

AW 01/25/1  
24 MAY 1979

FOBA 004/23

GROUPS 448  
PERSONAL AND CONFIDENTIAL

TELE-LETTER  
FROM G E HALL, FCO  
DATED 22 MAY 1979  
FOLLOWING FOR H M CARLESS ESQ, BUENOS AIRES  
UK-ARGENTINE RELATIONS

1. I THOUGHT IT MIGHT BE HELPFUL TO YOU TO HAVE SOME FIRST INDICATIONS OF HOW IT SEEMS LIKELY THAT MINISTERS WILL BE LOOKING AT ARGENTINA AND THE FALKLANDS. WE HAVE HAD SOME PRELIMINARY DISCUSSIONS WITH MR RIDLEY AND SOME RESPONSES FROM THE SECRETARY OF STATE.
2. IT IS CLEAR THAT THERE ARE TO BE NO DRAMATIC REVERSALS OF POLICY, BUT THAT MINISTERS FEEL WE SHOULD CONSOLIDATE OUR RELATIONS WITH ARGENTINA AND TRY TO CONTINUE OUR DIALOGUE WITH HER ABOUT THE FALKLANDS. TO THIS END, THE SECRETARY OF STATE HAS AGREED THAT AMBASSADORS SHOULD BE REINSTATED IN LONDON AND BA. WE DO NOT YET KNOW QUITE THE TIMING OF THIS AND, OF COURSE, OTHERS ARE LOOKING AT THE PERSONNEL FACTORS. SO YOU SHOULD TREAT THIS AS BEING VERY MUCH FOR YOUR OWN INFORMATION ONLY AT THIS STAGE.
3. MINISTERS HAVE LOOKED AT THE TERMS OF REFERENCE UNDER WHICH THE ANGLO-ARGENTINE FALKLANDS TALKS HAVE BEEN CONDUCTED AND I HAVE FED IN SOME OF THE IDEAS IN YOUR LETTER OF 30 MARCH TO ME. FIRST INCLINATIONS ARE TO CONTINUE THIS DIALOGUE BASED ON THE 'MIXED APPROACH'. BUT IT IS SEEN AS IMPORTANT THAT THE CONFIDENCE OF THE FALKLAND ISLANDERS SHOULD NOT BE LOST. MR RIDLEY IS THEREFORE CONSIDERING VISITING THE ISLANDS - POSSIBLY AS SOON AS JULY - AND STOPPING OFF FOR EXPLORATORY TALKS IN BA ON THE WAY BACK.
4. MR RIDLEY WOULD STRESS TO THE FALKLAND ISLANDERS THAT THE NEW GOVERNMENT IS AS DETERMINED AS ITS PREDECESSORS TO CONSULT THEM FULLY ABOUT ANYTHING WHICH COULD EFFECT THEIR INTERESTS. IN TALKING TO THE ARGENTINES HE WOULD PROBABLY STRESS HIS WILLINGNESS TO CONTINUE NEGOTIATIONS WITHIN THE PRESENT TERMS OF REFERENCE. HE WILL PROBABLY WANT TO PLACE EMPHASIS IN THE FIRST PLACE ON ECONOMIC CO-OPERATION, CO-ADMINISTRATION OF MARITIME ZONES AND SCIENTIFIC CO-OPERATION WITHIN A CONTEXT OF CLOSER OVERALL ANGLO-ARGENTINE RELATIONS INCLUDING ANTARCTICA. IF THE ARGENTINES PRESS HIM ON SOVEREIGNTY AND RELATED ISSUES HE WOULD EXPLAIN THAT THE GOVERNMENT IS IN ITS EARLY DAYS AND TIME WILL BE NECESSARY BEFORE THESE PROBLEMS CAN BE LOOKED AT IN DEPTH. NEVERTHELESS HE WOULD BE LIKELY TO LEAVE OPEN THE NARROW GAP WHICH OLIVERI LOPEZ SAW IN MARCH. HE WOULD HOPE AT LEAST TO HOLD THIS LINE UNTIL A MEETING BETWEEN THE SECRETARY OF STATE AND PASTOR IN NEW YORK IN THE AUTUMN AFTER WHICH THERE MIGHT BE A NEGOTIATING ROUND.
5. ALL THESE IDEAS ARE SUBJECT TO THE SECRETARY OF STATE'S ENDORSEMENT AND YOU SHOULD NOT IN ANY WAY TAKE THEM AS REPRESENTING FIRM DECISIONS YET. THEY MAY HOWEVER PROVIDE A FRAMEWORK AGAINST WHICH YOU CAN LISTEN TO WHATEVER THE ARGENTINES HAVE TO SAY TO YOU.

SIGNED G E HALL

MNNN