

PRIME MINISTER

CONTACTS WITH ARGENTINA

There are two developments on contacts with Argentina:

- the Argentinians have predictably failed to give the assurances we sought to enable the proposed fisheries' exchanges to take place. We can forget about them.
- Caputo has asked for a private meeting with a representative of HMG while he is in New York as President of the UN General Assembly. George Shultz is encouraging us very strongly to agree. The Foreign Secretary proposes that there should be a one-off meeting between Caputo and Crispin Tickell, at which Crispin would spell out to him the reality that we are not under any conditions going to negotiate or discuss sovereignty.

One is bound to be suspicious of any Argentinian proposal, and there would be no point in accepting a meeting to do the Argentinians a favour. The much more serious point is not to give the Americans cause to say that we are bloody-minded and not prepared to respond even to a proposal for a private meeting, thus giving them an excuse - now or later - to relax the arms embargo. This seems to me a serious point. We would have to go into a meeting with our eyes open as to how the Argentinians might misrepresent it. But provided we do this, provided it is one-off and not part of a series, and provided we stick to telling the Argentinians some home truths, agree to a meeting?

C.D.P.

Charles Powell

25 October 1988