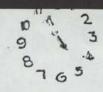
CONFIDENTIAL FM LIMA 221454Z MAY 82 TC ASH FCO TELEGRAM NUMBER 192 OF 22 MAY INFO IMMEDIATE WASHINGTON, UKMIS NEW YORK



MY TEL NO 189: FALKLANDS.

- 1. THE PRESIDENT HAS JUST TELEPHONED ME (AT 0915) TO SAY THAT HE HAD A LONG TELEPHONE CONVERSATION LAST NIGHT WITH GALTIERI, WHO SAID THE ARGENTINES HAD ACCEPTED IN PRINCIPLE THE LATEST PERUVIAN IDEAS WITH CERTAIN RESERVATIONS WHICH PRESIDENT BELAUNDE THOUGHT MIGHT NOT BE INSUPERABLE. IN PARTICULAR, PRESIDENT BELAUNDE SAID THAT GALTIER! HAD SHOWN HIMSELF TO BE RECEPTIVE TO THE IDEA OF AN QUOTE EQUIDISTANT UNQUOTE WITHDRAWAL OF FORCES. THE ARGENTINES FEEL THAT 150 MILES IS TOO NEAR BECAUSE THEIR OWN BASES ARE FURTHER AWAY. BUT THE PRESIDENT EMPHASISED THAT HIS OWN INSISTENCE ON AN EQUIDISTANT WITHDRAWAL HAD BEEN QUOTE WELL RECEIVED UNQUOTE BY GALTIERI.
  - 2. THE PRESIDENT ASLO SAID THAT THE ARGENTINES ARE NOT (NOT) OPPOSED TO A UN GROUP GOVERNING THE ISLANDS FOR SIX MONTHS OR EVEN ONE YEAR DURING WHICH NEGOTIATIONS COULD TAKE PLACE. IF AT THE END OF THIS PERIOD THERE WAS NO AGREEMENT, THE ARGENTINES WOULD PROPOSE TO RETURN THE PROBLEM TO THE UNITED NATIONS.
    - 3. THE PRESIDENT SAID THAT HE HAD NOT SO FAR INFORMED THE SECRETARY GENERAL OF THE UN OF THESE DETAILS, BUT THAT HE UNDERSTOOD THAT COSTA MENDEZ WAS ON HIS WAY TO THE UN, AND THAT HE THOUGHT IT WAS THEREFORE IMPORTANT THAT YOU SHOULD BE INFORMED STRAIGHT AWAY OF THE NATURE OF GALTIERI'S RESPONSE.
      - 4. THE PRESIDENT ASKED ME AGAIN TO KEEP IN DIRECT TOUCH WITH HIM ON ANY ASPECT OF THE SITUATION. HE SAID HE COULD SPEAK ON THE TELEPHONE TO MEMBERS OF THE ARGENTINE GOVERNMENT AT ANY TIME.

WALLACE

FCO PLEASE PASS TO ALL