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(C: 1 foreign | Argentina)

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bc: RB

From the Private Secretary

15 July 1992

John Linn,

ANGLO-ARGENTINE RELATIONS

Thank you for your letter of 29 June which the Prime Minister has seen.

The Prime Minister does not accept the recommendations in your letter on strengthening relations with Argentina. He believes that the politics of the situation here point to a different conclusion. The Prime Minister, who has also seen Jane Binstead's letter of 10 July, has decided as follows:

- (i) The Prime Minister would be prepared for talks to take place with the Argentine Foreign Minister. These should be in New York, not London;
- (ii) The Prime Minister would be content for the Foreign Secretary to visit Argentina next year as part of a South American tour;
- (iii) We should consider, in the light of these two events, the case for developing military contacts and easing the embargo on military sales to Argentina. But the Prime Minister is quite clear that any decision on these points should follow the Foreign Secretary's visit to Argentina, not precede it;
- (iv) The Prime Minister is not prepared to invite President Menem to visit this country. He is aware of what transpired during the Garel-Jones visit but is not prepared to be swayed by that. He thinks a visit by President Menem would be politically unacceptable. If President Menem chooses to come here privately we presumably cannot stop him but the Prime Minister is not prepared to give such a visit any official character. The likelihood of a visit to Argentina by the Foreign Secretary next year should give us a good basis for putting President Menem off.

I am copying this letter to Peter Smith (Department of Trade and Industry) and Jane Binstead (Ministry of Defence), and to Sonia Phippard (Cabinet Office).

J.S. Wall
(J.S. WALL)

Simon Gass, Esq.,
Foreign and Commonwealth Office.

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S/- A. Archer

PRIME MINISTER

ARGENTINA

The attached letter from the Foreign Office about relations with Argentina arrived just before the recent flurry in the House of Lords when Mrs Chalker said you had met President Menem in Rio de Janeiro.

The most controversial recommendations in the paper relate to improving our relations with Argentina. They are:

- i. Inviting the Argentine Foreign Minister for talks in London or New York.
- ii. Developing military contacts.
- iii. Easing the embargo on military sales to Argentina.
- iv. Visit by the Foreign Secretary to Argentina next year as part of a South American tour.
- v. What the Foreign Office call "early confirmation of the invitation to President Menem to visit the UK next year".

Ver.
New York
London
No
No

Yes

No

Of these the difficult ones are ii. iii. and v.

On ii. (development of higher military contacts) I think we need to know much more about what the MOD and the Foreign Office have in mind before you agree. I can see no cause for easing the embargo on military sales by British firms to Argentina. As the Foreign Office note points out, the Argentines often assert their claim to the Falklands and Menem has spoken of Argentine sovereignty in 8 years' time. I do not think we should be supplying any arms at all. Menem has renounced the use of force but his position is not particularly secure and we do not know who might follow him.

The issue of a visit by Menem is complicated by the fact that he more or less invited himself. However, Tristan Garel-Jones

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compounded the situation by telling him when he visited Argentina some months ago, that he would be welcome. I think this was daft. I think it would be quite wrong to invite the President of a country which is actively claiming our territory to come here as a Guest of Government next year. I think we should tell the Foreign Office very firmly you are not prepared to have Menem here as a Guest of Government. The Foreign Office could explain that such a visit would be premature. The next step should be for the Foreign Minister to come here and Mr Hurd to go there. We can consider the position thereafter.



J S WALL

8 July 1992

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