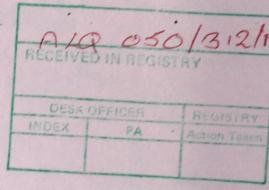
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TOP CODY

PP PARIS
GRS 592
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FM FCO 051630Z MAY 82
TO PRIORITY PARIS
TELEGRAM NUMBER 220 OF 5 MAY

FALKLAND ISLANDS

1. AS ACLAND HAS TOLD PETRIE BY SECURE TELEPHONE, HE AND PALLISER HAD A VISIT YESTERDAY FROM GUTTMAN (SECRETARY GENERAL AT THE QUAI). CHEYSSON TELEPHONED PALLISER YESTERDAY (HAVING HEARD OF HIS APPOINTMENT TO THE CABINET OFFICE) AND ASKED FOR AN OPPORTUNITY TO EXCHANGE VIEWS WITH US ABOUT OUR LONG TERM PLANS. IT WAS AGREED THAT GUTTMAN, ACCOMPANIED BY DE MARGERIE. SHOULD COME FOR TALKS IN THE CABINET OFFICE, FOLLOWED BY LUNCH. 2. THIS WAS A USEFUL CHANCE TO BRING THE FRENCH UP-TO-DATE. OUR QUICK RESPONSE WAS CLEARLY MUCH WELCOMED. GUTTMAN SAID THAT CHEYSSON'S MAIN WORRY WAS THAT OUR ESCALATING MILITARY ACTION AND THE SINKING OF THE BELGRANO WOULD LEAD TO A SHIFT IN PUBLIC OPINION IN FRANCE AND OTHER EUROPEAN COUNTRIES. WE WERE FAILING TO GET ACROSS TO OUR FRIENDS AND ALLIES OUR WILLINGNESS BOTH TO SEEK A DIPLOMATIC SOLUTION IN THE SHORT TERM AND TO ENTER INTO NEGOTIATIONS WITH THE ARGENTINIANS OVER THE LONGER TERM, AFTER ARGENTINE WITHDRAWAL FROM THE ISLANDS. DID WE HAVE A CLEAR-CUT PLAN FOR THE LONGER TERM? 3. GUTTMAN SAID THAT THE FRENCH HAD SUPPORTED US AND WOULD CONTINUE TO DO SO BOTH BECAUSE WE WERE A CLOSE FRIEND AND ALLY AND BECAUSE WE WERE DEFENDING CERTAIN CRUCIAL PRINCIPLES. THIS WOULD BE THEIR PUBLIC POSITION. BUT THEY WERE APPREHENSIVE ABOUT DEVELOPMENTS, AND, PUTTING THEMSELVES IN OUR SHOES, FEARED THAT WE WOULD FACE SERIOUS FINANCIAL AND POLITICAL COSTS IN MAINTAINING TROOPS IN THE FALKLANDS AFTER A MILITARY VICTORY. IN VIEW OF CRITICISM IN THE FRENCH PRESS TODAY, THE COUNCIL OF MINISTERS WOULD BE OBLIGED TO SAY SOMETHING AFTER THEIR MEETING TOMORROW. GIVEN THAT WE HAD BEEN SO SUCCESSFUL AND LUCKY SO FAR GUTTMAN SEEMED TO BE SEEKING REASSURANCE AGAINST A FRENCH

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FEAR THAT WE MIGHT BE WANTING TO GO FOR A MILITARY SOLUTION AT ALL COSTS.

- 4. PALLISER AND ACLAND EMPHASIZED THAT THE FRENCH SHOULD HAVE NO DOUBT ABOUT OUR WILLINGNESS TO NEGOTIATE IN THE LONGER TERM ON THE BASIS OF EARLY IMPLEMENTATION OF SCR 502. BUT THEY POINTED TO THE DIFFICULTY IN OBTAINING A NIGOTIATED SETTLEMENT IN THE SHORT TERM. THE ARGENTINIANS WERE INSISTING ON A TRANSFER OF SOVEREIGNTY AFTER THE INTERIM PERIOD AND THAT THE NEGOTIATIONS SHOULD BE PREJUDGED ON THIS POINT. IT WOULD BE DIFFICULT TO EXPLAIN TO THE COUNTRY WHY, AFTER ALL THE POLITICAL, FINANCIAL AND POSSIBLY HUMAN COSTS INVOLVED IN DESPATCHING THE TASK FORCE, AND WITH GOOD ALLIED SUPPORT FOR THE PRINCIPLE THAT AN AGGRESSOR SHOULD NOT BE REWARDED WITH THE FRUITS OF HIS AGGRESSION, HMG SHOULD CONCEDE AN EVENTUAL TRANSFER OF SOVEREIGNTY IN ADVANCE OF A RESUMPTION OF NEGOTIATIONS. THEY DREW ON THE DRAFT OF MY STATEMENT IN THE HOUSE THIS AFTERNOON. 5. THE FRENCH HANKERED AFTER MORE 'THEATRE' ON OUR PART, EG A PUBLIC TELEVISED APPEAL TO GALTIERI. PALLISER EXPLAINED THAT THIS WAS NOT NECESSARILY OUR STYLE AND THAT MINISTERS ARE OBLIGED TO WORK THROUGH PARLIAMENT.
- 6. GUTTMAN SUGGESTED THAT A DECLARATION EMPHASISING THE
 WILLINGNESS TO NEGOTIATE OUGHT TO ISSUE AFTER THE INFORMAL
 MEETING OF COMMUNITY FOREIGN MINISTERS IN LUXEMBOURG ON 8/9 MAY.
 ACLAND WAS IN TOUCH WITH BULLARD AT YESTERDAY'S MEETING OF
 POLITICAL DIRECTORS.
- 7. GUTTMAN WAS ANXIOUS THAT THERE SHOULD BE NO (NO) PUBLICITY
 TO HIS SEMI-PRIVATE AND UNOFFICIAL VISIT. ACLAND SAID THAT HE
 WOULD LIKE TO KEEP IN CLOSE TOUCH WITH HIM ON THIS AND OTHER
 MATTERS IN WHATEVER WAY SEEMED APPROPRIATE.
- 8. FULLER RECORD BY BAG.

PYM

NNNN

DIST LIMITED

HD/SAMD

HD/WED

HD/PLANNING STAFF

PS

PS/PUS

MR BULLARD

MR GIFFARD

MR URE

MR GOODISON

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TEATLICK A STITE COMALIAINT SHY HE COUNTY CHIMPATHIA.