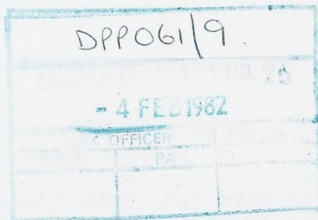


Mr Ure

PS/Mr Luce



FALKLAND ISLANDS

Problem

- A 1. The Argentine Government have delivered a toughly-worded bout de papier to our Ambassador in Buenos Aires outlining their position on the Falklands dispute and proposing that there should be agreement at or before the forthcoming talks in New York to establish a "permanent negotiating commission" in order to accelerate the achievement of a solution.

Recommendation

2. I recommend that our Ambassador should be instructed to reiterate to the Argentine Deputy Foreign Minister our own position on the dispute while confirming that, provided it is accepted that any discussions will be as hitherto without prejudice to the sovereignty position of either side, we are ready to discuss in New York their proposal for a future negotiating mechanism. I further recommend that we instruct the Governor to explain this exchange in general terms to Councillors. I submit draft telegrams.

Background

- A 3. The next round of Anglo-Argentine talks on the Falkland Islands dispute is to be held on 23 and 24 February in New York. They are being held at the Argentines' request and we were to attend in order to listen to any new Argentine proposals which might enable progress to be made. However, on 27 January our Ambassador in Buenos Aires was summoned to the MFA to receive a bout de papier which sets out the Argentine position on the dispute, proposes the establishment of a 'permanent negotiating commission' whose task it would be to solve the dispute within a year, and asks for HMG's response to the proposal at or before the New York talks.
- B 4. The document is a tough restatement of the Argentine view that the sole purpose of the negotiations is to cede sovereignty over the Falklands and the Dependencies to them and that all other matters are secondary. None of this is new. In fact, the greater part of the paper is a re-working of the communique issued by the Argentine MFA in July 1981. The main elements are:

/(i)

- (i) a demand that Argentine sovereignty should be acknowledged;
- (ii) a reference to the various UN resolutions as a basis for the negotiations;
- (iii) an insistence that there has been no real progress during the last 16 years of negotiations, and that a solution must be reached soon;
- (iv) a rejection of our position that the Islanders' wishes rather than their interests must be respected;
- (v) a reminder of the practical assistance the Argentines have given the Islanders (and an expression of regret that it has not helped persuade the Islanders in the direction of accepting the Argentines);
- (vi) an offer to make progress on economic cooperation (but only in the context of early British recognition of Argentine sovereignty);
- (vii) an assertion that as long as the Falklands are not under Argentine control there is a threat to the Argentine national interest in terms of South Atlantic security.

5. The paper is couched in hectoring terms. It accuses both the Islanders and HMG of deliberate prevarication and assumes not only that the Argentines are in the right, but also that they have the support of the international community for their position. It asserts that Argentina knows best where the Islanders' interests lie. Again, none of this is new, although the language is more suitable for a press communique than for a confidential Government to Government message. What is new, however, is the proposal at the end of the paper that a "permanent negotiating commission" be set up to work out a solution to the dispute: this should meet in regular monthly sessions in capitals with a view to reaching a full settlement within one year. The paper concludes with the implied threat, unless this proposal is accepted, Argentina will have to review its attitude to the negotiating process.

/Argument

Argument

6. Our response to this Argentine demarche has to take account of our present policy requirements:

- (a) to spin out the negotiating dialogue with the Argentines for as long as possible in order to prevent a confrontation and the very difficult political and practical consequences which would follow;
- (b) to demonstrate to the Islanders, and to UK public and parliamentary opinion, that we remain firmly committed to the Islands and to acting on the dispute only in accordance with Islander wishes;
- (c) to persuade the Islanders nonetheless of the need to continue to talk to the Argentines and to explore the scope for an eventual settlement.

7. The nature of the Argentine paper and the proposal it contains bring out the difficulties of this equation. Simply to reject the Argentine approach as an acceptable basis for negotiation would risk an immediate breakdown; and, while we would not wish to go along with anything like the staccato work-rate for a "negotiating commission" which the Argentines envisage, the proposal to set up working groups to examine all aspects of the dispute has obvious attractions for us. On the other hand, to fail to react to the underlying political assumptions in the Argentine paper would, if knowledge of the paper were to leak out, further undermine Islander confidence in HMG's intentions and would expose us to strong domestic criticism. It would also place us at New York in a false negotiating position. We have therefore little choice but to make a robust reply to the Argentines reiterating our position on the dispute, while confirming our continued wish to achieve a workable and peaceful settlement of it. An essential objective will be to make clear our basic assumption that all discussions will be, as hitherto, without prejudice to either side's view of sovereignty and that it is on that basis that we shall be attending the New York talks.

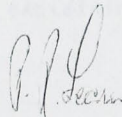
8. While we could reserve such a reply for New York, it would, in my view, be best to give it beforehand. The Argentines are bound to react strongly to a robust restatement of our position and to present them with it only in New York would further prejudice the atmosphere of what will in any case be a difficult session. It would be preferable to give them time to digest our views in advance. There is clearly a risk that they might choose to call off the talks and to try to lay the blame at our door. But it would be wrong to leave them in any doubt on where we stand; and it is they who have been pressing for an early resumption of talks at ministerial level.

9. The related problem is to decide what guidelines should be given to the Governor for briefing Councillors on this development. There can be no doubt that, if Islanders were to be shown the Argentine paper at this stage, they would see it as confirming their worst fears on Argentine intentions and we would have great difficulties in persuading their representatives to attend the New York talks. We have to avoid this. We have the options of:

- (a) telling the Councillors nothing before the talks. They would however be bound to find out about it (and our reply) in New York. They might then justifiably feel that we have been acting behind their backs. At the least this would sour the atmosphere between us: at worst, they might refuse to participate;
- (b) instructing the Governor to inform Councillors only in general terms that there has been an exchange with the Argentines. We could then show the texts to Councillors Blake and Cheek in New York and explain how we intend to develop our position in the talks themselves.

Our object must be both to convince Councillors of the robustness of our position and to ensure that they are still prepared to attend the talks. Option (b) above holds out most hope of achieving this. In the meantime, we have asked the Governor to ensure that the Councillors learn nothing of the Argentine paper.

10. We will need to inform OD of the revised dates for the talks. I shall be submitting a draft minute for the Secretary of State to send on his return to the UK, which should also cover the line we have taken on the Argentine paper.



P R Fearn
South America Dept

1 February 1982

cc PS
PS/LPS
PS/Lord Trefgarne
PS/PUS
Mr Day
Mr Chamberlain
ESSD
MAED
UND
Defence Dept
SED

OUT TELEGRAM

Classification and Comments

CONFIDENTIAL

Precedence/Desk/By

IMMEDIATE

1 ZCZC
2 GRS
3 CONFIDENTIAL
4
5

6 FM FCO 011715Z FEBRUARY 82
7 TO IMMEDIATE BUENOS AIRES
8 TELEGRAM NUMBER

9 INFO IMMEDIATE PORT STANLEY (PERSONAL FOR GOVERNOR)
10 YOUR TELNOS 22, 23 AND 24: FALKLAND TALKS

11 1. As you predicted, we find little to appeal to us in the
12 Argentine bout de papier. We are prepared to discuss individual
13 aspects in New York. But we are concerned to ensure that the
14 Argentines fully understand our view of the basis on which the
15 talks are to be held.

16 2. Grateful therefore if you would call on Ros at earliest
17 possible opportunity and make our position clear as in the
18 speaking note in MIFT. If you consider it helpful, you may leave
19 a copy with him. You should make it absolutely clear to him that
20 we are not indulging in pre-talks tactics. This ^{is} (HMG's view of
21 the dispute and it is only on this basis that we would be able to
22 continue to negotiate. Please report as soon as action taken.

23 3. See separate telegram for advice on explaining the position
24 to Councillors.

25 CARRINGTON

BRITISH telegram	BLANK	CARRINGTON
File number	Dept SAMD	Distribution STANDARD SAMD ESSD DEFENCE DEPT MAED UND SED LEGAL ADVISERS CABINET OFFICE
Drafted by (Block capitals) P R FEARN		Additional distribution: FALKLAND ISLANDS
Telephone number 233 3760		
Authorised by (signature)		
Concern reference	Date of dispatch	

OUT TELEGRAM

	Classification and Caveats CONFIDENTIAL	Precedence/Deskby IMMEDIATE
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1 ZCZC
 2 GRS
 3 CONFIDENTIAL
 4
 5
 6 FM FCO 011715Z FEBRUARY 82
 7 TO IMMEDIATE BUENOS AIRES
 8 TELEGRAM NUMBER
 9 INFO IMMEDIATE PORT STANLEY (PERSONAL FOR GOVERNOR)
 10 MIPT: FALKLAND TALKS
 11 1. Following is text of speaking note.
 12 Begins. Her Majesty's Government are grateful to the Argentine
 13 Government for the clear exposition of their attitude towards
 14 the inter-governmental talks on the Falkland Islands dispute,
 15 contained in the bout de papier handed to the British Ambassador
 16 in Buenos Aires on 27 January.
 17 Her Majesty's Government wish to make it clear that they are in
 18 no doubt about British sovereignty over the Falkland Islands,
 19 the Falkland Islands Dependencies, their maritime zones and
 20 continental shelves. They do not therefore accept the Argentine
 21 assumption that the purpose of the negotiations is the eventual
 22 recognition by HMG of Argentine sovereignty in the area. Our
 23 negotiations so far have been conducted on the basis that the
 24 sovereignty position of neither side is prejudiced. It is only
 25 on that basis that we can continue the negotiating process.

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File number	Dept SAMD	Distribution STANDARD SAMD ESSD DEFENCE DEPT MAED UND SED LEGAL ADVISERS CABINET OFFICE
Drafted by (Block capitals) P R FEARN		Additional distribution: FALKLAND ISLANDS
Telephone number 233 3760		
Authorised for despatch:		
Concern reference	Time of despatch	

OUT TELEGRAM (CONT)

Classification and Caveats

CONFIDENTIAL

IMMEDIATE

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2 Provided it is agreed that negotiations may continue without
 3 prejudice to the sovereignty position of either the Argentine or
 4 Her Majesty's Government, the representatives of HMG attending
 5 the forthcoming talks in New York will be ready to discuss in
 6 detail the proposal to establish working groups to look at
 7 particular aspects of the dispute.
 8 Her Majesty's Government wish finally to reaffirm that it is
 9 their wish to find, by negotiation, an early and peaceful
 10 solution to this protracted dispute which can be accepted by all
 11 concerned, namely the British and Argentine Governments and the
 12 people of the Falkland Islands. Ends.

14 CARRINGTON

15 NNNN

NNNN ends
telegram

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Catchword

OUT TELEGRAM

Classification and Caveats
CONFIDENTIAL

Precedence/Desk by
IMMEDIATE

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 MFCO
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1 ZCZC
 2 GRS
 3 CONFIDENTIAL
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 6 FM FCO 011800Z FEBRUARY 82
 7 TO IMMEDIATE PORT STANLEY (PERSONAL FOR GOVERNOR)
 8 TELEGRAM NUMBER

9 INFO PRIORITY BUENOS AIRES
 10 MY TELNO 13: FALKLANDS TALKS
 11 1. We do not wish to show Councillors full text of either the
 12 Argentine paper or our reply in advance of the New York talks.
 13 Nor, however, do we consider it advisable to keep them in the
 14 dark, in view of their likely reaction when they learn about the
 15 exchange in New York, as they inevitably will.
 16 2. In these circumstances, we consider best course to be to
 17 inform Councillors now in general terms of the nature of the
 18 exchange and to allow Blake and Cheek to see the papers in full
 19 in New York. This is not ideal, but in our view it minimises
 20 risk that Councillors will have second thoughts about attending
 21 talks and this must remain our principal objective.
 22 3. Once HMA Buenos Aires confirms he has spoken to Ros,
 23 grateful if you would brief the Councillors in confidence on the
 24 following lines:
 25 i) the Argentines have sent us a substantial and toughly-

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Drafted by (Block capitals) P R FEARN		Additional distribution: FALKLAND ISLANDS
Telephone number 233 3760		
Authorised for despatch		
Common reference	Time of despatch	

OUT TELEGRAM (CONT)

Classification and Caveats
CONFIDENTIAL

Precedence/Deskby
IMMEDIATE

CZE
RS
LASS
AVLATS
ESKBY
M FCO
RE/ADD
EL NO

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2 worded paper outlining their view of the dispute;
3 (ii) it contains little that is new but it proposes that we
4 agree in New York to the establishment of working groups to look
5 into particular aspects of the dispute;
6 (iii) Like all Argentine documents it is based on the
7 assumption that what we are negotiating is the cession of
8 sovereignty to them;
9 (iv) we have therefore replied to say that while we wish to
10 negotiate a peaceful solution to the dispute, we are in no
11 doubts about British sovereignty over the Islands and the
12 Dependencies. We have repeated our understanding that all
13 Anglo-Argentine negotiations are held under the sovereignty
14 umbrella and that no other basis would be acceptable;
15 (v) we shall discuss the paper further with the Islanders'
16 representatives and the Argentines in New York.
17 4. We appreciate that it will be difficult to convene a Council
18 meeting at this time and at short notice. We see no difficulty
19 in Councillors being briefed individually if necessary but you
20 should stress the confidentiality of the exchanges. We hope that
21 Councillors will not ask to see the papers; if they do you will
22 have to resist, but you should make clear that Mr Luce will wish
23 to go over the Argentine proposal carefully with Councillors
24 Blake and Cheek in New York.
25 5. In discussing with Councillors, your objective should be to

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OUT TELEGRAM (CONT)

Classification and Caveats
CONFIDENTIAL

IMMEDIATE

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2 emphasise the robustness of our reply but also to ensure that
3 Councillors agree that Cheek and Blake may still attend the talks.
4 There may be a tendency to see the Argentine initiative as an
5 excuse to withdraw. If there is, you should make clear that HMG
6 remain committed to achieving a peaceful solution to the dispute
7 through negotiation in accordance with Islander wishes. We
8 should not lightly risk a breakdown in negotiations, which would
9 bring with it potentially serious consequences for the Islanders
10 themselves. We know they are prepared to accept the
11 inconvenience or worse of the withdrawal of Argentine services,
12 but we consider it would be wrong to take any action which might
13 encourage the Argentines to act. You should assure Councillors
14 that their participation in the talks is in no way prejudicial
15 to their own or our sovereignty position.

17 CARRINGTON

18 NNNN

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NNNN ends
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Catchword