SECRET

TELEGRAN NUMBER 781 OF 19 MAY,
INFO IMMEDIATE WASHINGTON.

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11 9 MAY 1982 .

MIFT: FALKLANDS:

1. I REGARD THIS AS A CRUDE ATTEMPT BY THE ARGENTINES EITHER TO GAIN MORE TIME OR TO WRONG FOOT US OVER BREAKING OFF THE NEGOTIATIONS, OR BOTH. WE WILL NOT BE ABLE TO AVOID THE LATTER CHARGE — THAT WE BROKE OFF THE NEGOTIATIONS. WE ARE IN A HURRY AND THE ARGENTINES ARE NOT: THEREFORE THEY CAN CONTINUE TO CLAIM THAT THEY WOULD HAVE BEEN READY TO GO ON IF WE HAD NOT INSISTED ON A DEADLINE. BUT THIS WILL BE A MINOR PROBLEM WHEN IT COMES TO THE OPEN PROCEEDINGS IN THE SECURITY COUNCIL.

2. PEREZ DE CUELLAR WAS OBVICUSLY EXTREMELY UPSET BY THE OUTCOME.

TO HIS CREDIT, HE MADE NO ATTEMPT TO ARGUE THAT THE ARGENTINE
RESPONSE COULD FORM A BASIS FOR NEGOTIATIONS. HE SAID BITTERLY
THAT THIS FAILURE WOULD AFFECT HIS REPUTATION WHEN IT CAME TO
LEALING WITH OTHER IMPORTANT PROBLEMS. I EXPRESSED MY SYMPATHY
AND MY WARK REGARD FOR THE HERGIC EFFORTS HE HAD MADE (IT
WOULD BE HELPFUL, WITH AN EYE TO THE FUTURE, IF YOU COULD SAY SOME
NICE THINGS ABOUT HIM IN THE DEBATE IN THE HOUSE OF COMMONS ON 28
MAY).

3. TWO PROBLEMS REMAIN:

(1) TIMING. I AM IN NO HURRY TO GET TO THE SECURITY COUNCIL, AND I UNDERSTAND FROM THE PUS THAT IT WOULD BE HELPFUL IF WE COULD TRY TO AVOID THE FIRST ROUND IN THE COUNCIL COMING TO A HEAD WHILE THE HOUSE OF COMMONS DEBATE IS GOING ON. I SUGGEST THEREFORE THAT I SHOULD GIVE PEREZ DE CUELLAR A PRELIMINARY NEGATIVE REACTION THIS MORNING (19 MAY) AND TELL HIM THAT I WILL BE GIVING HIM YOUR FORMAL REACTION WHEN YOU HAVE HAD AN OPPORTUNITY TO STUDY THE TEXT OF THE ARGENTINE PAPER I.E. PROBABLY IN THE AFTERNOON. HE WOULD THEN PRESUMABLY SEE ROS AND PASS OUR RESPONSE TO HIM BEFORE REPORTING TO THE PRESIDENT OF THE SECURITY COUNCIL. THERE IS A RISK THAT THE PRESIDENT WOULD CALL INFORMAL CONSULTATIONS THE SAME EVENING AND THAT THERE MIGHT BE AN IMMEDIATE MOVE TO A FORMAL COUNCIL MEETING. I CANNOT INSURE AGAINST THIS BUT, IF WE LAUNGH THE MAIN ACTION IN THE AFTERNOON, THERE IS AT LEAST A POSSIBILITY THAT WE MAY BE ABLE TO KEEP OUT OF THE COUNCIL UNTIL THURSDAY. (11) WHAT DO WE ASK PEREZ DE CUELLAR TO TELL ROS? WE MUST PUT IT IN THE MAIN ACTION IN THE AFTERNOON, THERE IS AT LEAST A POSSIBILITY THAT WE MAY BE ABLE TO KEEP OUT OF THE COUNCIL UNTIL THURSDAY.

(11) WHAT DO WE ASK PEREZ DE CUELLAR TO TELL ROS? WE MUST PUT IT IN SUCH A WAY AS TO PREVENT FURTHER PROCRASTINATION ON THE PART OF THE ARGENTINES, EVEN THOUGH THIS WILL LEAVE US IN THE POSITION OF HAVING TERMINATED THE NEGOTIATIONS. I SUGGEST THAT I SHOULD SAY SOMETHING ON THE FOLLOWING LINES:-

"FLEASE TELL ROS THAT I TRANSMITTED TO YOU ON 17 MAY THE TEXT OF THE FINAL BRITISH POSITION WITH A DEADLINE FOR AN ARGENTINE RESPONSE OF MIDDAY NEW YORK TIME ON 19 MAY. IN PRESENTING YOU WITH THE TEXT I MADE CLEAR THAT WE WOULD REGARD AN EQUIVOCAL RESPONSE FROM ARGENTINA AS TANTAMOUNT TO REJECTION OF OUR TEXT. HMG REGARD THE ARGENTINE RESPONSE AS BEING EXACTLY THAT. WE THEREFORE HAVE NO CHOICE BUT TO REGARD THIS ROUND OF NEGOTIATIONS AS HAVING ENDED".

4. FINALLY, WHAT DO I SAY TO THE PRESS WHO WILL BE BESIEGING ME THROUGHOUT WEDNESDAY? FROM THE MOMENT THAT I GIVE PEREZ DE CUELLAR CUR FINAL REPLY, I CAN HARDLY SAY THAT THE NEGOTIATIONS ARE STILL CONTINUING. THROUGH THE MORNING, IHUQ

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4. FINALLY, WHAT DO I SAY TO THE PRESS WHO WILL BE BESIEGING ME THROUGHOUT WEDNESDAY? FROM THE MOMENT THAT I GIVE PEREZ DE CUELLAR OUR FINAL REPLY, I CAN HARDLY SAY THAT THE NEGOTIATIONS ARE STILL CONTINUING. THROUGH THE MORNING, I CAN HOLD THE LINE THAT I HAVE TRANSMITTED THE LATEST ARGENTINE POSITION TO YOU AND AM AWAITING YOUR REACTION. THEREAFTER, I SHALL HAVE TO BE GUIDED BY YOU IN THE LIGHT OF WHATEVER NEWS DEPARTMENT HAVE SAID AT THE MIDDAY PRESS CONFERENCE AND THE LINE MINISTERS INTEND TO TAKE IN THE HOUSE ON 28 MAY.

PARSONS

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RECD AT 198656Z BTM