

Foreign and Commonwealth Office

London SW1A 2AH

ALW 040/325/10

A J Williams Esq CMG BUENOS AIRES

Dear Anthony,

ALW 940/325/10

RECEIVED IN RE

FALKLAND ISLANDS: SECRETARY OF STATE'S MEETING WITH PASTOR

1. You will have seen the oblique reference in UKMIS New York telno. 1376 and I now enclose a personal copy of the Assistant Private Secretary's record of the Falklands part of the meeting with Pastor on 25 September. I also enclose a minute by Ken Temple on Mr Ridley's subsequent fortuitous talk with Ortiz de Rozas in New York.

- 2. While the meeting with Pastor went well climatically, there remains fuzziness on where we go from here. As you suggested in your very helpful manuscript letter of 19 September to Bill Harding, the Argentines now seem to want to reopen the Geneva package: and there is a risk of a misunderstanding developing on next steps. It is not clear whether Pastor believed that he was giving the Secretary of State the expected Argentine reply. If so, it does not provide a sufficient basis on which to go back to OD: and we will have to try to straighten this out.
- As far as we are concerned, what we want is a formal indication from the Argentines of their view of the Geneva formula: without this we cannot go to Cabinet. We do not want any further clandestine meeting, nor do we want any further bargaining on the terms. It is important that the Argentines realise that we cannot agree to any shorter lease as a basis for formal negotiations: we could not sell one to Cabinet, let alone the Islanders. Nor are we likely to be able to Cor want to) move ahead at quite the brisk pace which Pastor and Cavandoli are hoping for.

4. We are consulting Ministers on this and hope to send you a telegram of instructions shortly.

Your low form

P R Fearn South America Dept.