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OO WASHINGTON

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CONFIDENTIAL

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TO IMMEDIATE WASHINGTON

TELEGRAM NUMBER 871 OF 29 APR

INFO IMMEDIATE UKREP BRUSSELS, UKDEL NATO

INFO PRIORITY EC POSTS

ARGENTINA: IMPORT BAN

1. THE EUROPEAN COMMUNITY DECIDED ON 10 APRIL TO IMPOSE A BAN ON IMPORTS FROM ARGENTINA. THE BAN CAME INTO EFFECT ON 16 APRIL FOR AN INITIAL PERIOD OF ONE MONTH AND EXPIRES AT MIDNIGHT ON 16 MAY. IT CAN BE RENEWED ON A PROPOSAL BY THE COMMISSION AND WILL IN PRACTICE NEED UNANIMOUS AGREEMENT IN THE COUNCIL. SOME OF OUR COMMUNITY PARTNERS ARE SHOWING SIGNS OF WAVERING. IT IS OF THE GREATEST IMPORTANCE THAT THE BAN SHOULD BE RENEWED FOR ANOTHER MONTH IF THE SITUATION SO REQUIRES. EQUALLY, IT IS IMPORTANT TACTICALLY THAT WE SHOULD GIVE EVERY IMPRESSION OF ASSUMING RENEWAL AND THEREFORE NOT SHOW CONCERN, WHILE DISCREETLY SETTING THINGS UP TO ENSURE RENEWAL.

2. IF THE HAIG MISSION COMES TO AN END AND THE REASON FOR THE AMERICAN EVEN-HANDED STANCE LAPSES, WE AND OUR PARTNERS WILL EXPECT AMERICAN ACTION SIMILAR TO OURS. AN AMERICAN DECISION TO BAN ARGENTINE IMPORTS WOULD HAVE A DECISIVE IMPACT ON THE WILLINGNESS OF OUR COMMUNITY PARTNERS TO RENEW THEIR OWN BAN. EQUALLY, AMERICAN UNWILLINGNESS OR PREVARICATION COULD HAVE A DECISIVE INFLUENCE THE OTHER WAY, WITH VERY NEGATIVE CONSEQUENCES FOR THE MAINTENANCE OF INTERNATIONAL PRESSURE ON ARGENTINA.

3. PLEASE DRAW THIS TO THE ATTENTION OF THE US ADMINISTRATION AS YOU THINK BEST. IN SPEAKING TO THE AMERICANS YOU SHOULD BE CAREFUL TO USE TERMS WHICH DO NOT IMPLY ANY DOUBT IN OUR MINDS ABOUT THE WILLINGNESS OF THE EC TO RENEW (IN CASE OUR APPROACH COMES TO THE EARS OF OUR COMMUNITY PARTNERS). YOU COULD TAKE THE

LINE THAT THE COMMUNITY WILL BE DECIDING ON RENEWAL IN THE WEEK BEFORE 16 MAY, PROBABLY FOLLOWING DISCUSSION AT THE INFORMAL WEEKEND MEETING OF FOREIGN MINISTERS ON 8/9 MAY. THERE WILL BE MUCH PUBLIC INTEREST IN THE RENEWAL AND ARGENTINA WILL PAY CLOSE ATTENTION TO THE COMMUNITY'S INTENTIONS. AN AMERICAN BAN, OR AT LEAST A PUBLICLY DECLARED US DECISION TO IMPOSE SUCH A BAN, BEFORE THE INFORMAL FOREIGN MINISTERS MEETING WOULD EXERT EXTREMELY EFFECTIVE PRESSURE ON ARGENTINA. THE COMBINATION OF THE NEW US BAN AND THE RENEWAL OF THE COMMUNITY BAN WOULD DEMONSTRATE A HARDENING OF WORLD OPINION, WITH THE PROSPECT OF EVEN MORE SERIOUS DAMAGE TO THEIR ECONOMY UNLESS THEY END THEIR ILLEGAL OCCUPATION OF THE FALKLAND ISLANDS. WE ARE CONFIDENT THAT THE US ADMINISTRATION WILL SHOW THEIR SOLIDARITY WITH BRITAIN AND THE COMMUNITY, IN TIME FOR THE US ACTION TO HAVE THE MAXIMUM IMPACT IN CONJUNCTION WITH THE COMMUNITY'S ACTION, SHOULD THE SITUATION IN MID-MAY MAKE THIS NECESSARY.

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