

M.D. 12/12 PA
CEB
16/12
Mr. Smith
Mr. Ingham
Mr. Bishop
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AW 040/325/10

RECEIVED BY THE SECRETARY NO. 18

22 DEC 1980

DESK O.P.	REGIS
Ridley	Action Taken
PA	

PS/Mr

Only calling on Mr Ridley at 3.30pm today - I will attend. The proposed Arg. Statement is as agreed. Mr. I would prefer to see the second sentence of (c) omitted. Also I do not see how we can accept the idea of a meeting before the Ordiz call.

FALKLAND ISLANDS: THE ARGENTINE LINE

1. After dinner at the Argentine Embassy last night the Ambassador took me aside and gave me a somewhat muddled account (he had forgotten to put his notes in his pocket) of his conversation in Paris with the Foreign Minister and Commodore Cavandoli. He agreed that it would be sensible if he were to call on the Minister of State to-day or tomorrow morning to enable Mr Ridley to obtain a clear first hand impression of how matters now stood. I undertook to arrange a meeting with you at the Minister's convenience.

3.30pm today)

2. Briefly, the Argentines now consider that they must say something publicly, in order to calm press speculation. This could take the form either of a bald statement or a press conference: they had not yet decided which. Their task was made easier by the fact that Mr Ridley had 'gone public' in the Islands and had made a fairly full statement in the House of Commons. What the Argentines propose to say was more or less the following:

- (a) At the negotiations in New York in ^{April} ~~May~~ and at the meeting between the Secretary of State and the Foreign Minister in September the Argentine side had made quite clear their determination to press for an early solution of the problem.
- (b) They were intent that any further negotiations should be addressed to the root of the problem, ie the question of sovereignty.

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(c) They had reason to think that this message had sunk in on the British side. [The Foreign Minister had received a report from the Argentine Ambassador in London which confirmed this view.] It was not for them to comment on Mr Ridley's visit to the Islands or on the alternatives which he was reported to have put to the Islanders. But so long as the British were seen to be addressing themselves to breaking the long-standing deadlock between Argentina and the United Kingdom on this issue, they were content to await developments.

(d) Nevertheless, they hoped that a new round of negotiations could be arranged [very early] in the new year.

3. In answer to my question, Sr Ortiz de Rozas said that the internal pressure on the Argentine Government came exclusively from the press, not from the Military. Although naturally the latter were curious to know what was going on, they were disciplined enough to shut up when told to do so. Knowledge of what had passed earlier in the year was still confined to the three Commanders-in-Chief, the President, the Foreign Minister and Deputy Foreign Minister, Ambassador Enrique Ros and himself. They intended to maintain this position.

4. As to the timing of an Argentine announcement, the Ambassador said that the attention of the press would be mainly focussed on tomorrow's meeting with the Pope of the Argentine and Chilean Foreign Ministers on the Beagle Channel dispute. This might well be an advantage for us both, in that it gave a breathing space after

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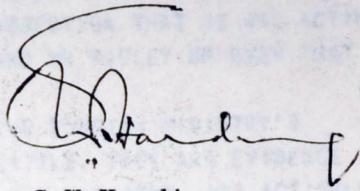
the wild speculation of last week. As to the timing of the next round of negotiations, the Argentines would like it to take place not later than 15 January. When I asked what venue they had in mind, the Ambassador said that he thought they were quite open-minded about it. He agreed that New York might again be suitable. I pointed out that the Minister of State was planning to be in the Caribbean from 16 January for a few days and that it might possibly be more convenient to us to hold it somewhere in that area.

Comment

5. The Minister of State will have an opportunity when the Ambassador calls to inject his views as to how the Argentines might best play this rather tricky hand. The Ambassador will be returning to Paris tonight to see Messrs Pastor and Cavandoli once more, and would then be able to feed in these views viva voce. It seems to me inevitable that the Argentines should now go on the record with a statement of their position; and I think that the line they have in mind (as set out above) is about as reasonable as we could expect. It has the merit, from our point of view, of showing that there is a head of steam on the Argentine side and that the absence of overt pressure on us should not be read as implying a loss of interest on their part. I also think that it will be useful to highlight the role of the Argentine Ambassador in London (rather than Mr Williams in Buenos Aires) in interpreting

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to the Argentine Government British feelings on this question.
If the Argentine Government give the impression that they have
to look to Sr Ortiz de Rozas for information of this kind, it
may help to damp down speculation that they have been able to
read our minds by other means.



G W Harding

11 December 1980

cc

Mr Day

Mr Fearn, SAmD

SECRET