIATELY AFTERWARDS AT 190315Z. PEREZ DE CUELLAR SAID THAT ROS HAD GIVEN HIM A LONG DOCUMENT IN SPANISH WHICH HE HAD DESCRIBED AS ARGENTINE "IDEAS AND VIEWS IN ORDER TO BRIDGE THE DIFFERENCES BETWEEN THE PARTIES". ROS HAD STRESSED THAT THESE WERE NOT ARGENTINA'S FINAL IDEAS, AND PURPORTED TO BELIEVE THAT OUR DRAFT AGREEMENT HAD NOT REPRESENTED OUR FINAL IDEAS. IN RESPONSE TO MY QUESTION, PEREZ DE CUELLAR CONFIRMED THAT HE HAD (HAD) TOLD ROS YESTERDAY THAT OUR DRAFT REPRESENTED OUR FINAL POSITION.

3. DE SOTO THEN SUMMARISED THE MAIN POINTS OF DIFFERENCE WHICH EMERGED FROM COMPARISON OF OUR DRAFT AGREEMENT AND THE ARGENTINE PAPER. (PEREZ DE CUELLAR DID NOT GIVE A COPY OF THE ARGENTINE PAPER TONIGHT BUT PROMISED ME A TRANSLATION TOMORROW). THEY WERE AS FOLLOWS.

(A) THE ARGENTINES SAID THAT THEY WERE NOT CLEAR ABOUT WHAT WE MEANT BY "IN CONSULTATION WITH" IN ARTICLE 6(3). DID IT MEAN

MEANT BY "IN CONSULTATION WITH" IN ARTICLE 6(3). DID IT MEAN THAT THE OPINION OF THE COUNCILS WOULD BE BINDING ON THE ADMINISTRATORS OR NOT? IF THE ANSWER WAS NOT, THAT WOULD MAKE IT EASIER FOR THE ARGENTINES TO ACCEPT THE AGREEMENT. I REPLIED THAT THE ARGENTINES MUST KNOW PERFECTLY WELL WHAT WE MEANT: THEY WERE AS FAMILIAR AS I WAS WITH THE SYSTEM OF GOVERNMENT IN THE FALKLANDS. (B) THEY DID NOT LIKE THE REFERENCES TO ARTICLE 73 OF THE CHARTER. (C) THEY WERE PREPARED TO CHANGE THE DATE IN ARTICLE 8 TO 30 JUNE 1983 BUT REQUIRED A PROVISION THAT IF NO AGREEMENT HAD BEEN REACHED BY THEN THE GENERAL ASSEMBLY WOULD INTERVENE IN ORDER TO ESTABLISH GUIDELINES WHICH WOULD BE FOLLOWED BY THE PARTIES THEREAFTER. THEY NEEDED A MECHANISM TO ENSURE THAT THE NEGOTIATIONS DID NOT CONTINUE FOR EVER.

(D) THEY WANTED THE DEPENDENCIES INCLUDED.

(E) THEY WANTED A REFERENCE TO THE RELEVANT GA RESOLUTIONS IN THE PREAMBLE IF POSSIBLE AND IN ANY CASE IN THE TERMS OF REFERENCE FOR THE NEGOTIATIONS (I.E. ARTICLE 8).

(F) THEY SUGGESTED THAT IN THE NEGOTIATIONS THE SECRETARY-GENERAL SHOULD "RESORT TO" A FOUR STATE CONTACT GROUP, TWO STATES BEING NOMINATED BY EACH PARTY, WITH EACH PARTY HAVING THE RIGHT TO VETO ONE OF THE TWO STATES PROPOSED BY THE OTHER.

(G) ON WITHDRAWAL, THEY PROPOSED A VERY GENERAL CLAUSE WHICH WOULD PROVIDE FOR COMPLETE WITHDRAWAL AND RETURN TO NORMAL AREAS OF OPERATIONS WITHIN 30 DAYS.

(H) THERE WAS ALSO A POINT ABOUT COMMUNICATIONS AND ACCESS TO THE ISLANDS FOR THE NATIONALS OF BOTH PARTIES DURING THE INTERIM PERIOD.

IN RESPONSE TO MY QUESTION DE SOTO SAID THAT THE ARGENTINES HAD NOT SAID ANYTHING ABOUT THE NEED FOR AN EFFECTIVE METHOD TO ENSURE NON-REINTRODUCTION OF FORCES (ARTICLE 6(4)).

4. I SAID THAT I WOULD TRANSMIT ALL THIS TO YOU AND LET PEREZ DE CUELLAR HAVE A FORMAL REACTION THIS MORNING (19 MAY). BUT I COULD SAY STRAIGHT AWAY THAT YOU WOULD CONSIDER THIS ARGENTINE RESPONSE AS COMPLETELY UNSATISFACTORY. IT DID NOT CONSTITUTE A CLEAR REPLY TO OUR DRAFT AGREEMENT. IT CONTAINED MANY POINTS WHICH THE ARGENTINES KNEW THAT WE COULD NOT ACCEPT. AND IT INTRODUCED NEW POINTS WHICH WERE EQUALLY UNACCEPTABLE. YOU WOULD ONLY BE ABLE TO DRAW THE CONCLUSION THAT THE ARGENTINES WERE PLAYING FOR TIME: THEIR RESPONSE WAS A RECIPE FOR DISAGREEMENT AND ENDLESSLY PROTRACTED NEGOTIATIONS. I HAD MADE CLEAR YESTERDAY (17 MAY) THAT ANY SUCH RESPONSE WOULD BE INTERPRETED BY HMG AS REJECTION OF OUR PROPOSALS.

5. PEREZ DE CUELLAR DID NOT DISGUISE HIS DEEP DISAPPOINTMENT AT THE ARGENTINE REPLY. HE SAID THAT HE HAD TOLD ROS THAT HE WAS INTRODUCING

5. PEREZ DE CUELLAR DID NOT DISGUISE HIS DEEP DISAPPOINTMENT AT THE ARGENTINE REPLY. HE SAID THAT HE HAD TOLD ROS THAT HE WAS INTRODUCING NEW ELEMENTS AND TRYING TO START A NEW NEGOTIATING PROCESS. HE HAD REPEATED THAT FOR THE UK AND FOR HIM HIMSELF, WEDNESDAY WAS THE DECISIVE DAY. ROS HAD MERELY REPEATED THAT THE ARGENTINE PAPER WAS NOT THEIR FINAL POSITION.

6. WE HAD A LITTLE DISCUSSION ABOUT WHAT WOULD HAPPEN NEXT. AT ONE POINT, I SAID THAT IT SEEMED TO ME THAT THE NATURE OF THE ARGENTINE RESPONSE WOULD MAKE IT VERY DIFFICULT FOR THE SECRETARY-GENERAL TO INTRODUCE PROPOSALS OF HIS OWN. THE GAP WAS TOO WIDE TO BRIDGE. PEREZ DE CUELLAR DID NOT REPLY. LATER IN THE CONVERSATION, I SUGGESTED THAT HE AND I SHOULD DISCUSS TOMORROW THE NEXT STEPS IN NEW YORK. HE SAID THAT HE WOULD HAVE TO REPORT TO THE SECURITY COUNCIL. HE COULD NOT "EXPOSE" EITHER SIDE: HE WOULD SIMPLY PRESENT THE FACTS. I SAID THAT I THOUGHT IT ALMOST CERTAIN, IN THE CONTEXT OF THURSDAY'S EMERGENCY DEBATE, THAT YOU WOULD PUBLISH OUR DRAFT INTERIM AGREEMENT. BUT WE WOULD NOT BREAK HIS CONFIDENCE.

7. PLEASE SEE MIFT FOR COMMENT AND RECOMMENDATIONS.

PARSONS

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