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FM BUENOS AIRES

TO IMMEDIATE FCO

TELNO 058

OF 061630Z FEBRUARY 86

AND TO IMMEDIATE PORT STANLEY

ARGENTINE PARLIAMENTARIANS VISIT TO LONDON

1. THIS MORNING'S ''TIEMPO ARGENTINO'' CARRIES A SPECULATIVE ARTICLE ON THE ABOVE VISIT WRITTEN BY JORGE LOZANO WHO OFTEN WRITES ON THE FALKLANDS. AS THE ARTICLE MAY BE PICKED UP BY BRITISH NEWSPAPERS SOME COMMENT MAY BE HELPFUL.
2. THE ARTICLE SUGGESTS THAT THE ''BRITISH'' CONSIDER THAT THIS VISIT COULD SYMBOLISE THE END OF ''HOSTILE POLICY'' BY ARGENTINA AND THAT IT COULD BE THE PRECURSOR OF MORE MEANINGFUL MEETINGS. THE UNWILLINGNESS OF THE ARGENTINE GOVERNMENT TO RECIPROCATE IN LIFTING THE COMMERCIAL EMBARGO LAST YEAR BLOCKED A CONCILIATION WHICH THE PARLIAMENTARIANS WILL NOW SEEK TO ADVANCE. FOLLOWING THE BRITISH GOVERNMENT'S REJECTION OF A UNILATERAL FISHING ZONE ''KELPERS REPRESENTATIVES'' WILL DISCUSS WITH THE ARGENTINES A ''REASONABLE BINATIONAL NEGOTIATION'' BASED ON THE POSSIBILITY OF JOINT COMMERCIAL FISHING OPERATIONS.
3. ANOTHER THEME SUGGESTED FOR ISLANDER/PARLIAMENTARIAN DISCUSSION IS THE POSSIBILITY OF ECONOMIC LINKS WITH PATAGONIA WHICH IS SEEN AS PART OF BRITISH POLICY TO ENCOURAGE ECONOMIC INTEGRATION IN THE AREA. A LIFTING OF ARGENTINA'S COMMERCIAL EMBARGO ON BRITISH EXPORTS IS SEEN AS A NECESSARY PRELIMINARY TO SUCH LINKS. AMOEDO'S REPORTED PROPOSAL THAT THE ISLANDERS SHOULD ACCEPT A US GUARANTEE OF THEIR POSITION IN THE CASE OF A CONDITIONED CEDING OF SOVEREIGNTY IS REPEATED, INDICATING THAT THIS VIEW IS NOT SHARED BY THE ISLANDERS.
4. THE ARTICLE CONCLUDES BY SUGGESTING THAT ONE OUTCOME OF THE PARLIAMENTARIANS' VISIT MAY BE THE FORMATION OF ''NON-OFFICIAL COMMISSIONS'' TO STUDY ASPECTS OF THE PROBLEM, AS PROPOSED BY MONTGOMERY AND MUSICH ''TO CLEAR THE WAY FOR THE OFFICIALS''. IT CONCLUDES THAT THESE VIEWS ARE SUPPORTED BY THE SOUTH ATLANTIC COUNCIL AND THAT THOSE INTERESTED IN RESTORING ANGLO-ARGENTINE RELATIONS MUST NOW WORK AT IT MORE THAN THE GOVERNMENT OFFICIALS CONCERNED.
5. LOZANO'S ARTICLES SKILFULLY COMBINE FACT, FICTION AND WHAT HE THINKS SHOULD HAPPEN TO PROMOTE A SOLUTION IN THE FALKLANDS. IN THE PAST HE HAS BEEN CALLED INTO THE MFA AND QUESTIONED ABOUT HIS ''SOURCES'' (WHICH UNDERSTANDABLY HE REFUSED TO REVEAL). HIS ARTICLES OFTEN PROMOTE SPECULATION, PARTICULARLY WITH A SUBJECT ON WHICH PEOPLE HOPE TO SEE SOME MOVEMENT AND IN THIS CASE IN WHICH THE PARLIAMENTARIANS HAVE THEMSELVES INFLATED THE IMPORTANCE OF THEIR VISIT.

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6. APART FROM MISREPRESENTING SOME OF OUR ATTITUDES, THE ARTICLE IS NOT CRITICAL OF BRITISH POLICIES AND ON THE WHOLE TENDS TO PUT THE BALL IN ARGENTINA'S COURT. EVEN THE TITLE INFERS THAT THE MFA HAS BEEN FOLLOWING A "HOSTILE POLICY" TOWARDS GREAT BRITAIN. IT PROBABLY REFLECTS WHAT PARLIAMENTARIANS SUCH AS GASS AND SOME SAC MEMBERS WILL ADVOCATE IN THE COMING VISIT, AS PART OF THEIR WAY FORWARD.

7. YOU WILL WISH TO CONSIDER WHETHER SOME ISLANDERS' WISHES FOR CLOSER LINKS WITH ARGENTINA (INCLUDING WHAT SEEMS TO BE HIGHLY DESIRABLE JOINT FISHING OPERATIONS AND CLOSER ECONOMIC LINKS WITH PATAGONIA) MAY BE DISCUSSED IN MEETINGS DURING THE VISIT. THESE COULD BE DIRECT OR SECOND HAND THROUGH COMPANIES SUCH AS MAR AND SONS WHICH HAVE INDICATED INTEREST IN THE FISHING POTENTIAL. ARGENTINA HAS HITHERTO SHOWN LITTLE INTEREST IN LINKS WITH THE ISLANDERS OTHER THAN ON ARGENTINE TERMS. THIS MIGHT REFLECT A CHANGE OF TACTICS ALTHOUGH I THINK THAT ON THIS, AS ON MOST ASPECTS, THE ARTICLE REFLECTS MORE SPECULATION THAN SUBSTANCE.

8. ARTICLE IN NEXT BAG TO FID.

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