

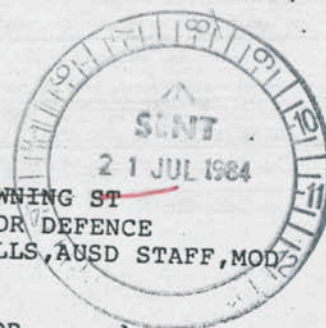
ADVANCE COPIES

37

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
 SIR C RICKELL
 MR D C THOMAS
 MR WESTON
 MR BAZZINGTON
 HD/PUSD
 HD/SAMD
 HD/FID
 HD/NEWS DEPT
 HD/EED
 HD/ECD (E)
 HD/UND

PS/NO 10 DOWNING ST
 PS/S OF S FOR DEFENCE
 MR RD NICHOLLS, AUSD STAFF, MOD



PS/CHANCELLOR }
 MISS M E CUND } TREASURY
 MR LITTLER }

SIR R ARMSTRONG }
 MR A D S GOODALL } CABINET
 DIO } OFFICE

MR POWER, SAD, ODA

MR A FORTNAM IAT/D. TRANSPORT

RESIDENT CLERK

(2)

RR DIO BUENOS AIRES

GRS 500

CONFIDENTIAL

FM WASHINGTON 202151Z JULY 84

TO IMMEDIATE F C O

TELEGRAM NUMBER 2213 OF 20 JULY

INFO IMMEDIATE BERNE, ROUTINE BRASILIA, UKMIS NEW YORK, BIS BUENOS AIRES

FCO TELEGRAMS TO ANKARA NOS 183 AND 184

IMMEDIATE
 ADVANCE COPY

RELATIONS WITH ARGENTINA: OFFICIAL TALKS

1. MINISTER DULY BRIEFED KILDAY, DEPUTY ASSISTANT SECRETARY FOR SOUTH AMERICA. I SPOKE TO ARMACOST, ADDING THAT WHILE I HAD NO INSIGHTS INTO ARGENTINIAN MOTIVATION, THE FACT OF THE ARGENTINIANS GOING BACK ON THEIR WORD WOULD BE FAMILIAR TO THOSE IN THE STATE DEPARTMENT ASSOCIATED WITH HAIG'S 1982 SHUTTLE. ARMACOST THANKED ME FOR PUTTING HIM IN THE PICTURE BUT MADE NO SUBSTANTIVE COMMENT. WE HAVE ALSO BRIEFED THE EUROPEAN AFFAIRS BUREAU OF THE STATE DEPARTMENT AND THE NATIONAL SECURITY COUNCIL AT DESK LEVEL.
2. HANNAY PASSED OVER THE TEXT OF YOUR STATEMENT IN FCO TELEGRAM TO ANKARA NO 184 AND ALSO THE GIST OF THE MAIN POINTS PUT FORWARD BY THOMAS IN THE TALKS WITH THE ARGENTINES (BERNE TELEGRAM NO 276).
3. KILDAY THANKED US FOR THE PROMPT BRIEFING AND SAID THIS WOULD BE USED IN PREPARING MR SHULTZ FOR HIS MEETING WITH THE ARGENTINE FOREIGN MINISTER ON 23 JULY. THE ARGENTINE PROPOSALS FOR THE AGENDA OF THAT MEETING HAD NOW BEEN RECEIVED AND DID NOT INCLUDE EITHER THE FALKLANDS OR BEAGLE CHANNEL. BUT KILDAY WAS QUITE SURE THE SUBJECT WOULD COME UP IN THE TALKS BETWEEN CAPUTO AND SHULTZ OR IN FURTHER TALKS WHICH WERE TO TAKE PLACE BETWEEN CAPUTO AND MRS KIRKPATRICK AND MOTLEY. THE AMERICANS WOULD BRIEF US ON THESE TALKS NEXT WEEK.

MS

KIRKPATRICK AND MOTLEY. THE AMERICANS WOULD BRIEF US ON THESE TALKS NEXT WEEK

4. KILDAY SAID THE BREAKDOWN OF THE TALKS IN BERNE WAS DISAPPOINTING AND THE ARGENTINE HANDLING OF THEM INEXPLICABLE. THERE HAD BEEN NO ADVERSE ARGENTINE DOMESTIC REACTION TO THE ANNOUNCEMENT OF THE TALKS WHICH COULD EXPLAIN THEIR DEPARTURE FROM THE PREVIOUSLY AGREED SCENARIO. HANNAY SAID THAT WE TOO WERE DISAPPOINTED BY THE WAY THINGS HAD GONE. WE HAD LOOKED TO THESE TALKS TO BEGIN A STEADY PROCESS OF IMPROVING RELATIONS BETWEEN THE TWO COUNTRIES AND BUILDING UP THE CONFIDENCE WHICH HAD BEEN DESTROYED BY THE ARGENTINE ATTACK IN 1982. THE WAY THE ARGENTINES HAD HANDLED THESE TALKS WAS LIKELY TO HAVE PRECISELY THE OPPOSITE EFFECT, UNDERMINING THE CONFIDENCE THAT WAS NECESSARY IF OUR RELATIONS WERE TO BE IMPROVED AS WE WISHED. WHILE IT WAS FOR THE AMERICANS TO DRAW THEIR OWN CONCLUSIONS ON THE BASIS OF THE BRIEFING WE HAD GIVEN TO THEM, WE CERTAINLY HOPED THAT, SHOULD THE ARGENTINES SEEK AT THE MEETING ON 23 JULY TO PIN THE BLAME FOR THE BREAKDOWN ON US THE US SIDE WOULD ASK SOME POINTED QUESTIONS AS TO WHY THE SCENARIO AGREED THROUGH SWISS MEDIATION HAD BEEN ABANDONED WITHOUT ANY WARNING AND DESPITE THE KNOWLEDGE THAT THIS WOULD DESTROY THE BASIS FOR MAKING PROGRESS IN THE TALKS.

5. STATE DEPARTMENT ARE SIMPLY TELLING THE PRESS THAT THEY ARE DISAPPOINTED THAT ARGENTINA AND THE UK HAVE BEEN UNABLE TO CONTINUE DISCUSSIONS AND THAT THEY HOPE THESE CAN BE RESUMED SOON. THEY ARE RE-EMPHASISING THAT THE US TAKES NO POSITION ON THE QUESTION OF SOVEREIGNTY.

WRIGHT

NNNN

TYPISTS a a