

ADVANCE COPY
IMMEDIATE

FALKLAND ISLANDS GENERAL

PS
 PS/LADY YOUNG
 PS/MR ~~KENTON~~
 PS/MR RIFKIND
 PS/PUS
 MR DEREK THOMAS
 MR J FREELAND
 SIR W HARDING
 MR GOODALL
 MR O'NEILL
 SIR ~~C TICKELL~~
 MR D C THOMAS
 MR WESTON
 MR ~~BIRKINGTON~~
 HD/PUSD
 HD/SAMD
 HD/FID
 ED/NEWS DEPT
 HD/EED
 HD/ECD (E)
 HD/UND

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

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

SIR R ARMSTRONG }
 MR ~~D S GOODALL~~ } CABINET
 DIO *Carledge* } OFFICE

MR POWER, SAD, ODA

MR A FORTNAM IAT/D. TRANSPORT

RESIDENT CLERK

(2)

UNCLASSIFIED

(FM BERNE 231400Z)

FM BISEA

TO IMMEDIATE FCO

TELNO 690 OF 22 OCTOBER 1984

INFO PRIORITY MOD (SIC A3A), CBFFI BANK OF ENGLAND ASUNCION BRASILIA
 CARACAS MEXICO CITY MONTEVIDEO SANTIAGO UKMIS NEW YORK
 WASHINGTON PORT STANLEY HOLY SEE PANAMA CITY PARIS MADRID

PRESS SUMMARY

1. THE WEEKEND'S MAIN STORY WAS THE PUBLICATION OF THE ARGENTINE/
 CHILEAN AGREEMENT ON THE BEAGLE.
2. ASPECTS OF THE BEAGLE SETTLEMENT HIGHLIGHTED IN THE PRESS ARE
 THAT IT AWARDS ALL OF THE DISPUTED ISLANDS TO CHILE, ENDS THE
 CONTROVERSY ON THE ATLANTIC OUTLET OF THE MAGELLAN STRAITS, LIMITS
 CHILE'S OFFSHORE TERRITORIAL WATERS TO THREE MILES AND DEFINES HER
 EXCLUSIVE AREA OF ECONOMIC EXPLOITATION. THE TREATY ALSO
 ESTABLISHES A DETAILED MECHANISM OF DIRECT NEGOTIATIONS AND
 ARBITRATION FOR THE PEACEFUL SETTLEMENT OF ANY FUTURE BORDER
 CONFLICTS. NEITHER COUNTRIES' RESPECTIVE CLAIMS OVER THE ANTARCTIC
 ARE AFFECTED. IN A RADIO AND TELEVISION REPORT ON THE TREATY

FOREIGN MINISTER CAPUTO SAID THAT ESSENTIALLY IT ESTABLISHED
 A DEFINITIVE MARITIME FRONTIER AND PRESERVED THE BIOCEANIC
 PRINCIPAL.

3. REACTION TO THE TREATY HAVE BEEN MIXED, WITH THE MID,
 CHRISTIAN DEMOCRAT, COMMUNIST AND INTRANSIGENT PARTIES ANNOUNCING
 THEIR SUPPORT. THE JUSTICIALIST PARTY IS AGAIN DIVIDED AND WILL
 REPORTEDLY DECIDE ITS POSITION AT A MEETING TODAY. EX-PERONIST
 PRESIDENTIAL CANDIDATE ITALO LUDER AND BUENOS AIRES PROVINCIAL
 PARTY LEADER HERMINIO IGLESIAS HAVE BOTH VOICED THEIR OPPOSITION.
 SO FAR REACTION FROM THE MILITARY HAS BEEN ADVERSE WITH EX-
 PRESIDENT GENERAL AGUSTIN LANUSSE BEING THE ONLY ARMED FORCES
 VOICE IN SUPPORT.

4. THE FORMER HEAD OF ARGENTINA'S VATICAN NEGOTIATING TEAM,
 GENERAL RICARDO ECHEVERRAY BONEO, HAS CRITICISED THE TREATY AND
 CLAIMED THAT THE 1980 PAPAL PROPLSAL WAS FAR MORE ADVANTAGEOUS

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CLAIMED THAT THE 1990 PAHAL PROPLSAL WAS FAR MORE ADVANTAGEOUS TO ARGENTINA. THREE DISSIDENT RADICAL PARTY DEPUTIES WHOSE VOTE IS THE KEY TO THE GOVERNMENT'S BALANCE OF POWER IN THE LOWER HOUSE HAVE SAID THEY WILL VOTE IN FAVOUR OF THE TREATY WHEN IT GOES UP FOR DEBATE IN CONGRESS.

5. FOLLOWING HIS ARRIVAL IN FRANCE, PRESIDENT ALFONSIN ATTENDED AN OFFICIAL DINNER LAST NIGHT WHERE HE WAS REPORTEDLY PROMISED BY BANK OF FRANCE PRESIDENT MICHEL CAMDESSUS AND FUTURE EC COMMISSION PRESIDENT JAKUES DELORS THAT NEXT APRIL'S MEETING OF INDUSTRIALISED NATIONS WOULD STUDY NEW BASES FOR NORTH-SOUTH RELATIONS. IN AN EARLIER FRENCH TV INTERVIEW ALFONSIN SAID THAT THE BEAGLE AGREEMENT QUOTE WILL ALLOW ARGENTINA A MORE COMFORTABLE POSITION OVER THE FALKLANDS PROBLEM UNQUOTE. BOTH FRANCE AND ITALY WOULD SUPPORT ARGENTINA OVER ITS CALL FOR GREAT BRITAIN TO QUOTE ABANDON ITS INTRANSIGENT ATTITUDE AND ACCEPT NEGOTIATIONS OVER THE FUTURE OF THE FALKLANDS UNQUOTE. IN A PRESS CONFERENCE GIVEN DURING A STOP-OVER IN LAS PALMAS, ALFONSIN IS SAID TO HAVE DENIED THATQUOTE BRITISH INTRANSIGENCE OVER SOLVING THE FALKLANDS CONFLICT UNQUOTE WOULD PREVENT EUROPEAN COUNTRIES GRANTING FRESH CREDITS TO ARGENTINA. HE ALSO ANNOUNCED THAT THE KING AND QUEEN OF SPAIN WOULD VISIT ARGENTINA ON 23-24 NOVEMBER.

6. ARGENTINA HAS REPORTEDLY MODERATED THE FALKLANDS RESOLUTION WHICH WILL BE DEBATED IN THE UNGA ON 31 OCTOBER. THE RESOLUTION IS NOW SAID TO CALL ON THE ASSEMBLY GENERAL TO QUOTE REITERATE ITS REQUEST TO THE GOVERNMENTS OF GREAT BRITAIN AND ARGENTINA TO RENEW NEGOTIATIONS WITH THE AIM OF FINDING AS QUICKLY AS POSSIBLE A PEACEFUL SOLUTION TO THE DISPUTE OVER SOVEREIGNTY UNQUOTE. 'LA NACION' PUBLISHES THE FULL TEXT OF UN SECRETARY GENERAL PEREZ DE CUELLAR'S REPORT ON THE FALKLANDS, NOXING PARTICULARLY THAT BRITAIN IS NOT DISPOSED TO ENTER INTO NEGOTIATIONS OVER SOVEREIGNTY QUOTE CONTRARY TO THE REQUIREMENTS OF UN RESOLUTION 38/12 UNQUOTE.

7. DURING A MEETING IN LONDON, ITALIAN PRIME MINISTER CRAXUI IS SAID TO HAVE PUT TO MRS THATCHER THE NEED FOR NEGOTIATIONS BETWEEN BRITAIN AND ARGENTINA BUT QUOTE FOUND AN INTRANSIGENT POSITION FROM THE PRIME MINISTER WHO AFFIRMED THAT THE WOUNDS OPENED BY THE FALKLANDS WAR WAS STILL BLEEDING UNQUOTE.

8. 'LA NACION' REPORTS THAT ARGENTINE VICE PRESIDENT VICTOR MARTINEZ AND QUOTE BRITISH PARLIAMENTARY SPOKESMAN DAVID STILL UNQUOTE DISCUSSED THE FALKLANDS AT A MEETING IN PANAMA WHERE THEY WERE ATTENDING THE INAUGURATION OF PRESIDENT NICOLAS ARDITO BARLETTA.

9. FORMER TERRORIST MARIO EDUARDO FIRMANICH HAS BEEN EXTRADITED FROM BRASIL AND IS BEING HELD INCOMMUNICADO UNDER TIGHT SECURITY IN THE BUENOS AIRES FEDERAL POLICE HEADQUARTERS PENDING QUESTIONING BY A FEDERAL JUDGE ON CHARGES OF MURDER, ATTEMPTED MURDER AND KIDNAPPING. THE PERONIST YOUTH HAVE ISSUED A STATEMENT CALLING FOR FIRMANICH'S RELEASE.

10. AS PART OF A MILITARY COST-CUTTING EXERCISE, ALFONSIN HAS DISSOLVED THE POWERFUL FIRST ARMY CORPS, SIX COMPANIES OF MILITARY POLICE, TWO INTELLIGENCE BODIES FIVE SANITARY UNITS AND ONE ELECTRONIC OPERATIONS UNIT. UP TO 75 PER CENT OF CONSCRIPTS ARE SOON TO BE DISCHARGED, LEAVING THE ARMY WITH AN OPERATIONAL MINIMUM OF ABOUT 20,000 CONSCRIPTS PLUS A SIMILAR NUMBER OF OFFICERS AND NCOs. JURISDICTION OF THE COASTGUARD HAS BEEN TAKEN FROM THE NAVY AND TRANSFERRED TO THE MINISTRY OF DEFENCE.

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POWELL-JONES

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