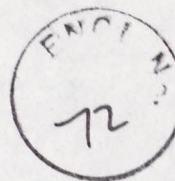


GR 460
CONFIDENTIAL
DESKBY 141700Z
FM LIMA 141517Z APR 82
TO IMMEDIATE FCO
TELEGRAM NUMBER 91 OF 14 APRIL
INFO IMMEDIATE WASHINGTON

CONFIDENTIAL



MY TELNO 90: FALKLANDS

1. THE LOCAL PRESS AND TV ARE AT ONE IN DESCRIBING THE TEXT IN YOUR TELNO 61 AS A QUOTE REJECTION OF THE PERUVIAN TRUCE PROPOSAL EVEN THOUGH THE FOREIGN MINISTER DESCRIBED IT IN A PRESS CONFERENCE AS QUOTE NEITHER AN ACCEPTANCE NOR REJECTION UNQUOTE.
2. AN INTERNATIONAL PRESS REPORT WHICH HAS NOT BEEN GREATLY PUBLICISED LOCALLY SUGGESTED THAT THE ARGENTINE ACCEPTANCE OF THE PERUVIAN TRUCE WAS CONDITIONAL ON THE TURNING BACK OF THE BRITISH FLEET. IN SPITE OF THIS THE ONUS OF REJECTION HAS NOW BEEN PLACED ON OUR SHOULDERS BY LOCAL PUBLIC OPINION.
3. WOULD IT NOT BE POSSIBLE TO REPLY TO THE LATEST PERUVIAN APPEAL (MY TELNO 90) BY AGREEING TO THE TRUCE PROPOSAL ON CONDITION THAT THE ARGENTINES WITHDRAW THEIR TROOPS FROM THE FALKLANDS? I REALISE THIS IS VIRTUALLY THE SAME AS WHAT WAS SAID IN THE TEXT OF YOUR MESSAGE, BUT THE TERMS ACCURATELY PUBLISHED IN TODAY'S PRESS DO NOT MAKE THIS CLEAR TO THE PERUVIANS.
4. THERE ARE A NUMBER OF ADVANTAGES IN TRYING THIS FORMULA ON THE PERUVIANS, THE MOST OBVIOUS BEING:
 - (A) IT SHOWS WE ARE STILL CONSIDERING A CONCILIATORY LATIN AMERICAN PROPOSAL SEMICLN
 - (B) THIS WOULD NOT BE SEEN LOCALLY AS A REJECTION OF THE PERUVIAN INITIATIVE SEMICLN
 - (C) IT WOULD PUT THE BALL BACK INTO THE ARGENTINE COURT SEMICLN
 - (D) THIS WOULD LEND SUPPORT TO THE OFFICIAL GOVERNMENT POSTURES AND TO THE PRONOUNCEMENTS MADE BY THE PRESIDENT SO FAR SEMICLN
 - (E) THE PROBABLE ARGENTINE REJECTION MIGHT SERVE TO DISTANCE THE PERUVIAN AND ARGENTINE ATTITUDES, NOT ONLY LOCALLY, BUT ALSO IN THE INTERNATIONAL FORA.
5. GRATEFUL FOR A REPLY TO MY TELNO 90 WHICH I MAY COMMUNICATE TO THE PERUVIAN AUTHORITIES.

WALLACE

FCO

S AM D

CABINET OFFICE

ADDITIONAL DISTRIBUTION

FALKLAND ISLANDS

COPIES TO

PS/CHANCELLOR)
SIR K COUZENS)
MR LITTLE)
MR HAWTIN) TREASURY
MR PERETZ)
MR ILETT)

MR FULLER SAPU CABINET OFFICE

CONFIDENTIAL MISS DICKSON (EIP DIVN) D/ENERGY