

6/10 (47)

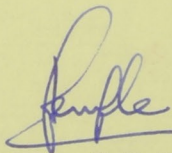
Aw 040/325/10		
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13 OCT 1980		
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PS		

Not seen by Lord Privy Seal; copy retained.

FALKLAND ISLANDS

1. Mr Ridley has seen Mr Fearn's submission of 2 October, and Mr Day's minute of 3 October. He has commented that Comodoro Cavandoli said that he would send Mr Ridley a message after his return to Buenos Aires giving the verdict of the Argentine Government on what had been discussed in Geneva. It is possible that Cavandoli now thinks that that obligation was discharged by Sr Pastor in his meeting with the Secretary of State, but there is advantage in getting confirmation.

2. I have made one small addition to the draft telegram to underline that we are expecting some kind of formal reply.



K D Temple
PS/Mr Ridley

6 October 1980

BRITISH EMBASSY,
BUENOS AIRES.

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3 = 10 = 80

Dear Robin

Submitted separately
in typed formFAKLANDS

A quick note to catch
this evening's bag in answer to your ALW 040/
325/10 of 1 October, which I have just
received. (40)

2. First, I have just seen (at Korea
Day) Cavandoli who had just debriefed Pastor
on his return. What he said (guardedly in
so public a place) was that they were very
satisfied + it had all some right.

3. Second, I don't think you are really
going to get anything much more specific
in the way of endorsement from the Argentines
before cabinet. I myself regard what has been
got as really very specific and a definite



11

BRITISH EMBASSY,
BUENOS AIRES.

Commitment to the idea. The length of
lease ~~is~~ remains obviously a subject for
negotiation, but this does not mean we
need envisage the result being less than
99 years — only that we cannot expect the
Argentines to commit themselves to accept that
length of time before negotiations even start.

4. Of course I will try to get
a rather more specific form of words, if you
need it. I now have very close relations
with Carandoli +, if you give me a formula,
I think I can say whether I can make
him buy it or not. But really, I think
you have what you want already —
that the concept is not only clever, but
a solid basis for negotiation with the prospect



III

BRITISH EMBASSY,
BUENOS AIRES.

of Sensio's progress. The fact that the only point is over length of lease implies acceptance of the principle which it is proposed to put to cabinet. This can surely be put on the basis that (provided the Islanders agree etc) and provided 99 years can be negotiated, can we put forward formally the principle of lease back which the Argentine negotiators have said they regard as providing a solid basis for achieving a satisfactory result.

5. Finally you should bear in mind that, while we are ad referendum to the cabinet and the Islanders, the Argentines

SECRET + STRICTLY PERSONAL

IV



BRITISH EMBASSY,
BUENOS AIRES.

The Argentines are ad referendum to the Junta. It could well be counterproductive to insist on the degree of definitiveness from them which they could only get following (pretty probably leaky) reference to the Junta, when we have not cleared either of our two hurdles. In fact, already, Pastor has really committed himself more than the SoS. has. Press too hard for more + you may get a negative reaction!

Yours ever

Anthony

P.S. I am keeping a photocopy of this. I have had - under suitable cover - to let in Richard Cozney

SECRET AND STRICTLY PERSONAL

SECRET + STRICTLY PERSONAL

TV



BRITISH EMBASSY,
BUENOS AIRES.

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Goodbye

you ever

Andy

P.S. I am keeping a photocopy of this. I have had - under suitable cover - to let in Richard Cozney

SECRET AND STRICTLY PERSONAL



45

SECRET

There are two ways of tackling this:

- (a) as proposed above, to pin the Argentines down to a 99 year lease before reporting further to OD
- (b) to report to OD now on the generally favourable Argentine reaction to our proposal, and seek Ministerial agreement that:

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- (i) the initiative should be pursued
- (ii) we should confirm to the Argentines that the period of 99 years for the lease is not negotiable
- (iii) if the Argentines accept (ii), we should then put the proposals to the Falkland Islanders.

2. It would clearly be preferable if we could go to OD with an unequivocal Argentine acceptance of our proposal, including the period envisaged for the lease. But there may be some risk that the Argentines will continue to wriggle until they know that Ministers here have collectively taken a final view.

3. The arguments are fairly finely balanced. The decision must to some extent depend upon the extent to which it is desirable to have further cover from OD before pursuing matters further with the Argentines.

D. M. Day

D M Day

3 October 1980

cc: PS/LPS
 PS/PUS
 Mr Fearn
 Mr Harding o/r

SECRET

SECRET

There are two ways of tackling this:

- (a) as proposed above, to pin the Argentines down to a 99 year lease before reporting further to OD
- (b) to report to OD now on the generally favourable Argentine reaction to our proposal, and seek Ministerial agreement that:
 - (i) the initiative should be pursued
 - (ii) we should confirm to the Argentines that the period of 99 years for the lease is not negotiable
 - (iii) if the Argentines accept (ii), we should then put the proposals to the Falkland Islanders.

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D. M. Day

D M Day

3 October 1980

cc: PS/LPS
PS/PUS
Mr Fearn
Mr Harding o/r

①

Mr Fearn

Mr Ridley has accepted the recommendation & sent the papers on to PS/LPS (who asked to see). Mr Temple is informing Mr Day & Mr Harding - SECRET

Mr Suggs
Mr Bripud

*ceb
61x*

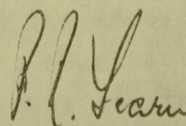
②

Mr Ridley will, I understand, be having a meeting at 1200 hrs on 7 October to discuss this. Mr Bripud + myself to attend. No meeting now required

61x

5. As was made clear to the Argentines in Geneva and again in New York, the proposal is ad referendum to the Secretary of State's Cabinet colleagues. The Argentines know that the next step on the British side is to seek Cabinet's agreement to the proposal. What is not clear, however, is whether they appreciate that such consultation cannot take place until the Argentines give us a firm indication that the proposal is broadly acceptable as a basis for an eventual settlement. They appear to be thinking in terms of a second clandestine meeting to bargain further (e.g. on the length of the lease) or parallel submissions now to Cabinet in the UK and the President in Argentina (see New York record, Mr Temple's minute of 1 October and a previous letter from HMA, Buenos Aires). We wish to avoid a second meeting, both because of the danger of leaks and because, on the central point of the length of a lease, there is nothing further to negotiate: the proposal represents the ultimate concession we may be able to make. And there is no point in consulting OD without knowing whether the Argentines accept the proposal.

6. The Argentines may believe that Sr Pastor has given their official reply to the proposal, i.e. the suggestion to hold a further meeting to discuss the one apparent sticking-point - the length of the lease. Whether or not this is the case, we require a more formal indication of the Argentines' views and we need to disabuse them of any idea about further negotiation on the terms of the proposal. This is best done by an approach in Buenos Aires by H M Ambassador. But if this fails to elicit a response, we might then consider a personal message from Mr Ridley to Comodoro Cavandoli to be advisable: but it would be preferable to keep such a message up our sleeve at this stage.



P R Fearn
South America Dept.

2 October 1980

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SECRET

Mr Day

PS/Mr Ridley

PS

cc

PS/LPS

PS/PUS

Mr Harding o.s.r.

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FALKLAND ISLANDS

Problem

1. How to proceed in the Falkland Islands dispute following the Secretary of State's meeting in New York with the Argentine Foreign Minister.

Recommendation

2. I recommend that our Ambassador in Buenos Aires should be instructed to tell the Argentine Deputy Foreign Minister that we continue to await a firm Argentine reply to the proposal formulated by Mr Ridley in Geneva. I submit a draft telegram.

Background and Argument

3. Mr Ridley met Comodoro Cavandoli, the Argentine Deputy Foreign Minister, in Geneva on 10 and 11 September to discuss the Falkland Islands (record attached). Mr Ridley gave Comodoro Cavandoli the text of an exploratory proposal for a solution. It was agreed that the next event in the sequence would be the Secretary of State's meeting with the Argentine Foreign Minister at the UNGA: and that the Argentine response to the Geneva proposals would be given then or separately.

Flag A

Flag B

Flag C

4. That meeting has now taken place (record attached). It fulfilled its purpose of satisfying the Argentines that we are ready to make progress. We had not expected that the Secretary of State and Sr Pastor would discuss in detail the merits of the proposal and, apart from Sr Pastor's reference to the length of a lease, this proved to be the case.



5. As was made clear to the Argentines in Geneva and again in New York, the proposal is ad referendum to the Secretary of State's Cabinet colleagues. The Argentines know that the next step on the British side is to seek Cabinet's agreement to the proposal. What is not clear, however, is whether they appreciate that such consultation cannot take place until the Argentines give us a firm indication that the proposal is broadly acceptable as a basis for an eventual settlement. They appear to be thinking in terms of a second clandestine meeting to bargain further (e.g. on the length of the lease) or parallel submissions now to Cabinet in the UK and the President in Argentina (see New York record, Mr Temple's minute of 1 October and a previous letter from HMA, Buenos Aires). We wish to avoid a second meeting, both because of the danger of leaks and because, on the central point of the length of a lease, there is nothing further to negotiate: the proposal represents the ultimate concession we may be able to make. And there is no point in consulting OD without knowing whether the Argentines accept the proposal.

Flag C
Flags D,E

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P R Fearn
South America Dept.

2 October 1980

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