FOBONN Ø63/Ø9 OO BONN GRS 596 CONFIDENTIAL FM FCO Ø816ØØZ JUNE 32 TO IMMEDIATE BRUSSELS TELEGRAM NUMBER 142 OF 9 JUNE, AND TO IMMEDIATE ALL OTHER EC POSTS, WASHINGTON, TOKYO, OTTAWA, CANBERRA, WELLINGTON, OSLO, UKREP BRUSSELS INFO UKDEL NATO ARGENTINA: ECONOMIC SANCTIONS PLEASE DELIVER AS SOON AS POSSIBLE THE FOLLOWING MESSAGE FROM ME TO THE FOREIGN MINISTER OF THE COUNTRY TO WHICH YOU ARE PLEASE DELIVER AS SOON AS POSSIBLE THE FOLLOWING MESSAGE FROM ME TO THE FOREIGN MINISTER OF THE COUNTRY TO WHICH YOU ARE ACCREDITED (FOR UKREP: PRESIDENT OF THE COMMISSION). QUOTE 1. I AM VERY CONCERNED TO ENSURE THAT, ONCE ARGENTINE FORCES HAVE BEEN OBLIGED TO LEAVE THE FALKLANDS, ALL MILITARY ACTION ALL MILITARY ACTION BY ARGENTINA AGAINST US IN THE SOUTH ATLANTIC SHOULD COME TO A COMPLETE STOP. WE WANT THE NEXT PERIOD TO BE ONE OF REHABILITATION AND RECONSTRUCTION AND NOT ONE OF CONTINUING BITTERNESS AND HOSTILITY. I WOULD HOPE THAT THIS WOULD ALSO BE AND PRESUMABLY THEY WILL BE CONCERNED FOR THE THE ARGENTINE MOOD. RETURN OF THEIR PRISONERS OF WAR. (FOR ALL EXCEPT IRELAND) I HAVE GREATLY APPRECIATED THE SUPPORT YOU HAVE GIVEN US WITH MEASURES AGAINST ARGENTINA IN THE ECONOMIC FIELD, INCLUDING ARMS SUPPLIES. (FOR ALL EXCEPT US, JAPAN, ITALY AND IRELAND) IN PARTICULAR, THE BAN ON ARGENTINE IMPORTS WHICH YOU HAVE MAINTAINED, AT CONSIDERABLE COST, HAS BEEN A SEVERE BLOW TO THE AUTHORITIES IN BUENOS AIRES. (FOR ALL) ECONOMIC MEASURES ARE HAVING A SUBSTANTIAL AND CUMULATIVE EFFECT. NO ARMS SUPPLIES HAVE REACHED ARGENTINA FROM MAJOR WESTERN SUPPLIERS. ARGENTINA HAS BEEN DENIED UP TO 25PERCENT OF HER EXPORT MARKETS AND HAS BEEN UNABLE TO COMPENSATE BY INCREASED SALES TO THE SOVIET UNION. SHE HAS RECEIVED NO NEW BANK LENDING SINCE THE INVASION AND GOVERNMENT SUPPORTED EXPORT CREDIT HAS BEEN WIDELY WITHHELD. ALL THIS HAS SHOWN ARGENTINA THE ECONOMIC PENALTIES OF HER AGGRESSION. NATURALLY, WE WOULD ALL LIKE TO GIVE UP THESE MEASURES AS SOON AS IT MAKES SENSE TO DO SO. SOON AS IT MAKES SENSE TO DO SO. HOWEVER, WE DO NOT WANT A SITUATION WHERE WE HAVE REGAINED THE FALKLAND ISLANDS BUT ARGENTINA REFUSES TO GIVE UP FIGHTING AGAINST US. THERE MAY BE A NEED TO MAINTAIN ECONOMIC MEASURES UNTIL ARGENTINA AGREES TO CEASE ALL HOSTILITIES IN THE SOUTH ATLANTIC. THE EMBARGO ON ARMS SUPPLIES MIGHT REMAIN RATHER LONGER, SO THAT WE CAN BE SURE THAT ARGENTINA HAS FINALLY ABANDONED HER AGGRESSIVE INTENTIONS. (FOR SUMMIT COUNTRIES ONLY) YOU WILL RECALL THAT WE DISCUSSED THIS SUBJECT AT VERSAILLES. THIS MESSAGE IS INTENDED TO TAKE OUR CONSIDERATION A STAGE FURTHER, BRINGING IN ALL COUNTRIES WHO HAVE ADOPTED ECONOMIC MEASURES AGAINST ARGENTINA. (FOR EC MEMBERS) I WOULD LIKE OUR POLITICAL DIRECTORS TO

(FOR NON-EC MEMBERS)

(FOR ALL)

IF OUR

CONSIDER THIS WHEN THEY MEET ON 14 JUNE.

JUNE AND WOULD BE GLAD OF YOUR VIEWS BY THEN.

WE EXPECT TO DISCUSS THIS WITH OUR COMMUNITY PARTNERS ON 14

JUNE AND WOULD BE GLAD OF YOUR VIE'S BY THEM. (FOR ALL) IF OUR JOINT CONSIDERATION RESULTS IN AGREEMENT THAT THERE SHOULD BE A LINK BETWEEN THE CESSATION OF ALL HOSTILITIES AND THE LIFTING OF ECONOMIC MEASURES, WE COULD DISCUSS WAYS OF BRINGING THIS TO THE NOTICE OF THE ARGENTINES, SO THAT THEY CAN DRAW THE CONSEQUENCES.
IN PARALLEL, THE ARGENTINES COULD ALSO BE TOLD THAT THE ENDING OF HOSTILITIES WILL ENSURE THE EARLY RETURN OF THEIR PRISONERS
TAKEN IN THE FALKLANDS. THIS COULD EXERT A STRONG PRESSURE ON
THEM TO ABANDON THEIR AGGRESSION AND RESTORE PEACEFUL RELATIONS.
5. (FOR EC MEMBERS) I LOOK FORWARD TO THE DISCUSSION BETWEEN US ON THIS. (FOR OTHERS) I LOOK FORWARD TO HEARING YOUR VIEWS. (FOR ALL) MEANWHILE, UNTIL WE HAVE HAD OUR CONSULTATIONS I HOPE WE COULD ALL BE CAREFUL NOT TO PREJUDGE THEIR OUTCOME AND IN PARTICULAR AVOID SAYING ANYTHING IN PUBLIC WHICH COULD LEAD TO AN APPEARANCE OF DISUNITY AMONG US OR SEND THE WRONG SIGNALS TO ARGENTINA. PYM NNNN FM FUD WATERAL DUME DE TO PRYEDT TE RUSSEUS 100 380 no town FORCAN 063/03