LUBE SARAIM

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10 DOWNING STREET LONDON SWIA 2AA

From the Private Secretary

11 December 1986

ARGENTINA/FALKLANDS

The Foreign Secretary will want to be aware that a friend of the Prime Minister's has reported a feeler from President Alfonsin about negotiations over the Falklands. I enclose a note summarising the approach. On the Prime Minister's instructions, I have declined the idea of a meeting with Mr. Bronfman, making clear that the proposals as reported are unacceptable since they envisage discussion of sovereignty. I added that we were nonetheless grateful for this indication of President Alfonsin's views.

(CHARLES POWELL)

A. C. Galsworthy, Esq., C.M.G., Foreign and Commonwealth Office.

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PRIME MINISTER

ARGENTINA/FALKLANDS

Sports to Land Lieff, as indialis CD?

You will recall that Lord Sieff asked to see you about a message from President Alfonsin. I went to see him today, on your behalf, to hear what he had to say.

Lord Sieff said that Edgar Bronfman, President of the World Jewish Congress had been in touch with him to report a discussion which he had had over dinner with President Alfonsin. Bronfman had reported that the President was very anxious to settle the problem of the Falkland Islands in a way satisfactory to both parties. He had told Bronfman that there was scope for very considerable flexibility, perhaps based on a very long leasing, followed by some form of autonomy for the Falkland Islanders in their internal affairs if they wanted it. Alfonsin had said that he would 'swim the ocean' to get a deal. Alfonsin had authorised Bronfman to talk to you unofficially if you were interested.

Alfonsin had made clear that he wanted a settlement agreeable to both sides before his elections. He was coming to the end of the military trials and hoped that another election would result in a victory for democracy and not a return to some form of military dictatorship.

I said that I was sure you would be grateful to Lord Sieff for passing on the message, which I would transmit to you. It seemed to me at first sight that the offer had very little to commend it because, once again, it envisaged discussion of sovereignty. You were absolutely determined that the Argentines should not try to achieve through negotiations what they had failed to achieve by war. Moreover the Falklanders had already rejected the concept of a lease. Nonetheless, the message was of interest as a reflection of Alfonsin's state of mind and desire to achieve a solution.

I continued that I doubted whether you want to discuss this with Mr. Bronfman, since to do so would make it appear to the Argentinians that you were prepared to contemplate some discussion of sovereignty. But I would establish your views and let Lord Sieff know what reply he should give.

I imagine that you will not wish to follow up this suggestion, which does not look very promising. I suggest that I should confirm to Lord Sieff that your views are as I predicted, although you are grateful to both Lord Sieff and Mr. Bronfman for drawing this approach to your attention.

Agree that I should reply orally to Lord Sieff on these lines?

Agree that I should inform the Foreign Office of this exchange when it is complete?

CDD

Will not dismin sovereignty.

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C D POWELL

10 December 1986

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EDGAR BRONFMAN

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Edgar Bronfman, President of the World Jewish Congress, had dinner with President Alfonsin.

The President is very anxious to settle the problem of the Falkland Islands and find a way satisfactory to both parties. He told Edgar Bronfman there is scope for very considerable flexibility, perhaps based on a very long leasing, followed by some form of autonomy for the Falklanders in internal affairs, if they want it.

He said he would "swim the ocean" to get a deal.

If the PM is interested Edgar Bronfman is authorised to talk to her unofficially.

President Alfonsin needs some settlement agreeable to both sides before the election. He is coming to the end of his trials of the military and hopes that another election will result in a victory for democracy and not a return to some form of military dictatorship.