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CONFIDENTIAL

FCO

DESKBY 2621007

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REGISTRY

FM ROME 261815Z APR 82

TO IMMEDIATE FCO TELEGRAM NO. 202 OF 26 APR 82 AND TO IMMEDIATE UKREP BRUSSELS (FOR SECRETARY OF STATE'S PARTY)

162 363

MY TELS 196-7: ITALY AND THE FALKLANDS

1. BEFORE YOU SEE COLOMBO TOMORROW, YOU SHOULD KNOW THAT HE IS IN TWO MINDS ABOUT OUR RECAPTURE OF SOUTH GEORGIA, AND CONCERNED ABOUT POSSIBLE ESCALATION. ON 25 APRIL, FOLLOWING THE FIRST REP-ORTS OF OUR ACTION. HE PUT OUT A FURTHER STATEMENT. IN IT HE APP-EALED FOR AVOIDANCE OF A WIDESPREAD AND BLOODY CONFRONTATION, AND SAID THAT ''EUROPEAN SOLIDARITY WITH GREAT BRITAIN OVER ARGENTINE MILITARY INTERVENTION IN THE FALKLANDS - MALVINAS ISLANDS, CONDEMNED BY THE UN SECURITY COUNCIL, AND THE CLOSE RELATIONS WHICH BIND US TO THE ARGENTINE PEOPLE AUTHORISE US, I BELIEVE, TO INSIST THAT THE PATH OF NEGOTIATIONS OPENED BY THE EFFORTS OF THE AMERICAN SECRE-TARY OF STATE, HAIG, SHOULD BE FOLLOWED' ..

2. I SAW HIM THIS EVENING. HE SAID HE WOULD LIKE TO BELIEVE THAT SOUTH GEORGIA'S RECAPTURE WAS NECESSARY IN ORDER TO PUT PRESS-URE ON THE ARGENTINES TO NEGOTIATE SERIOUSLY. BUT HE WAS CONCERNED ABOUT THE NEXT STAGE. WHEN I PRESSED HIM, HE SHOWED THAT HIS MAIN CONCERN WAS THE CRITICISM OF ITALY THE VAST ITALO-ARGENTINE COMMUNITY AND THE CONSEQUENT EFFECT ON ITALY'S INTERESTS IN LATIN AMERICA. HE ADMITTED THAT THE SOCIALISTS MIGHT MAKE FURTHER TROUBLE AND THAT OPINION IN THE DC WAS NOT SOLID.

3. IF WE ARE TO KEEP THE ITALIANS WITH US, WE MUST HAVE A STAUNCH FOREIGN MINISTER. I HOPE YOU WILL BE ABLE TO REASSURE COLOMBO AND STIFFEN HIS RESOLVE.

ARCULUS

FCO

S AM D

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