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DESKBY 262100Z JUL

FM PORT STANLEY 262007Z JUL 79

TO IMMEDIATE BUENOS AIRES

TELEGRAM NUMBER 39 OF 26 JULY

INFO IMMEDIATE FCO

AW 070/325/1

RECEIVED IN PORT STANLEY NO. 13

6 AUG 1979

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FOLLOWING FOR PS/MR RIDLEY

67

MY TELNO 133 TO FCO: FINANCIAL TIMES ARTICLE

1. I DREW COUNCILLORS' ATTENTION THIS MORNING TO THE FINANCIAL TIMES CORRESPONDENT'S REVELATIONS (WITH THE EXCEPTION OF BOWLES, WHO IS ACCOMPANYING HIS WIFE TO BUENOS AIRES FOR MEDICAL TREATMENT, @SS, WHO HAS BEEN AWAY FROM STANLEY SINCE LAST SATURDAY ON MV MONSUNEN AND EVANS WHO RETURNED HOME THIS MORNING). I GAINED NO CLUE AS TO WHO, IF ANYONE, COULD HAVE LEAKED THE STORY AND, IN FACT, THE COUNCILLORS PRESENT FELT THAT THE ARTICLE WAS BASED ON LITTLE MORE THAN AN ASTUTE PUTTING TOGETHER BY LINDLEY OF VARIOUS RUMOURS HE HAD HEARD ABOUT TOWN. WHILE THE COUNCILLORS SEEMED FAIRLY RELAXED ABOUT POSSIBLE REACTIONS TO THE STORY LOCALLY, I SUGGESTED THEY SHOULD, NEVERTHELESS, FOLLOW THE LINE SET OUT IN MY TUR.

2. THE GENERAL VIEW OF COUNCILLORS WAS THAT THE VISIT HAD GONE OFF WELL, AND THAT IN DRAWING ATTENTION TO THE REALITIES OF THE SITUATION MR RIDLEY HAD HELPED SET THEIR THINKING ALONG A MORE PURPOSEFUL AND, INDEED, A MORE HOPEFUL COURSE.

PARKER

- FILES
- S AM D
- NEWS D
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- OID
- PUSD
- PS
- PS/LPS
- PS/PUS
- SIR A PARSONS
- MR HALL

ALW 020/225/1		
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FM PORT STANLEY 261545Z JUL 79

TO IMMEDIATE FCO

TELEGRAM NUMBER 133 OF 26 JULY

INFO IMMEDIATE BUENOS AIRES

YOUR TELNO 90: FINANCIAL TIMES ARTICLE

1. IF NECESSARY, THE MINISTER WILL TAKE THE LINE THAT THE ARTICLE IS BASED ON PURE SPECULATION BY THE FINANCIAL TIMES. WHILE THE IDEA THE WRITER SUGGESTS AS A SOLUTION TO THE PROBLEM HAS SOME INTEREST, ANYTHING LIKE THE TERMS OF YEARS MENTIONED WOULD BE FAR TOO SHORT TO BE REALISTICALLY CONTEMPLATED.

2. I WILL SAY THE SAME HERE AND AM ADVISING COUNCILLORS ACCORDINGLY.

PARKER

FILES.

SAMD

NEWS D.

PS MR RIDLEY

SIR A PARSONS.

MR HALL

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# Plan for Falklands future

BY ROBERT LINDLEY IN BUENOS AIRES

A "HONG KONG" solution for the future of the Falkland Islands is being talked about as the visit by Mr. Nicholas Ridley, junior Minister at the Foreign and Commonwealth Office, comes to an end.

Under such a scheme sovereignty over the Islands would be transferred to Argentina which would then lease them back to Britain for, say, 99 years. The British way of life of the islanders would be

respected and Argentinian co-operation on the economic development of the islands could yield dividends.

Mr. Ridley is reported to be interested in such a solution, without which some observers see the future of the islands as bleak. However Falklanders are distrustful of assurances about their future from Whitehall, now that Argentina has again stepped up its campaign to acquire the islands.

B

00 PORT STANLEY

CBS 211

DESKBY 261300Z

UNCLASSIFIED

FM FCO 261145Z JULY 79

TO IMMEDIATE PORT STANLEY

TELEGRAM NUMBER 90 OF 26 JULY 1979

INFO IMMEDIATE BUENOS AIRES

FOLLOWING FOR PS/MR RIDLEY: ARTICLE IN FINANCIAL TIMES

1. UNDER HEADING 'PLAN FOR FALKLANDS FUTURE', THE FT'S  
CORRESPONDENT IN BUENOS AIRES, ROBERT LINDLEY, HAS AN ARTICLE  
IN TODAY'S PAPER READING AS FOLLOWS:

'A 'HONG KONG' SOLUTION FOR THE FUTURE OF THE FALKLAND  
ISLANDS IS BEING TALKED ABOUT AS THE VISIT BY MR  
NICHOLAS RIDLEY, JUNIOR MINISTER AT THE FOREIGN AND  
COMMONWEALTH OFFICE, COMES TO AN END.

UNDER SUCH A SCHEME SOVEREIGNTY OVER THE ISLANDS WOULD  
BE TRANSFERRED TO ARGENTINA WHICH WOULD THEN LEASE THEM  
BACK TO BRITAIN FOR, SAY, 99 YEARS. THE BRITISH  
WAY OF LIFE OF THE ISLANDERS WOULD BE RESPECTED AND  
ARGENTINIAN CO-OPERATION ON THE ECONOMIC DEVELOPMENT OF  
THE ISLANDS COULD YIELD DIVIDENDS.

MR RIDLEY IS REPORTED TO BE INTERESTED IN SUCH A SOLUTION,  
WITHOUT WHICH SOME OBSERVERS SEE THE FUTURE OF THE  
ISLANDS AS BLEAK. HOWEVER, FALKLANDERS ARE  
DISTRUSTFUL OF ASSURANCES ABOUT THEIR FUTURE FROM WHITEHALL,  
NOW THAT ARGENTINA HAS AGAIN STEPPED UP ITS CAMPAIGN  
TO ACQUIRE THE ISLANDS'.

2. NEWS DEPARTMENT WILL OFFER NO COMMENT ON THIS STORY.

CARRINGTON

FILES  
S AM D  
NEWS D  
MR HALL

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ALW 026/25/1		
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7 AUG 1979		
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~~Sir A Parsons~~

Mr Hall

AD 27/7

1. I submit a draft telegram to Port Stanley along the lines we discussed. The relevant telegrams are below.

See ALW 026/1

**Bure**

J B Ure  
South America Department

27 July, 1979

J Hall 27/VII

~~Mr Courtney -~~  
Ron 27/7  
To OJ ~~some~~

R  
27/7

### The Falkland Islands

From the Director-General,  
The Falkland Islands Office  
Sir.—The Hon. Nicholas  
Ridley, MP, Minister of State at  
the Foreign and Commonwealth  
Office is reported (July 26) to  
be discussing the "Hong Kong"  
solution to Argentina's claim  
over the Falkland Islands.

This has never been accept-  
able to the islanders. A lease-  
back arrangement under which  
Britain cedes sovereignty to  
Argentina has been mooted  
several times before. British

sovereignty is indisputable in  
international law.

We should not forget the  
potential advantages to the  
British economy of the massive  
fish resources of the South  
Atlantic—highlighted in the  
annual report from the White  
Fish Authority. Such resources  
emphasise the importance of the  
possible 200-mile limit around  
the Falkland Islands and their  
dependent areas.

(Air Commodore)  
Brian G. Frow,  
2 Grosvenor Place,  
Westminster, SW1

~~\_\_\_\_\_~~

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ALW 040/525/1