## FALKANDS SELECTIVE ADVANCES. (48)

PS (6.) PS/MR HURD - PS/M' RIFKIND PS/MR ONSLOW PS/LORD BELSTEAD PS/PUS END JOBHELDED Mc. Harray BIR I SINCLAIR mc. Feeden & MR GIFFARD IMMEDIATE MR WRIGHT MR GILLMORE MR URE MR BARRETT HD/S AM D HD/DEF D HD/PLANNING STAFF. ADVANCE COPY HD/UND HD/NEWS D HD/ERD HD/PUSD MR REED, 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 MR WADE-GERY CABINET MR FULLER OFFICE MR COLVIN MR O'NEILL HD ASSESS MENTS STAFF DIO MR J M STEWART AUSD STAFF ADMIRAL SIR ROY HALLIDAY DGI MOD DIRECTOR G.C.H.Q. (via Room 8)

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FM PARIS 181630Z JUN 82
TO IMMEDIATE FCO
TELEGRAM NUMBER 647 OF 18 JUNE 1982
INFO PRIORITY UKREP BRUSSELS

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YOUR TELNO 1195 TO WASHINGTON: ARGENTINA: ECONOMIC SANCTIONS

1. FOUQUET (QUAI) TOLD HEAD OF CHANCERY THIS AFTERNOON THAT CHEYSSON WOULD IN BRUSSELS ON 20 JUNE BE ARGUING IN FAVOUR OF IMMEDIATELY LIFTING THE ECONOMIC SANCTIONS AGAINST ARGENTINA. YOU MAY ALREADY HAVE SEEN A COREU THAT FOUQUET SAID THE FRENCH WOULD PROBABLY SEND, AGREEING TO A DUTCH PROPOSAL TO THIS EFFECT. THE FRENCH CONTENTION WAS THAT LIFTING SANCTIONS WOULD START A PROCESS OF DE-ESCALATION OF THE CRISIS.

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2. ARBUTHNOTT ARGUED THAT TO LIFT SANCTIONS BEFORE THE ARGENTINES HAD AGREED TO END ALL HOSTILITIES WOULD TAKE THE PRESSURE OFF THEM TO DO SO. FOUQUET SAID THAT REFUSING TO END HOSTILITIES WAS THE ONLY CARD LEFT IN THE ARGENTINE HAND. IN THE FRENCH VIEW, LIFTING THE SANCTIONS MIGHT WELL GIVE THE ARGENTINES THE . OPENING THEY NEEDED IN ORDER TO SHOW FLEXIBILITY AND OPEN NEGOTIATIONS: CHEYSSON WOULD SAY THAT THIS WAS THE NEXT STAGE FORESEEN BY SCR 5\$\phi 2\$ AND SHOULD NOW BE IMPLEMENTED. ARBUTHNOTT REPEATED THE ARGUMENT THAT SINCE SCR 5\$\phi 2\$ HAD NOT BEEN HONOURED BY THE ARGENTINES, THERE WAS NO OBLIGATION ON THE UK TO NEGOTIATE. FOUQUET DID NOT COMMENT FURTHER BUT SAID THAT HE WAS ONLY FORECASTING THE LINE CHEYSSON WOULD TAKE.

FRETWELL

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