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Prime Minister 2
*You may want to read
this briefing overnight since it
Foreign and Commonwealth Office looks as
London SW1A 2AH if President Kyprianou
is to telephone you
tomorrow.*

20 November 1984

*FCRS
20.11.*

Dear Charles,

GM

Prime Minister's Meeting with President Kyprianou

Thank you for your record of the Prime Minister's meeting with President Kyprianou on 19 November. You asked for advice on President Kyprianou's ideas and on what the Prime Minister might say when he contacts her by telephone on Wednesday 21 November.

President Kyprianou seems to have read rather more into President Reagan's message than was intended. The first that we in the FCO knew of the contents of the President's message was on 20 November when the US Embassy in London outlined its content to the Head of Southern European Department. It was quite clear from that telephone call that, as we have always understood, the intention of the Presidential message was simply to encourage Kyprianou to approach the third round of proximity talks in a positive manner. Similar messages have been passed from President Reagan to President Evren; from Shultz to the Greek Foreign Minister; and orally via the American Embassy in Nicosia to Denktash. It is these to whom the President refers as "the parties directly involved ...", and not, as Kyprianou half surmised, ourselves.

Kyprianou's misunderstanding is potentially dangerous, since:

- (a) he may feel the Americans are ready with a diplomatic solution to all his problems without him having to make any significant concessions to Denktash;
- (b) if (as he well may) he leaks his misinterpretation the Turks could be angered and the outcome of the proximity talks jeopardised.

We were therefore glad that the Prime Minister took the line that she did about the improbability of any significant new ideas of substance from the US Administration and continued to stress the need for the Cyprus Government to make concessions on constitutional matters in return for territorial concessions by the Turkish Cypriots.

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It may well be that when President Kyprianou telephones the Prime Minister tomorrow, having obtained additional information from the US Ambassador in Nicosia, he will seem a disappointed man. In these circumstances it would seem most important that the Prime Minister should repeat her view on the need for constructive negotiations in the third round of talks. But she may also want to offer some balm to Kyprianou by suggesting that the personal attention given to the matter by President Reagan and herself is the surest guarantee that there is no question of Kyprianou being called upon to make unilateral concessions. She will also want to dismiss from Kyprianou's mind that the Americans are seeking something special from Cyprus in terms of the Western Alliance.

If Kyprianou returns to his original reason for seeking a meeting with the Prime Minister, the question of guarantees for Cyprus, we recommend that the Prime Minister should speak on the lines of her original briefing (copy enclosed for ease of reference) - ie that it is rather too early in the process to make definite suggestions but that we would be prepared to consider the question in close consultation with the Secretary-General and all other parties.

Yours ever,

Colin Budd

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Private Secretary

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