

PS
 PS/LADY YOUNG
 PS/MS WHITNEY
 PS/MS RIFKIND
 PS/PUS
 SIR J SULLARD
 SIR I SINCLAIR
 SIR W HARDING
 MS TRIGET
 MS ADAMS
 LORD N GORDON-LENNOX 1
 SIR C TICKELL
 MS D C THOMAS
 MR CARLEDGE

PS/NO 10 DOWNING ST (3)
 PS/S OF S FOR DEFENCE
 MR J STEWART AUSD STAFF MOD
 PS/CHANCELLOR)
 MISS M E CURD) TREASURY
 MR LITTLER)
 SIR R ARMSTRONG)
 MR A D S GOODALL) CABINET OF
 DIO)
 MR M A PATTISON, FID, ODA
 Mr POWER, SAs, ODA
 Mr A FORTNAM IAT/ D. TRANSPORT

ED/PUSD (2)
 ED/SAVD
 ED/ED
~~ED/ED~~
 ED/NEES DEPT
 ED/ED
 ED/ED(E)
 ED/END

RESIDENT CLERK



GRS 700
 CONFIDENTIAL
 DESKBY 170700Z
 FM BERNE 16/1635Z MAY 1984
 TO IMMEDIATE DESKBY FCO
 TELEGRAM NUMBER 173 OF 16 MAY 1984

IMMEDIATE
 ADVANCE COPY

MY TELNO 172: RELATIONS WITH ARGENTINA
 SUMMARY

1. SWISS STATE SECRETARY AGREED TO CONVEY YOUR COMMUNICATION TO ARGENTINE GOVERNMENT AND WILL MAKE A DETERMINED EFFORT TO SECURE ACCEPTANCE OF PROCEDURE ON SOVEREIGNTY PROPOSED. YOUR OBSERVATIONS ON SWISS ROLE NOT WELL TAKEN AND PROVOKED AN EXTENSIVE RESPONSE.

DETAIL

2. I CALLED ON BRUNNER THIS AFTERNOON ACCOMPANIED BY COUNSELLOR AND CARRIED OUT INSTRUCTIONS IN YOUR TELNO 85. AFTER GOING THROUGH ALL YOUR POINTS ORALLY I HANDED OVER TEXT OF SPEAKING NOTE IN YOUR TELNO 86. I ALSO HANDED OVER MY OWN BOUT DE PAPIER COVERING THE POINTS IN YOUR TELNO 85.

3. BRUNNER TOOK NOTE OF THE CHANGES INVOLVED IN THE SWISS DRAFT INVITATION WITHOUT SIGNIFICANT COMMENT. HIS MAIN PREOCCUPATION WHICH WE DISCUSSED AT SOME LENGTH WAS HOW TO HANDLE THE QUESTION OF SOVEREIGNTY NOW THAT HIS IDEA OF A CONSTRUCTIVE AMBIGUITY WAS EXCLUDED. I POINTED OUT THAT THE PRESENT COMMUNICATION COULD FROM THE ARGENTINE POINT OF VIEW BE REGARDED AS AN IMPROVEMENT ON THAT OF 6 APRIL. IT SHOULD ALSO BE SEEN AS THE LONG-AWAITED GREEN LIGHT SIGNAL FROM LONDON. HE THOUGHT THAT IT WAS FAR FROM CERTAIN THAT CAPUTO AND THE ARGENTINE GOVERNMENT WOULD BE WILLING TO PROCEED ON THE BASIS OF YOUR LATEST COMMUNICATION BUT ASSURED ME THAT HE AND KEUSCH WOULD MAKE EVERY EFFORT AND THOUGHT THEY HAD A FAIR CHANCE OF SUCCESS. ON THE MODALITIES OF A SEPARATE STATEMENT

~~THAT HE AND KEUSCH WOULD MAKE EVERY EFFORT AND THOUGHT THEY HAD A FAIR CHANCE OF SUCCESS, ON THE MODALITIES OF A SEPARATE STATEMENT I DREW BRUNNER'S ATTENTION TO MY EARLIER BOUT DE PAPIER OF 6 APRIL (YOUR TELNO 62, PARA 3B). HE THOUGHT ANY ARGENTINE STATEMENT MIGHT BEST BE DELIVERED IN BERNE BY THE ARGENTINE AMBASSADOR A FEW DAYS BEFORE THE OPENING OF THE MEETING.~~

4. ON CONFIDENTIALITY BRUNNER EXPRESSED THE HOPE THAT ALL PARTIES WOULD SHOW A MEASURE OF TOLERANCE. HE THOUGHT THAT SO FAR THINGS HAD GONE REASONABLY WELL IN THIS RESPECT.

5. BRUNNER THEN TURNED TO THE QUESTION OF THE SWISS ROLE (PARA 6 OF YOUR TELNO 85) ON WHICH HE ASKED ME TO TRANSMIT THE FOLLOWING RESPONSE. SWITZERLAND WAS WELL AWARE OF ITS ROLE AS PROTECTING POWER AND HAD ACTED ACCORDINGLY OVER THE PAST TWO YEARS. THERE WERE HOWEVER CERTAIN CONSIDERATIONS WHICH HAD TO BE BORNE IN MIND. SINCE THE RESTORATION OF DEMOCRACY IN ARGENTINA, THE SWISS GOVERNMENT HAD DEVELOPED NEW POLITICAL CONTACTS AT THE LEVEL OF MINISTER (WHEN CAPUTO VISITED BERNE IN FEBRUARY) AND SECRETARY OF STATE (WHEN PROBST WENT TO ARGENTINA IN DECEMBER OR HE HIMSELF MET CAPUTO IN PARIS MORE RECENTLY). SWITZERLAND HAD WELCOMED THE POLITICAL EVOLUTION IN ARGENTINA AND IN THE CONTACTS WHICH HAD SINCE OCCURRED THE ARGENTINE SIDE SAW SWITZERLAND PARTLY AS THE BRITISH PROTECTING POWER. A SYMIOSE HAD DEVELOPED WHICH HAD LED TO A MIXTURE OF SWISS ROLES AS PROTECTING POWER AND INTERMEDIARY. THERE WERE TWO REASONS WHY THIS COULD NOT BE ESCAPED: THE ARGENTINE AUTHORITIES PREFERRED TO DO THEIR BUSINESS THROUGH SWITZERLAND RATHER THAN THROUGH BRAZIL AND THE SWISS CONSIDERED IT WAS FAIR TO ACCEPT THIS PREFERENCE AND IN THE BRITISH INTEREST THAT THEY SHOULD DO SO. MORE IMPORTANT WAS THE ADVICE BRUNNER HAD EXPRESSED TO GOBBI AT THEIR INTERVIEW IN GENEVA, WHICH HAD RECEIVED YOUR APPROBATION, NAMELY THAT THE ARGENTINES SHOULD FOLLOW THE ROAD OF INFORMAL TALKS RATHER THAN THE UNITED NATIONS' ROUTE TO WHICH WAS LINKED TO THE OFFER OF SWISS HELP. IF SWITZERLAND WAS TO REVERT TO A STRICTLY LIMITED ROLE OF TRANSMITTING NOTES, ARGENTINA COULD BE EXPECTED TO REVERT TO THE UNITED NATIONS' COURSE. THE CHOICE WAS OURS.

6. BRUNNER ADDED THAT IT WAS A CONCESSION ON THE ARGENTINE SIDE TO ACCEPT A SITE OFFERED BY THE BRITISH PROTECTING POWER FOR THE PROPOSED TALKS. IF A REPROACH WERE TO BE MADE, IT COULD COME MORE APPROPRIATELY FROM ARGENTINA THAN BRITAIN. THERE WAS HOWEVER AN OBVIOUS LACK OF CONFIDENCE IN BRAZIL ON THE ARGENTINE SIDE AS THE FACT THAT THEIR FIRST MEETING AT MINISTERIAL LEVEL HAD ONLY NOW TAKEN PLACE SIX MONTHS AFTER THE INSTALLATION OF THE ALFONSIN REGIME DEMONSTRATED. BRUNNER COULD ASSURE US THAT THERE HAD BEEN NO ABANDONMENT BY SWITZERLAND OF ITS PROPER ROLE AS PROTECTING POWER AND SUGGESTED THAT THE FACT THAT BRAZIL WOULD NOW BE PARTICIPATING IN TALKS IN BERNE WOULD EASE THE SITUATION IN THIS RESPECT AND WOULD PARTLY ANSWER YOUR POINT. IT WAS NO BAD THING THAT THE ARGENTINES HAD NOW REDISCOVERED THEIR OWN "HOMME DE CONFIANCE".

IT BECAME EVIDENT THAT SWISS AMBASSADOR HAD NOT REPORTED SIR W HARDING'S REMARKS ON THIS SUBJECT REPORTED IN YOUR TELNO 84, PARA 2, WHICH I READ OUT. BRUNNER CONCLUDED OUR DISCUSSION ON THIS SUBJECT WITH THE STATEMENT THAT YOUR ADMONITION ON THIS POINT WAS NOT WELL TAKEN.

7. FINALLY I RAISED THE QUESTION OF DESTAFANIS (YOUR TELNO 87) AS

AGREED WITH PALMER. BRUNNER AGREED TO SEND INSTRUCTIONS TO KENBCH
IN ACCORDANCE WITH YOUR REQUEST.

POWELL-JONES

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SENT/RECD AT 16/1733Z JDG/JEB