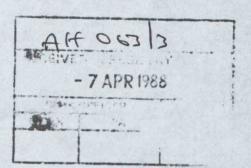




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FM FCO
TO IMMEDIATE KUALA LUMPUR
TELNO 171
OF 061025Z APRIL 88
AND TO IMMEDIATE WASHINGTON
AND TO PRIORITY PORT STANLEY, MONTEVIDEO, MODUK



FOR PRIVATE SECRETARY TO THE FOREIGN SECRETARY MONTEVIDEO FOR HEAD OF BISBA

MIPT : FALKLAND ISLANDS : MESSAGE FROM MR SHULTZ

BEGINS

- 1. THANK YOU FOR YOUR MESSAGE OF MARCH 16 CONCERNING THE DISCUSSION IN THE SECURITY COUNCIL ON THE UK'S FALKLANDS REINFORCEMENT EXERCISE. AS YOU ARE AWARE, AMBASSADOR OKUN REITERATED OUR STRONGLY HELD VIEW AT THE MARCH 17 MEETING THAT BOTH NATIONS SHOULD SEEK PEACEFUL SOLUTIONS TO THE PROBLEMS CONCERNING THE ISLANDS. IN ADDITION, WHILE EXERCISING HIS RIGHT OF REPLY DURING THE DEBATE, AMBASSADOR OKUN MADE A STATEMENT ON THE INAPPROPRIATENESS OF SECURITY COUNCIL DISCUSSION OF MILITARY EXERCISES.
- 2. I WAS VERY PLEASED TO SEE THAT IN YOUR RESPONSE TO ARGENTINA'S COMMUNICATION OF LAST DECEMBER ON THE FALKLAND ISLANDS' FISHERIES, YOU KEPT THE DOOR OPEN TO DIRECT TALKS. I TAKE THIS AS A WELCOME SIGN THAT THE UK REMAINS COMMITTED TO RESTORING NORMAL RELATIONS WITH ARGENTINA.
- J. I FULLY SHARE YOUR CONCERN THAT BOTH OUR COUNTRIES, AS WELL AS OUR NATO ALLIES, MUST BE ABLE TO CONDUCT MILITARY EXERCISES SINCE THEY ARE A CRITICAL REQUIREMENT OF WESTERN SECURITY. HOWEVER, AT THE SAME TIME, I WOULD LIKE TO UNDERLINE OUR CONCERN, PREVIOUSLY EXPRESSED TO HMG'S EMBASSY HERE, ABOUT THE LACK OF CONSULTATION BETWEEN OUR GOVERNMENTS ON THIS EXERCISE. WE ARE ESPECIALLY CONCERNED THAT PROGRESS ON SOUTH ATLANTIC FISHERIES ISSUES AND AVOIDANCE OF INCIDENTS, WHICH WERE AT AN IMPORTANT STAGE, COULD BE SET BACK. I BELIEVE IT MIGHT HAVE BEEN POSSIBLE TO AVOID MUCH OF THE MISUNDERSTANDING HAD HMG AVAILED ITSELF OF THE INFORMAL CHANNEL OF COMMUNICATION TO ARGENTINA WHICH HAS BEEN PROVIDED BY THE US SINCE THE FALKLANDS CONFLICT.
- 4. WE UNDERSTOOD THAT PRIOR TO THE ANNOUNCEMENT OF THE UK EXERCISE, PRESIDENT ALFONSIN WAS CONSIDERING IN THE NEAR FUTURE

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DECLARING AN END OF HOSTILITIES AS WELL AS OTHER STEPS TOWARDS NORMALIZING RELATIONS WITH THE UK. THE STRONG ARGENTINE INTERNAL REACTION TO THE ANNOUNCEMENT OF THE FIRE FOCUS EXERCISE FORCED PRESIDENT ALFONSIN TO POSTPONE FURTHER CONSIDERATION OF THIS OPTION. IN THIS REGARD, I WOULD WELCOME YOUR SUGGESTIONS FOR STEPS BOTH SIDES MIGHT TAKE SO THAT A CLIMATE CONDUCTIVE TO SUCH AN ARGENTINE DECLARATION COULD BE RESTORED AFTER THE EXERCISE HAS ENDED. I HOPE THAT BOTH GOVERNMENTS WOULD THEN BE ABLE TO CAPITALIZE ON SUCH A DECLARATION AS AN IMPORTANT STEP TO REDUCE TENSIONS IN THE REGION AND ENHANCE THE CLIMATE FOR BETTER RELATIONS.

AS EVER, I LOOK FORWARD TO WORKING WITH YOU TO HELP RESOLVE OUTSTANDING ISSUES BETWEEN THE UK AND ARGENTINA. AT THE SAME TIME, THE US WILL CONTINUE ITS EFFORTS TO STRENGTHEN DEMOCRACY IN ARGENTINA, IN PART THROUGH A CONSTRUCTIVE SECURITY RELATIONSHIP WITH ARGENTINA TO ASSURE THAT NO MILITARY REGIME OR DICTATORSHIP SEEKS POWER. THE CONSOLIDATION OF ARGENTINE DEMOCRACY IS IN THE BEST INTERESTS OF BRITISH SECURITY IN THE FALKLANDS AND OFFERS THE MOST FAVORABLE MEANS TO RESOLVE PEACEFULLY AND DEFINITIVELY THE PROBLEMS PENDING BETWEEN GREAT BRITAIN AND ARGENTINA.

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FALKLAND ISLANDS

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