

445. Telegram From the Department of State to Secretary of State Shultz in Caracas¹

Washington, February 2, 1984, 0319Z

Tosec 20078/31649. Subject: British Propose Direct Talks With Argentines. Ref: London 2322.²

1. Secret–Entire text.

2. Summary. British Embassy has informed the Department that on January 26, they requested the Swiss to approach the Argentines and propose direct official talks between the UK and Argentina about the progressive normalization of relations between the two countries.

¹ Source: Department of State, Central Foreign Policy File, D840069–0601. Secret; Immediate; Exdis. Sent for information Immediate to Buenos Aires, London, and USNATO. Drafted by D. Jett (ARA/SC); cleared by Morley, C.K. Stocker (EUR/NE), and R. Davis (S/S); approved by Michel. Shultz was in Venezuela February 1–3 for the inauguration of President Lusinchi and meetings with Central American Foreign Ministers.

² In telegram 2322 from London, January 31, the Embassy reported that the British Government “has indicated to us more explicitly than in the past its plan for a step-by-step approach to improving Anglo/Argentine relations. The plan presumes Argentine willingness to consider concrete diplomatic, commercial, and military steps.” (Department of State, Central Foreign Policy File, D840064–0714)

HMG is not requesting any USG action but is merely keeping us informed. While this initial approach is being kept strictly confidential, the talks, if held, would not be secret in the UK view. As far as the UK Embassy is aware, the GOA has not yet responded other than thanking the Swiss for the discreet way in which they handled passing the message. End summary.

3. British First Secretary Woodley called on ARA/SC Director Morley and Argentine Desk Officer Jett to deliver a paper informing the Department that on January 26, HMG requested the Swiss to approach the Argentines and propose direct official talks between the UK and Argentina about progressive normalization of relations between the two countries. Text of paper follows para 6 along with accompanying press line HMG intends to take.

4. Woodley noted that while this initial approach was being kept in strictest confidence, the talks, if held, would not be secret in the UK view. Woodley said no USG action was being requested but that the US and certain other allies were being kept informed. He did ask for and was given an update on recent statements on the Falklands/Malvinas problem.

5. While the agenda includes no topics directly related to the Falklands/Malvinas, other than return of Argentine dead, Woodley indicated there was some flexibility on what would be discussed as long as sovereignty was left unambiguously aside.

6. UK secret paper—Begin text:

Relations between the UK and Argentina: UK proposal for talks.

On 26 January 1984 the Secretary of State asked the Swiss protecting powers to approach the Government of Argentina to consider means of following up the exchange of messages between the Prime Minister and President Alfonsin.

The Swiss have now passed on to the Argentines our view that the possibility should now be considered of talks between the United Kingdom and Argentina, at official level, about the progressive normalization of relations between the two countries. They have added that it is necessary for both sides to recognize the realities of the situation and the constraints under which the other is operating. With this in mind, the Swiss have proposed on our behalf that any discussions should be without prejudice to the positions of the United Kingdom and Argentina respectively on the question of sovereignty over the Falklands and that sovereignty is not and cannot be on the agenda.

The aim of this proposal is thus to agree to the discussion of practical issues, with sovereignty left unambiguously aside. The agenda for such a discussion on normalization could include:

A) The reciprocal lifting of restrictions on trade between the United Kingdom and Argentina;

- B) The lifting of all outstanding financial restrictions;
- C) Arrangements for the return of the Argentine dead from the Falkland Islands or, failing that, for a next-of-kin visit;
- D) The restoration of the air services agreement between the United Kingdom and Argentina;
- E) The resumption of cultural, scientific and full sporting contacts;
- F) The upgrading of official relations.

In the light of speculation about the possibility of secret talks, the Swiss are telling the Argentines that we would not welcome such a procedure, which could lead to serious dangers of misunderstanding. In the longer term, we consider that there is no need to cloak in secrecy meetings about the normalization of bilateral relations. But we wish to keep the present approach confidential and the Swiss have therefore said that neither they nor we have any intention of stimulating publicity at this stage. We understand that the Argentine Ministry of Foreign Affairs have thanked the Swiss for the discreet way in which the matter has been handled so far. We do not wish to upset this balance but we consider it desirable that the United States Government, and certain other partners and allies, should know in strict confidence of the follow-up action that we have taken. We believe that this represents the only realistic way forward.

1 February 1984. End text.

7. UK press line—Begin text:

Relations between the UK and Argentina: Press line.

In answer to questions from the press about UK/Argentine relations, the Foreign and Commonwealth Office is confirming that means are being explored of carrying forward the process initiated by the exchange of messages. No details are being given but attention is being drawn to the Secretary of State's statement in the House of Commons on 25 January that the Prime Minister's message to Alfonsín was intended to pave the way towards more normal relations with Argentina and that "the right way of setting about this process is to seek to improve relationships through the intermediation of the protecting powers and to move from that to try to establish a normal pattern of business between the two countries".

In reply to a press question in Rome on 27 January as to whether we envisaged Italian "mediation", the Prime Minister said "the answer is no. If we feel that we are likely to get any further with resuming better commercial relations and trying to establish more friendly relations, which we would like, we feel it is better to do those negotiations, or explore that fact, direct".

In reply to a question about the Falkland Islands protection zone in the House of Commons on 30 January the Prime Minister said "we

do not envisage keeping the 150 nautical mile protection zone around the Falkland Islands indefinitely, but we will not lift it prematurely. We need to be fully satisfied that Argentina renounces the future use of force, and have noted recent Argentine statements that they intend to pursue their claim by peaceful means.” End text.³

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³ On April 9, the First Secretary of the British Embassy called on ARA/SC and EUR/NE to inform them that the Swiss Ambassador in Buenos Aires had delivered a British note to Caputo on April 6, proposing steps for the normalization of diplomatic relations between the United Kingdom and Argentina. The text of the note and the Argentine response was transmitted in telegram 103983 to Buenos Aires and London April 10. (Department of State, Central Foreign Policy File, D840233-0607)