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Foreign and Commonwealth Office

London SW1A 2AH

19 July 1984

*pa.*

*Dear Charles,*

Talks with Argentina

The Prime Minister may find it useful to have a brief summary of today's events. You will have seen Berne telnos 273, 274 and 275 which report the discussions in Berne.

You will have seen from Berne telno 273 that during the first session yesterday evening the Argentines insisted that any progress towards normalisation must be dependent on the setting up of a mechanism for discussing sovereignty. Mr Thomas on the British side responded in the terms agreed in OD. In the second session earlier today, Mr Thomas gave a full presentation of our six items. The Argentines listened but stuck to their position that there could not be further discussion unless we accepted a mechanism for addressing sovereignty. Mr Thomas made clear that this was unacceptable and the talks ended.

There was a further meeting late this afternoon with the Swiss at which the latter put forward a draft communique (copy attached). You will see that the draft communique was completely unacceptable. We instructed our delegation immediately to make this plain. Instead we said that we were only prepared to accept a very short factual communique which simply stated when and where the talks had taken place.

As the Prime Minister knows, in the course of the afternoon we saw Reuter tapes of a statement made by Sr Caputo in which he said that Argentina had broken off the talks with Britain (I enclose a copy of the tape). After discussion with our delegation in Berne, the Foreign Secretary issued an on the record statement (copy attached) making clear that the talks had broken down because the Argentines had violated the agreed basis. The Foreign Secretary will do a series of radio and TV interviews this evening, making clear that we had said consistently that we were not willing to discuss the question of sovereignty and that the Swiss and the Argentines were perfectly well aware of this.

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It will be clear from this that the Argentines, and the Swiss, violated the agreed basis for the talks on at least four counts. First, by the way in which the Argentines sought to establish a linkage between sovereignty and the discussion of the six items. Secondly, by the way in which the Argentines broke the confidentiality of the negotiations through Sr Caputo's statement. Third, by the way in which the Swiss (and the Brazilians) came up with a long draft communique which dealt misleadingly with matters of substance. Fourth, by the way in which the Swiss have failed so far to live up to their assurance that they would stand firm on the agreed basis for the negotiations. We are taking steps here and in Berne to press the Swiss hard to honour their undertakings to confirm the basis for the talks in public. The PUS has spoken firmly to the Swiss Ambassador who agreed that the Argentines appeared to have gone against the agreed basis for the talks. Our Ambassador in Berne has spoken to the Swiss Government. So far the Swiss have been evasive.

The Foreign Secretary will be making a statement in the House tomorrow morning. We are sending telegrams to our posts abroad now with instructions to tell other governments about the reasons for the breakdown in the talks. We will obviously want to consider the implications of today's events in more detail. Nevertheless, it looks as though there is little chance that the talks will be revived in the very near future. I do not think that any of us went into these talks with any illusions. The main thing is to make sure that the blame for their failure is pinned fairly and squarely where it belongs - on the Argentines. This we are doing.

I have not been able to clear this letter with the Foreign Secretary in the time available.

*Yours ever,*

*Len Appleyard*

(L V Appleyard)  
Private Secretary

C D Powell Esq  
10 Downing Street

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## SWISS DRAFT OF COMMUNIQUE

At the invitation of the Swiss Government and in the presence of representatives of the Government of Brazil, senior officials of Argentina and the UK met in Berne on 18/19 July 1984.

On this occasion the Argentine side stated that it was essential in its view to discuss the setting up of a mechanism which would permit commencing a discussion on the dispute between Argentina and Great Britain over the sovereignty of the Islands.

The British side reaffirmed that Her Majesty's Government was not prepared to enter into a discussion on the question of sovereignty.

The British delegation set out proposals in different fields which in the view of Her Majesty's Government would lead to a negotiation intended to proceed by stages to the normalisation of relations between the two countries.

The Argentine delegation made the point in this connection that it was not prepared to enter into substantial discussion on these subjects so long as the means of addressing the question of sovereignty could not be examined.

These conversations were considered useful by the participants. They allowed the two parties to have the first direct contact and to express clearly their respective points of view.

The British and Argentine delegations will report back to their Governments on the conversations as a whole. This would allow the two Governments, on the basis of the decisions taken as well as messages which will be transmitted by the protecting powers, to pursue the dialogue in order to explore ways and means of extending examination of the subjects raised.

The protecting powers have expressed a wish to the two delegations that measures be taken under the aegis of the ICRC to allow families of Argentine soldiers buried in the Islands to visit their graves. The two sides took note of this humanitarian proposal.

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191419 :AM-FALKLANDS ' ' ' URGENT  
ARGENTINA BREAKS OFF SWITZERLAND TALKS; OFFICIAL NEWS AGENCY  
SAYS:

BUENOS AIRES, JULY 19; REUTERS - ARGENTINA BROKE OFF TALKS  
WITH BRITAIN ON THE FALKLANDS (MALVINAS) ISLANDS IN SWITZERLAND  
TODAY LESS THAN 24 HOURS AFTER THEY BEGAN; THE ARGENTINE  
OFFICIAL NEWS AGENCY TELAM SAID; QUOTING FOREIGN MINISTER DANTE  
CAPUTO.

MORE JPR BCM

NNNN  
UKP906 EPF048  
191426 :AM-FALKLANDS #2 BUENOS AIRES:

CAPUTO SAID ARGENTINA HAD SHOWN ITS WILLINGNESS TO ENTER  
INTO DIALOGUE OVER THE SOVEREIGNTY OF THE ISLANDS IN THE TALKS  
THAT BEGAN YESTERDAY NEAR BERNE +BUT WITHDREW FROM THE SAME DUE  
TO THE BRITISH INTRANSIGENCE ON THE SUBJECT.+

CAPUTO MADE THE STATEMENT AFTER A MEETING WITH PRESIDENT  
RAUL ALFONSIN.

MORE JPR/DM

FALKLAND ISLANDS GENERAL

PS  
 PS/LADY YOUNG  
 PS/MR WHITNEY  
 PS/MR RIFKIND  
 PS/PUS  
 SIR J BULLARD  
 MR FREELAND  
 SIR W HARDING  
 MR GOODALL  
 MR O'NEILL  
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 MR LITTLER

TREASURY  
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SIR R ARMSTRONG  
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MR A FORTNAM IAT/D. TRANSPORT

~~RESIDENT CLERK~~

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FM BERNE 19/0830Z JUL 84

TO FLASH FCO

TELEGRAM NUMBER 273 OF 19 JULY 1984

OFFICIAL TALKS WITH ARGENTINA

FROM DELEGATION

SUMMARY

1. FIRST EVENING. ARGENTINES ADHERED TO LETTER OF ARRANGEMENT FOR SINGLE EXCHANGE ON SOVEREIGNTY, BUT THEY HAVE INSISTED THAT ANY PROGRESS TOWARDS NORMALISATION MUST BE DEPENDENT ON ESTABLISHMENT OF MECHANISM FOR ADDRESSING ISSUE OF SOVEREIGNTY. WE LEFT THEM IN NO DOUBT THAT THERE COULD NOT BE ANY SUCH LINKAGE. SOVEREIGNTY WAS NOT FOR DISCUSSION. SOME WRANGLES OVER PUBLIC PRESENTATION. WE PLAN TO MOVE ON TO OUR SIX SUBJECTS TODAY.

DETAIL

2. HM AMBASSADOR TOOK REST OF DELEGATION TO CALL ON SWISS STATE SECRETARY AT 1700 ON 18 JULY. DISCUSSION WAS MOSTLY ABOUT MODALITIES, BUT BRUNNER, WHO HAD ALREADY SEEN ARGENTINE DELEGATION, SAID THAT THEIR LEADER HAD MAINTAINED THAT IT WOULD BE QUOTE POLITICAL SUICIDE UNQUOTE FOR THE ARGENTINE GOVERNMENT TO AGREE TO MOVE TOWARDS NORMALISATION OF BILATERAL RELATIONS WITHOUT SOVEREIGNTY BEING ADDRESSED. THOMAS REPLIED FIRMLY. WE HAD COME TO START THE PROCESS OF REBUILDING CONFIDENCE. THE EVENTS OF 1982 WERE NOT THE FAULT OF THE PRESENT GOVERNMENT OF ARGENTINA, BUT THE ALFONSIN REGIME HAD INHERITED THE CONSEQUENCES OF THESE EVENTS. ONE SUCH CONSEQUENCE WAS THAT THERE CAN BE NO DISCUSSION OF SOVEREIGNTY.

EVENTS. ONE SUCH CONSEQUENCE WAS THAT THERE CAN BE NO DISCUSSION OF SOVEREIGNTY.

3. AFTER BUSINESSLIKE AND CORDIAL CONVERSATION OVER DINNER, TALKS STARTED AT 20.30. THOMAS MADE OPENING STATEMENT IN MIFT. DELPECHE FOLLOWED WITH ARGENTINES' OPENING STATEMENT. HE SAID ARGENTINE GOVERNMENT HAD TAKEN FIRM DECISION TO SOLVE, AS SOON AS POSSIBLE, ALL THE DIFFERENCES BETWEEN OUR TWO COUNTRIES. THE INTERNATIONAL COMMUNITY SHARED THIS WISH AND HAD EXPRESSED IT IN UN RESOLUTIONS. ALL THE ISSUES SHOULD BE DEALT WITH IN A CO-ORDINATED MANNER. THE FUNDAMENTAL PROBLEM BETWEEN US WAS THAT OF SOVEREIGNTY; THIS, TOO, HAD BEEN RECOGNISED BY THE INTERNATIONAL COMMUNITY, AND THERE HAD BEEN NUMEROUS STATEMENTS BY THE TWO PARTIES THAT A DISPUTE OVER SOVEREIGNTY EXISTED. ARGENTINE DELEGATION WAS DETERMINED TO ESTABLISH A QUOTE CERTAIN AND SURE MECHANISM UNQUOTE FOR ADDRESSING SOVEREIGNTY. THIS DID NOT MEAN IMMEDIATE AGREEMENT TO TRANSFER SOVEREIGNTY, OR ANYTHING LIKE IT, BUT IT MUST BE RECOGNISED THAT THE SITUATION IS SUSCEPTIBLE TO SOLUTION BY NEGOTIATION. THIS WAS THE ESSENTIAL FACT UNDERLYING THE TALKS AND OTHER ASPECTS COULD ONLY BE ADDRESSED IN THE LIGHT OF IT.

4. DELPECHE CONTINUED THAT BRITAIN, AS A PERMANENT MEMBER OF THE UN SECURITY COUNCIL, HAD A PARTICULAR OBLIGATION TO CONTRIBUTE TO THE MAINTENANCE OF PEACE AND SECURITY. THE EXISTENCE OF THE DISPUTE WAS INTERNATIONALLY RECOGNISED: IT WAS THEREFORE ONLY RATIONAL TO SET IN MOTION PROCEDURES FOR SOLVING IT. HE CONCLUDED BY REITERATING THAT ISSUES OTHER THAN SOVEREIGNTY COULD ONLY BE SOLVED TO THE EXTENT THAT PROGRESS WAS MADE IN ESTABLISHING A QUOTE CERTAIN MECHANISM UNQUOTE FOR ADDRESSING, IN DUE COURSE, THE SOVEREIGNTY ISSUE.

5. THOMAS SAID WE HAD TAKEN CAREFUL NOTE OF DELPECHE'S EXPOSITION OF THE ARGENTINE POSITION. HE THEN RESPONDED IN TERMS AGREED IN OD (FULL TEXT ALSO IN MIFT).. BRUNNER THEN SOUGHT TO MOVE DISCUSSION ON TO THE SIX PRACTICAL POINTS WE HAD PROPOSED AND THE THREE ADDITIONAL ITEMS PUT FORWARD BY ARGENTINA IN FEBRUARY. AT THIS POINT DELPECHE REQUESTED A QUOTE PAUSE FOR REFLECTION UNQUOTE.

6. EXCHANGES BETWEEN THE DELEGATIONS THEN CONTINUED THROUGH BRUNNER. THE ARGENTINES SOUGHT CONFIRMATION THAT, AFTER THE TALKS, OUR PUBLIC LINE ABOUT NOT BEING PREPARED TO ENTER INTO DISCUSSION OF SOVEREIGNTY WOULD NOT ENTAIL FULL REPETITION IN PUBLIC OF TERMS OF THOMAS' RESPONSE. WE SAID THAT THE AGREED ARRANGEMENT PROVIDED FOR THE TWO SIDES SAYING WHAT THEY LIKED IN PUBLIC. WE CERTAINLY INTENDED TO CONFINE OUR INITIAL PUBLIC COMMENT ON THIS ASPECT TO CONFIRMING THAT THE ARGENTINE DELEGATION HAD RAISED SOVEREIGNTY ON A SINGLE OCCASION SEMI COLON THAT THE BRITISH GOVERNMENT HAD CONSISTENTLY MADE CLEAR TO THE ARGENTINE GOVERNMENT, THROUGH THE PROTECTING POWERS AND PUBLICLY, THAT THEY ARE NOT PREPARED TO ENTER INTO DISCUSSION OF THE QUESTION OF SOVEREIGNTY OVER THE FALKLAND ISLANDS AND THE FALKLAND ISLANDS DEPENDENCIES SEMI COLON AND THAT THIS REMAINS THE POSITION. HOWEVER, WHILE THE ARGENTINES COULD TAKE IT THAT WE WOULD SUMMARISE THE EXCHANGE IN THIS WAY, WE RESERVED THE RIGHT TO DETERMINE OUR FINAL LINE, AND TO DEAL WITH SUPPLEMENTARY QUESTIONS, IN THE LIGHT OF WHAT THE

ARGENTINES THEMSELVES SAID. IN FORMULATING OUR LINE, WE HAD MADE A CONCESSION TO MEET ARGENTINE CONCERNS. THEIR OWN STATEMENT WOULD BE EXCLUSIVELY THEIR RESPONSIBILITY. THERE COULD BE NO QUESTION OF THE BRITISH DELEGATION COMMITTING MINISTERS IN ADVANCE TO USING OR NOT USING ANY PARTICULAR FORMULA.

7. THERE FOLLOWED A SEPARATE MEETING BETWEEN THOMAS, DELPECHE AND BRUNNER. THIS BEGAN WITH INCONCLUSIVE DISCUSSION ABOUT THE EXTENT TO WHICH THE CONFIDENTIALITY OF THE TALKS WOULD BE OBSERVED IN THE PUBLIC STATEMENTS OF THE TWO SIDES. DELPECHE THEN MADE CLEAR AGAIN THAT ARGENTINA COULD NOT ADMIT TO HAVING DISCUSSED OUR NORMALISATION PROPOSALS IN THE FACE OF OUR NOT BEING PREPARED TO DISCUSS SOVEREIGNTY: IT WAS ESSENTIAL TO ESTABLISH A LINK BETWEEN NORMALISATION AND AT LEAST THE OUTLINE OF A MECHANISM FOR ADDRESSING SOVEREIGNTY. THOMAS REPLIED THAT THE BRITISH GOVERNMENT WERE SINCERE IN THEIR DETERMINATION TO NORMALISE RELATIONS WITH ARGENTINA, BUT THERE COULD BE NO LINK WHATSOEVER BETWEEN DISCUSSION OF THIS AND THE QUESTION OF SOVEREIGNTY. HE REITERATED THAT SOVEREIGNTY WAS NOT FOR DISCUSSION.

8. IT WAS PROVISIONALLY AGREED THAT THE TALKS WOULD RECONVENE THIS MORNING AND THAT WE WOULD GIVE A PRESENTATION ON OUR SIX SUBJECTS. DELPECHE INDICATED THAT HE WOULD REPLY THAT, FOR THE REASONS HE HAD STATED, THE ARGENTINE DELEGATION WAS NOT PREPARED TO DISCUSS THEM. HE SAID LAST NIGHT THAT HE WAS PREPARED FOR THIS ATTITUDE TO NORMALISATION TO BE REFLECTED IN A COMMUNIQUE, TO BE DISCUSSED LATER TODAY, WHICH WOULD ALSO MAKE PLAIN OUR POSITION ON SOVEREIGNTY. (WE SHALL SEE.)

9. BRUNNER IS SHOWING AN INCLINATION TO PICK UP OUR OFFER OF A NEXT-OF-KIN VISIT AND RUN WITH IT HIMSELF AS A SWISS INITIATIVE. WE PLAN TO RESIST THIS, EMPHASISING FIRST OUR STRONG PREFERENCE FOR THE RETURN OF ARGENTINE DEAD AND POINTING OUT THAT, FAILING THIS, A BRITISH OFFER OF A NEXT-OF-KIN VISIT, INCLUDING DETAILED CONDITIONS, IS ALREADY ON THE TABLE.

10. AS WE PARTED IN THE EARLY HOURS, BRUNNER COMMENTED TO US THAT THE ARGENTINES FULLY UNDERSTOOD THE AGREEMENT FOR SOVEREIGNTY TO BE RAISED ON A SINGLE OCCASION ONLY AND DID NOT WANT TO BREAK IT. BUT THE SINGLE EXCHANGE HAD NOT DEVELOPED AS HE OR WE HAD ANTICIPATED, IN THAT THE ARGENTINES, RATHER THAN REITERATING THEIR CLAIM, HAD CONCENTRATED ON THE POINT OF LINKAGE. WE REMARKED THAT THIS WAS THE VERY OPPOSITE OF OUR PURPOSE IN AGREEING TO WHAT HAD BEEN THE ARGENTINES' OWN PROPOSAL (OF 4 JUNE) IN THE FIRST PLACE: THE DEVICE HAD THEN BEEN ACCEPTED AS A MEANS OF KEEPING SEPARATE THE QUESTIONS OF NORMALISATION AND SOVEREIGNTY. THE STATEMENT IN THOMAS' RESPONSE THAT QUOTE HER MAJESTY'S GOVERNMENT DO NOT ACCEPT THE ARGENTINE POSITION UNQUOTE HAD BEEN DRAWN UP TO MEET AN ANTICIPATED REITERATION OF ARGENTINA'S CLAIM. BUT WE LEFT BRUNNER IN NO DOUBT THAT THE POINT APPLIED WITH EQUAL FORCE TO THE ARGENTINES' ATTEMPT TO LINK NORMALISATION WITH SOVEREIGNTY.

11. FCO PLEASE REPEAT AS JUDGED DESIRABLE.

POWELL- JONES



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 PS/MR RIFKIND  
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 SIR W HARDING  
 MR GOODALL  
 MR O'NEILL  
 SIR C TICKELL  
 MR D C THOMAS  
 MR WESTON  
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CONFIDENTIAL  
 FM BERNE 19845Z

TO FLASH FCO  
 TELEGRAM NUMBER 274 OF 19 JULY 84

MIPT: OFFICIAL TALKS WITH ARGENTINA  
 FROM DELEGATION

1. FOLLOWING IS TEXT OF THOMAS' OPENING STATEMENT:-

BEGINS

(OPENING COURTESIES)

I AND MY DELEGATION WELCOME THE RENEWAL OF DIRECT CONTACT WITH REPRESENTATIVES OF THE ARGENTINE GOVERNMENT. THE ESTABLISHMENT OF A MUTUALLY ACCEPTABLE BASIS FOR THIS EXCHANGE HAS REQUIRED MUCH PATIENT AND CAREFUL PREPARATORY WORK. WE MUST NOW MAKE THIS WORTHWHILE, BY WORKING FOR A POSITIVE OUTCOME.

THE AIM OF THE BRITISH SIDE IS SIMPLY STATED: TO BRING ABOUT THE NORMALISATION OF BILATERAL RELATIONS, AND THE RESTORATION OF CONFIDENCE BETWEEN BRITAIN AND ARGENTINA. THE BEST MEANS OF ACHIEVING THIS IS JOINTLY TO EXPLORE SPECIFIC AREAS IN WHICH PRACTICAL PROGRESS SHOULD BE FEASIBLE.

WE RECOGNISE THAT AN HISTORICALLY SIGNIFICANT CHANGE TOOK PLACE IN ARGENTINA LAST YEAR WITH THE RESTORATION OF DEMOCRACY THERE. THE WELCOME GIVEN TO THIS BY MRS. THATCHER WAS WIDELY SHARED

THE WELCOME GIVEN TO THIS BY MRS. THATCHER WAS WIDELY SHARED IN BRITAIN. WE RECOGNISE, TOO, THAT THE PRESENT ARGENTINE GOVERNMENT BEARS NO RESPONSIBILITY FOR THE TRAGIC EVENTS OF 1982. BUT THOSE EVENTS AND THEIR CONSEQUENCES CANNOT BE EXCISED FROM THE HISTORY OF OUR TWO NATIONS. THE BRITISH GOVERNMENT'S ACTIONS THEN REFLECTED ITS UNWAVERING COMMITMENTS TO THE RULE OF LAW IN INTERNATIONAL RELATIONS AND TO THE SECURITY OF A COMMUNITY FOR WHOSE WELL-BEING IT WAS RESPONSIBLE. THE BRITISH GOVERNMENT STANDS BY THESE COMMITMENTS NO LESS FIRMLY TODAY. BUT THEY ARE NOT INCOMPATIBLE WITH OUR PURPOSE HERE, WHICH IS TO SET IN MOTION A PROCESS OF RECONCILIATION BETWEEN TWO PEOPLES HAVING A LONG HISTORY OF FRIENDSHIP, AND THE RESTORATION OF CONFIDENCE BETWEEN US. WE HAVE COME TO BERNE IN A SPIRIT OF GOODWILL.

ENDS

2. FOLLOWING IS TEXT OF THOMAS' RESPONSE TO ARGENTINE OPENING STATEMENT

BEGINS

THE BRITISH GOVERNMENT HAVE CONSISTENTLY MADE CLEAR TO THE ARGENTINE GOVERNMENT, THROUGH PROTECTING POWERS AND PUBLICLY, THAT THEY ARE NOT PREPARED TO ENTER INTO DISCUSSION OF THE QUESTION OF SOVEREIGNTY OVER THE FALKLAND ISLANDS AND THE FALKLAND ISLANDS DEPENDENCIES. THAT REMAINS OUR FIRMAND UNQUALIFIED POSITION. THE BRITISH GOVERNMENT AGREED, HOWEVER, TO AN ARRANGEMENT WHEREBY THE ARGENTINE DELEGATION WOULD MAKE ONE STATEMENT AT THESE TALKS SETTING OUT THEIR GOVERNMENT'S POSITION IN SOVEREIGNTY. IN ACCORDANCE WITH THE UNDERSTANDING REACHED BEFORE THE TALKS BEGAN, I PROPOSE TO MAKE NO RESPONSE TO THE ARGENTINE STATEMENT, APART FROM STATING THAT HER MAJESTY'S GOVERNMENT DO NOT ACCEPT THE ARGENTINE POSITION AND REITERATING THAT THE POSITION OF THE UNITED KINGDOM AS REGARDS ITS ENTITLEMENT TO SOVEREIGNTY OVER THE FALKLAND ISLANDS AND THE FALKLAND ISLANDS DEPENDENCIES IS WELL KNOWN AND THAT THE SUBJECT OF SOVEREIGNTY IS NOT FOR DISCUSSION. I HOPE THAT WE CAN NOW PROCEED TO DISCUSSION OF PRACTICAL WAYS IN WHICH MORE NORMAL RELATIONS BETWEEN OUR TWO COUNTRIES CAN BE RESTORED TO THEIR MUTUAL BENEFIT.

ENDS

POWELL-JONES

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PS  
 PS/LADY YOUNG  
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 PS/MR RIFKIND  
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~~SIR J BULLARD~~  
 MR FREELAND Sir J Freeland  
 SIR W HARDING  
 MR GOODALL  
 MR O'NEILL  
 SIR C TICKELL  
 MR D C THOMAS  
 MR WESTON  
 MR BARRINGTON  
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PS/CHANCELLOR )  
 MISS M E CUND ) TREASURY  
 MR LITTLER )

SIR R ARMSTRONG )  
~~MR A D S GOODALL~~ ) CABINET  
 DIO ) OFFICE  
 MR CARRIDGE .

MR POWER, SAD, ODA

(2)

MR A FORTNAM IAT/D. TRANSPORT

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FM BERNE 19/1350Z JUL 84

TO FLASH FCO

TELEGRAM NUMBER 275 OF 19 JULY 1984

BERNE TELNOS 273 AND 274: OFFICIAL TALKS WITH ARGENTINA

FROM DELEGATION

SUMMARY

1. FULL PRESENTATION OF OUR SIX ITEMS. ARGENTINES ACKNOWLEDGED THESE TO BE QUOTE IMPORTANT UNQUOTE BUT DID NOT BUDGE FROM POSITION THAT ARGENTINA CANNOT ENTER INTO DISCUSSION OF THEM UNLESS WE AGREE TO THE ESTABLISHMENT OF MECHANISM FOR ADDRESSING SOVEREIGNTY. PROTECTING POWERS DRAFTING COMMUNIQUE FOR CONSIDERATION THIS EVENING.

DETAIL

2. SECOND SESSION: MORNING OF 19 JULY. AS AGREED LAST NIGHT, TALKS RECONVENED THIS MORNING AT BRUNNER'S PRIVATE RESIDENCE (TO KEEP CLEAR OF PRESS ATTENTION). THOMAS MADE A FULL PRESENTATION OF THE SIX SUBJECTS WE HAD SUGGESTED ON 26 JANUARY FOR THE DISCUSSION OF THE NORMALISATION OF BILATERAL RELATIONS, EMPHASISING THAT THESE ENCOMPASSED A SERIES OF PRACTICAL AND MUTUALLY BENEFICIAL MEASURES. DETAILS OF HIS PRESENTATION ARE IN MIFT.

3. DELPECHE SAID HE HAD LISTENED ATTENTIVELY TO THOMAS' PRESENTATION. THIS HAD COVERED SUBJECTS AND IDEAS WHICH HE DESCRIBED AS QUOTE RESPECTABLE UNQUOTE AND QUOTE IMPORTANT UNQUOTE. BUT THEY WERE IN EACH INSTANCE CONSEQUENCES OF THE FUNDAMENTAL PROBLEM: THE EXISTENCE OF THE DISPUTE OVER SOVEREIGNTY. SO LONG AS NO SERIOUS FORMULA HAD BEEN WORKED OUT FOR ADDRESSING THIS, THE ARGENTINE GOVERNMENT WAS NOT IN A POSITION TO DISCUSS OUR SIX POINTS WHICH, IN THEMSELVES COULD BE SETTLED WITHIN A WEEK.

4. DELPECHE ALSO REPEATED THE UNITED NATIONS POINTS FROM HIS STATEMENT OF YESTERDAY EVENING (PARA 4 OF BERNE TELNO 273), ADDING ALSO THAT UNDER THE UN CHARTER WE HAD A LEGAL OBLIGATION TO REACH A PEACEFUL SETTLEMENT BY NEGOTIATION (THE OBVIOUS RETORT TO THIS

ALSO THAT UNDER THE UN CHARTER WE HAD A LEGAL OBLIGATION TO REACH A PEACEFUL SETTLEMENT BY NEGOTIATION. (THE OBVIOUS RETORT TO THIS IS THAT THE CHARTER IMPOSES NO SUCH OBLIGATION; THOMAS REFRAINED FROM MAKING THIS POINT IN ORDER TO AVOID ENTERING INTO DISCUSSION OF SOVEREIGNTY. SIMILARLY, WHEN DELPECHE, IN THE CONTEXT OF A POSSIBLE NEXT-OF-KIN VISIT, MADE THE POINT THAT THE DEAD WERE ALREADY BURIED ON ARGENTINE TERRITORY, THOMAS AVOIDED BEING DRAWN INTO ARGUMENT.

5. DELPECHE MAINTAINED THAT THE ARGENTINE DELEGATION HAD BEEN READY TO CONSIDER ALL THE SIX SUBJECTS ON OUR LIST, BUT THAT OUR REFUSAL TO ACCEPT THE LINKAGE PROPOSED IN HIS STATEMENT YESTERDAY NOW MADE THIS IMPOSSIBLE. NEVERTHELESS, THE ARGENTINE DELEGATION REGARDED THE VERY FACT THAT THE MEETING WAS TAKING PLACE AS A POSITIVE DEVELOPMENT. IT WAS AT THE MOMENT DIFFICULT TO SEE HOW THESE INITIAL EXPLORATORY EXCHANGES COULD BE CARRIED FORWARD. TIME WOULD BE REQUIRED.

6. THOMAS SAID THAT EACH DELEGATION SHOULD NOW REPORT FULLY AND ACCURATELY TO THEIR CAPITALS THE POINTS OF VIEW PUT FORWARD IN THE TALKS AND HOPED THAT THE ARGENTINE GOVERNMENT WOULD REFLECT CAREFULLY ON WHAT HAD BEEN SAID. WE STILL FIRMLY BELIEVED THAT THE CORRECT WAY AHEAD WAS TO TAKE PRACTICAL, CONFIDENCE-BUILDING MEASURES. THE NORMALISATION OF OUR BILATERAL RELATIONS WAS IN THE INTERESTS OF BOTH COUNTRIES, AND WE SHOULD MAKE A SUSTAINED EFFORT TO ACHIEVE THIS.

7. BRUNNER COMMENTED THAT DIALOGUE WAS IN ITSELF A GOOD THING. HE WELCOMED THE FACT THAT IT HAD STARTED. HE WAS UNDER NO ILLUSION ABOUT ITS IMMEDIATE RESULTS, BUT ALL PROCESSES MUST HAVE A STARTING POINT SOMEWHERE. HE WAS GLAD TO NOTE THAT FULL REPORTS WOULD BE MADE TO GOVERNMENTS WHO WOULD THEN ANALYSE POSSIBILITIES FOR THE FUTURE. THE PROTECTING POWERS REMAINED AT THE DISPOSAL OF BRITAIN AND ARGENTINA.

8. THERE IS TO BE A FURTHER MEETING AT 1600Z THIS AFTERNOON TO CONSIDER A COMMUNIQUE DRAFTED JOINTLY BY THE SWISS AND THE BRAZILIANS AND TO BE ISSUED IN THEIR NAME AS HOSTS. WE HAVE NOT YET SEEN A DRAFT, BUT BRUNNER EVISAGES A BRIEF STATEMENT RECORDING THAT THE TWO DELEGATIONS LISTENED TO STATEMENTS OF EACH OTHER'S POSITION AND WOULD REPORT TO GOVERNMENTS. HE ALSO HINTED THAT DRAFT MIGHT BRIEFLY SUMMARISE ESSENCE OF EACH SIDE'S POSITION, I.E. THAT WE WERE NOT PREPARED TO DISCUSS SOVEREIGNTY, WHILE ARGENTINES WERE NOT PREPARED TO DISCUSS STEPS TOWARDS NORMALISATION WITHOUT UNDERSTANDING ON MECHANISM BY WHICH QUESTION OF SOVEREIGNTY MIGHT BE ADDRESSED.

9. DELPECHE PROPOSED, AND WE AGREED, THAT OFFICIAL COMMENT ON THIS COMMUNIQUE AND ON OTHER ASPECTS SHOULD BE MADE IN CAPITALS AND NOT REPEAT NOT IN BERNE; DELPECHE ACCEPTED OUR UNDERSTANDING THAT EACH GOVERNMENT WOULD BE FREE TO COMMENT AS IT SAW FIT.

10. FCO PLEASE REPEAT AS FOR BERNE TELNOS 273 AND 274.

POWELL-JONES

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FROM PORT STANLEY 191310Z JUL 84  
TO IMMEDIATE DESKBY FCO  
REPEATED TO FOR INFO BERNE  
TELEGRAM NUMBER 304 OF 19 JULY

YOUR TELNO 273: RELATIONS WITH ARGENTINA

1. IN THE TIME-SCALE YOU GAVE ME, I COULD NOT BRIEF CAMP COUNCILLORS IN CONFIDENCE BEFORE THE SWISS ANNOUNCEMENT, SO I DECIDED NOT TO BRIEF TOWN COUNCILLORS ONLY.
2. I ISSUED A STATEMENT ON THE LOCAL RADIO AS SOON AS I HEARD THAT THE SWISS ANNOUNCEMENT HAD BEEN MADE. I EMPHASISED THAT THE PURPOSE OF THE TALKS WAS TO EXPLORE PRACTICAL MEANS OF ACHIEVING MORE NORMAL RELATIONS BETWEEN BRITAIN AND ARGENTINA AND THAT DISCUSSION OF SOVEREIGNTY OF THE FALKLAND ISLANDS WAS EXCLUDED FROM THE TALKS.
3. THE ANNOUNCEMENT PRODUCED THE EXPECTED RESPONSE FROM VELMA MALCOLM, SPOKESMAN OF THE FALKLAND ISLANDS ASSOCIATION, THAT THE TALKS SPILT DISASTER FOR FALKLAND ISLANDERS. SHE HAS ALWAYS TAKEN THE EXTREME VIEW THAT THERE SHOULD BE NO TALKS WHATSOEVER WITH THE ARGENTINES. THE MAJORITY VIEW IS MUCH MORE MUTED. MOST PEOPLE BELIEVE THAT NORMALISATION OF RELATIONS BETWEEN ARGENTINA AND BRITAIN MUST COME, THOUGH MANY DOUBT THAT IT IS IN THEIR BEST INTERESTS. DESPITE MY REPEATED ASSERTIONS TO THE CONTRARY, THEY CONTINUE TO SUSPECT THAT SOVEREIGNTY OF THE FALKLANDS WILL BE DISCUSSED AND THAT THEIR INTERESTS WILL NOT BE SAFEGUARDED.
4. THEY WILL BE LOOKING CAREFULLY AT THE WORDING OF THE FINAL COMMUNIQUE.

HUNT

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FALKLAND ISLANDS GENERAL  
FCO (PALACE)  
FID  
CABINET OFFICE

ADDITIONAL DISTRIBUTION  
FALKLAND ISLANDS

RESTRICTED

TO BE CHECKED  
AGAINST DELIVERY

STATEMENT BY THE RT HON SIR GEOFFREY HOWE QC MP,  
SECRETARY OF STATE FOR FOREIGN AND COMMONWEALTH AFFAIRS

ARGENTINA (TALKS)

I will, with permission, Mr Speaker, make a statement on the talks which took place in Berne on 18 and 19 July between British and Argentine representatives.

As my rt hon Friend the Prime Minister and I have consistently made clear to the House, we are not prepared to discuss with the Argentine Government the question of sovereignty over the Falkland Islands. But it is plainly in our own interests, as well as those of Argentina and of the Falkland Islanders, that we should move towards more normal relations between Britain and Argentina. We therefore sought, in exchanges through the protecting powers over many months, to establish an agreed basis for talks which would achieve that end.

After careful and detailed discussions, a clear basis was agreed which would enable talks to take place. It was, of course, very clear to us that if the talks were not to founder at the outset on the issue of sovereignty, any such arrangements needed above all to meet the different positions of the two sides on that question. Accordingly, the specifically-agreed arrangement on that point was that if the Argentine representatives raised the subject of sovereignty, as they clearly wished to do, the British representatives would make quite clear in reply that we were not prepared to discuss it. Discussion would then move straight on to practical issues of concern to both sides and would continue on those subjects. This basis was plainly agreed and clearly understood by the Argentine Government. This arrangement was also confirmed by the Swiss Government.

When the talks opened in Berne, the British side complied scrupulously with this arrangement. As foreseen, the Argentines began by raising the question of sovereignty. We replied by making it plain, again as foreseen, that we were not prepared to discuss it. We went on to suggest a number of practical issues - such as the resumption of normal commercial and financial relations, the restoration of the air services agreement between Britain and Argentina, and a visit by Argentine next-of-kin to the Falkland Islands - on which there could be some prospect of agreement.

We regarded this as the best way to start restoring confidence between Britain and Argentina. But the Argentine representatives were not prepared to continue the talks on this basis, although it had been agreed in advance. They argued that discussion of any of the practical issues put forward by the British side would have to be linked to discussion of a mechanism to address the question of sovereignty. Unless this new condition was met the Argentines were not prepared to continue the talks.

This was totally at variance with the agreed basis and the talks thus came to an end.

Her Majesty's Government continue to take the view that it is in the interests of all concerned to seek the restoration of more normal relations between Britain and Argentina. I am sure that the House will share my sense of regret and frustration that, after many months of careful preparation, the Argentine Government brought the talks to an abrupt and premature end by failing to proceed upon the basis that had been clearly agreed.



Argentina  
Relats