

30/10/83
Minister (59)



Mr Harding
PS/Mr Ridley *pg. 30/10. Tel sent.*
PS

Secretary of State

S A M D

S of S has seen

RmyL 3/xi

cc
PS/LPS
PS/PUS
Mr Day

Aw 040/325/10

RECEIVED IN REGISTRY NO. 18		
- 4 NOV 1980		
DESK OFFICER		REGISTRY
INDEX	PA	Action Taken

OK
NR

FALKLAND ISLANDS

(55)

(56) (58)

Flags A, B

1. We have discussed further with Mr Ridley, following Mr Fearn's submission of 24 October and our minutes of 29 October, what HMA Buenos Aires might say to Comodoro Cavandoli on his return to Buenos Aires.

in advance

2. Mr Ridley thought that there was merit in Mr Williams being able to say something about progress, as he will be expected to after a visit to the UK. But he felt that it would be wrong to authorise him to tell the Argentines about the OD discussion on 7 November.

3. I submit a draft telegram on the lines agreed. It should reach Buenos Aires before midday BA time on Monday 3 November but after Mr Williams's return late on Thursday 30 October.

G A Duggan

G A Duggan
South America Dept.

30 October 1980

Harding
30 Oct.

Mr Fearn
Mr Wright

PA
CEB
41x1

3/xi

AW 040/325/10

SECRET

Reference

58

RECEIVED IN REGISTRY
3 OCT 1980
Mr Bright
Mr Fearn
Reg

On para 6 the difficulty will be in persuading Cabinet that a considerable amount of money will need to be made available. There is no shortage of ideas but they have come to note for lack of cash. One would hope that a settlement of the dispute would bring Argentine financial support for the various schemes, providing the Islanders can stand the shame. I cannot see ODA welcoming any requests for large subventions, but once the dispute were settled, private companies might be more prepared to make an early clearing.

MR RIDLEY'S VISIT TO THE FALKLAND ISLANDS

1. We discussed the provisional programme in Port Stanley telno. 160 with Mr Ridley and Mr Harding this morning.
2. (57) On the basis of a green light from OD, Mr Ridley said that when in the Islands his aim would be to discuss with Councillors a mandate to enter into negotiations with the Argentines on the leaseback proposal. It would not be his intention to proselytize at public meetings throughout the Islands the virtues of a leaseback settlement. He would hope that his discussions with Councillors could be treated as being in confidence.
3. With this aim, Mr Ridley would want to see Councillors as proposed on the morning of Monday 24 November. He would outline our general thinking then, set out the alternatives (with a view to making Councillors' flesh creep) and ask them to think it over and meet him again on Tuesday 25 November to discuss further. He would then imagine that Councillors would want to go away and talk further with each other before giving him their final answer at a further meeting on the morning of Saturday 29 November, before Mr Ridley's departure that afternoon.
4. We made the point to Mr Ridley that it was unlikely that knowledge of what he was proposing would in the small society in the Islands be kept close and confidential. It was likely, therefore, that between the Tuesday and the Saturday he would have to face questions from people he met as he travelled around the Islands. Mr Ridley accepted this; he said that he would have to play it by ear but that he would seek to maintain the line that what was to be said in negotiations with the Argentines was confidential. He hoped above all, thereby, to avoid getting into detailed discussion on questions such as the flying of Argentine flags etc.
5. We discussed also what might happen about Mr Ridley's visit to the Islands if OD were to give either an amber or a red light. Mr Ridley seemed disposed to accept our (and Mr Williams's) advice that in these circumstances it would still be worthwhile to go to Buenos Aires so that he could explain the situation personally to Comodoro Cavandoli. But Mr Ridley could not go to Buenos Aires without visiting the Islands. If OD had given an amber light, Mr Ridley could still in the Islands consult and discuss the possibility of leaseback in a general way, as he did during his last visit in July 1979. If the light were red, the visit would then become a purely pastoral one.
6. Mr Ridley also asked that we should begin now to give some thought to possible economic recovery plans for the Islands if there were to be a settlement. He acknowledged that we had generally considered these possibilities earlier this year but we had made little concrete progress. It was vital to arrest the economic decline of the Islands.

G A Duggan

G A Duggan
South America Dept.

29 October 1980

SECRET