

Foreign and Commonwealth Office

London SW1A 2AH

7 April 1986

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Dear Charles

Prime Minister's Meeting with President Kyprianou

You may wish to show the Prime Minister UKMIS New York telnos 324 and 325 (attached).

These telegrams make clear that the Greek Cypriots are in a nervous and emotional state. Kyprianou is likely to need delicate handling. He feels beleaguered and will probably need to be encouraged and reassured.

As to the three specific points which the UN would like the Prime Minister to make (UKMIS telno 325; para 2):

- a) is already covered in the briefing;
- b) is more difficult. The Prime Minister encouraged Ozal to take a flexible line on troop withdrawals when she saw him in February. He was non-committal. We have since followed up in Ankara where the Turks have shown little give on the issue. The Prime Minister might therefore say that she is sure that the UN Secretary-General, who must be best placed to judge, is too wily a bird to accept Ozal's public statements at face value;
- c) is a loose and ambiguous formulation. We do not want to give Kyprianou an open-ended commitment. The Prime Minister told him last year, and is briefed to say again this time, that agreement on the present package commits him to nothing: he has a money back guarantee. It might be wise to stick at that. We do not want to be drawn into acting as Kyprianou's intermediary with the UN.

The Prime Minister will also have seen the leader in today's Guardian (attached). This takes a pro-Greek line. It is likely to be some comfort to Kyprianou. He may hark back to our past "failures" as a guarantor power. The Prime Minister might remind him that our obligations were not military but consultative: and we did call for consultations with Greece and Turkey after the attempted coup

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by the Junta in 1974. The Turks accepted, but the Greeks did not. Kyprianou might also pick up the point in the last sentence of the leader. The Prime Minister's briefing covers this. The present proposals may have their drawbacks but represent the best - and probably only - real opportunity of a just, lasting and peaceful settlement in Cyprus.

As on the last occasion the Prime Minister and President Kyprianou met, we hope it will be possible to give the UN an early account of the discussion.

I am writing separately on two new secret reports.

Yours ever, Colin Budd

(C R Budd)

Private Secretary

C D Powell Esq PS/10 Downing Street

Britain's legacy in another split isle

The Prime Minister today plays host to President Kyprianou, of Cyprus. Mrs Thatcher is expected to press the Greek Cypriot leader to accept, immediately and without equivocation, the UN's latest and often ambiguous outline peace plan for his divided Island. The President will, in turn, equivocate. He has genuine and serious doubts about the proposed mechanism for negotiating the 25,000-strong Turkish intervention force off the island. He is unhappy about the possibility of mainland Turkey demanding the unilateral right to intervene again, by force of arms, if it deems the Turkish Cypriot minority to be endangered. He fears the erosion of the fundamental right of all Cypriot citizens to travel, to settle or to own real property on either side of the projected federal divide. And he feels that the UN Secretary-General, Mr Perez de Cuellar, has improperly strengthened the veto powers he suggests should be exercised by the Turkish Cypriot members of the new national assembly and by the vice-president, who will always be a member of the minority population.

member of the minority population.

It is a sign of the intractable nature of the Cyprus problem and Britain's intimate involvement with it, that the Prime Minister has entertained the ruler of that diminutive island more often than she has any other head of state. Britain is the former colonial power. Cyprus was left, divided and embittered, with an unworkable constitution, a quarter of a century ago. Yet as a guarantor power we pledged ourselves to uphold that constitution and the territorial integrity of the island. We failed to honour the pledge when the Turkish Cypriots came under intolerable pressure in the 1960s and early 1970s. We failed, equally miserably, when the Athens junta engineered the 1974 coup. Above all, we failed when mainland Turkey serzed the occasion to occupy 40 per cent of the island and encouraged the minority to set up a

self-styled independent state in the north. As former colonial power and as a guarantor (failed), this nation owes both communities in Cyprus something more than tea and sympathy. But selfinterest also demands Britain play its part as midwife to a settlement. This country retains substantial sovereign military enclaves on Cyprus. They are not. legally, part of the republic. The bases are probably the most important listening posts in the eastern Mediterranean and are a major intelligence asset in our relations with the United States. The longer the current deadlock drags on, the greater will be anti-Western feeling in Nicosia. Already this year, the Soviet Union has produced a thoroughly mischievous proposal to link the expulsion of Britain from those bases with any general settlement.

Mr Perez de Cuellar has handled Cyprus with more application than skill these past 18 months. The summit of January, 1985, was ill prepared. It collapsed when President Kyprianou raised doubts about the UN plan which should have been resolved in advance Twelve months ago, the revised peace plan was rejected in turn by Turkish Cypriots because it appeared to have been revised to bounce them. Now, mark three, we are back with a draft provoking Greek Cypriot worries Mrs Thatcher should tell President Kyprianou today that the time to fish or cut bait is fast approaching. But she should also assure him that she will attempt to persuade the UN to clarify the genuine ambiguities and uncertainties which splatter the Secretary-General's latest text.

quardian 7 April 1986 ADVANCE COPIES 15

PS/LADY YOUNG

PS/MR EGGAR PS/PUB

MR DEREK THOMAS

MR RATPORS

ED/SED

ID/UND DEP HD/PUSD (2)

HD/HEWS DEPT

RESIDENT CLERK

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FM UKMIS NEW YORK

TO IMMEDIATE FCO

TELNO 324

OF 050005Z APRIL 86

INFO IMMEDIATE ATHENS, ANKARA, NICOSIA

INFO PRIORITY WASHINGTON, UKDEL NATO, UKREP BRUSSELS, MODUK

INFO ROUTINE BONN, PARIS, ROME

MY TELNO 310: CYPRUS

SUMMARY

1. THE SECRETARIAT ARE CONCERNED BY THE NEGATIVE PUBLIC REACTIONS IN CYPRUS AND GREECE SO FAR. MAVROMMATIS SAYS IN A LETTER. WHICH HAS NOT APPARENTLY BEEN PUBLISHED, THAT HE HAS RESIGNED ON ACCOUNT OF CONTROVERSY OVER A STATEMENT MADE BY THE SECRETARY-GENERAL'S SPOKESMAN.

2. AS FORESEEN IN TUR, I CALLED TODAY ON GOULDING (IN THE SECRETARY-GENERAL'S ABSENCE IN LATIN AMERICA) TO OBTAIN HIS VIEW OF THE REACTIONS SO FAR TO THE DRAFT FRAMEWORK AGREEMENT. IN TIME FOR THE PRIME MINISTER'S MEETING WITH KYPRIANOU. HE TOLD ME THERE HAD BEEN NO REACTIONS OF SUBSTANCE FROM THE PARTIES OR INDEED FROM THOSE OTHERS TO WHOM HE HAD GIVEN COPIES (ALTHOUGH THE SOVIETS HAD REITERATED THEIR SUPPORT FOR THE SECRETARY-GENERAL'S EFFORTS). THE TURKISH CYPRIOTS HAD LET IT BE KNOWN INDIRECTLY THAT THEY WERE "COMFORTABLE" WITH THE DRAFT. BUT PRESS REACTIONS IN CYPRUS SHOWED FEELINGS WERE RUNNING HIGH AND THERE HAD BEEN HARSH WORDS FROM THOSE WHO FELT THEY HAD BEEN BETRAYED BY THE SECRETARY-GENERAL ON SOME POINTS. HE NONETHELESS FORMED THE IMPRESSION (AS WE DID FROM ATHENS TELSNOS 168 AND 172) THAT BOTH GREECE AND CYPRUS WERE GIVING SERIOUS CONSIDERATION TO THE ISSUE AT STAKE.

3. GOULDING WAS CLEARLY CONCERNED BY THE CONTROVERSY OVER THE STATEMENT MADE BY GUILIANI (THE SPOKESMAN FOR THE SECRETARY-GENERAL) REFERRED TO IN NICOSIA TELNO 110. HE HAD JUST SEEN A LETTER FROM MAYROMMATIS TO HOLGER IDATED

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19.11.84

SECRETARY-GENERAL) REFERRED TO IN NICOSIA TELNO 110. RE MAD JUST SEEN A LETTER FROM MAYROMMATIS TO MOLGER (DATED 1 APRIL BUT RECEIVED ONLY TODAY) IN WHICH MAYROMMATIS ANNOUNCED THAT HE HAD FELT FORCED TO OFFER HIS RESIGNATION ON ACCOUNT OF THE GUILIANI STATEMENT.

- TO CORRECT CLAIMS IN THE GREEK CYPRIOT PRESS THAT THE DRAFT DOCUMENT WAS SILENT ON TROOP WITHDRAWALS, GUARANTEES AND THE THREE FREEDOMS. THE ADMITTED THAT THE STATEMENT OF REFERENCE TO AGREEMENT BETWEEN THE TWO SIDES COULD HAVE BEEN BETTER PHRASED. IT WAS THIS THAT HAD APPARENTLY MADE THE POLITICAL POSITION OF MAVROMMATIS UNTENABLE. BUT WAS NOT CERTAIN THAT THERE MIGHT NOT BE A NEGOTIATING PLOY CONCEALED IN THIS. IT WAS A PITY BUT NOT CRUCIAL.
- S. COULDING AGREED THAT KYPRIANOU'S MAIN CONSIDERATION WOULD BE NOW ACCEPTANCE OR REJECTION OF THE DOCUMENT WOULD AFFECT HIS POLITICAL STANDING AT HOME. BUT HE HAD NO SPECIAL INSIGHT TO OFFER ON THIS. FOR HIS COMMENTS ON KYPRIANOU'S OTHER LIKELY CONCERNS WHEN HE MEETS THE PRIME MINISTER, SEE MIFT.

THOMSON

THE TAXE

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NFLNAN 1821

FE MYNIS TO FOOL

W. K. CF

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CYPRUS

PS PS/LADY YOUNG

PS/MR EGGAR PS/PUS

MR DEREK THOMAS MR RATFORD

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HD/SED ED/UND DEP HD/PUSD (2) HD/MEWS DEPT

19.11.84

ASAP

PS/No. 10 DOWNING STREET BY TUBE

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RESIDENT CLERK

CONFIDENTIAL FM UKMIS NEW YORK TO IMMEDIATE FCO TELNO 325 OF 042359Z APRIL 86 INFO IMMEDIATE ATHENS, ANKARA, NICOSIA INFO PRIORITY WASHINGTON, UKDEL NATO, UKREP BRUSSELS, MODUK INFO ROUTINE BONN, PARIS, ROME

MIPT CYPRUS

1. GOULDING JUDGED THAT KYPRIANOU NOW FEELS BELEAGUERED AND THAT A DISPLAY OF UNDERSTANDING FOR THE POLITICAL DIFFICULTIES HE FACES IN DECIDING ON ACCEPTANCE WOULD PAY DIVIDENDS. AGAINST THIS BACKGROUND THE MAIN POINT THE PRIME MINISTER MIGHT MAKE WAS THAT ACCEPTANCE OF THE FRAMEWORK DOCUMENT WAS KYPRIANOU'S TICKET OF ENTRANCE TO NEGOTIATIONS ON THE POINTS THAT WERE CRUCIAL FOR THE GREEK CYPRIOTS. IF HE MISSED THIS OPPORTUNITY IT WOULD NOT RECUR. THE RESULT WOULD BE THE PERMANENT DIVISION OF CYPRUS AND CREEPING RECOGNITION OF THE TRNC.

- 2. GOULDING MENTIONED THREE SUBSIDIARY POINTS WHICH IT MIGHT BE USEFUL TO MAKE TO KYPRIANOU:
- (A) IT COULD BE IMPRESSED UPON KYPRIANOU THAT THE PACKAGE WAS BEING OFFERED ONLY AS AN INTEGRATED WHOLE (GOULDING RECALLED LANCASTER HOUSE). (KYPRIANOU FEARED THAT ACCEPTANCE OF THE DOCUMENT AND FAILURE OF THE NEGOTIATIONS COULD LEAVE HIM COMMITTED TO A FEDERAL BIZONAL STATE).
- (B) THE PRIME MINISTER COULD REASSURE KYPRIANOU THAT THE SECRETARY-GENERAL DOES NOT INTERPRET ANY PUBLIC STATEMENT BY EITHER OF THE PARTIES AS A PRE-CONDITION. (KYPRIANOU FEARS THAT OZAL'S STATEMENTS ABOUT TURKISH TROOPS IN CYPRUS ARE A PRE-CONDITION).
- (C) IF WE WERE WILLING TO SAY THAT THE UK WILL TAKE A CLOSE AND BENEVOLENT INTEREST IN THE SUBSEQUENT NEGOTIATIONS THIS COULD ENCOURAGE KYPRIANOU TO EMBARK ON THEM.
- 3. GOULDING ASKED FOR THE EARLIEST POSSIBLE REPORT OF THE PRIME MINISTER'S CONVERSATION WITH KYPRIANOU.

THOMSON