British diplomats had spent the past three months fretting over the Shackleton report and preparing for negotiations with Argentina. In early June they were suddenly presented with an opportunity. With ambassadorial relations not yet restored, John Shakespeare was still the FCO’s man in Buenos Aires. There, he was told by the MFA political director that the government was willing to hold official talks, as a prelude to a ministerial meeting. This offered two advantages for the Foreign Office. It would not only buy some much-needed time, but also allow officials to explain and ‘put the gloss’ on the troublesome report.1

Carless recommended accepting the offer for talks, scheduled for Paris. The MFA had proposed the French capital because it was sending a large delegation there for an Antarctic meeting. Following the government reshuffle in March, Tony Crosland had not found time to focus on the Falklands question. The shipbuilding nationalisation bill and Icelandic Cod War settlement had produced a climate in which the government was reluctant to take on another politically emotive problem.2 ‘Even if this is the month for grasping long outstanding nettles, I do not think we can afford to be stung too many times too quickly’, Rowlands advised the foreign secretary.3 As a result, Crosland told Shakespeare that the Paris talks should be ‘as informal and free-ranging as possible’. He sought an ‘across-the-board’ dialogue with Argentina, similar to those conducted with other Latin American countries. This would involve talks on regional security, fisheries development, oil, the Law of the Sea and nuclear non-proliferation. Crosland also suggested inviting the Argentine delegation to visit London after the discussions.4

The next day Shakespeare relayed these points to the new MFA director general, Ezequiel Pereyra, a renowned hardliner and author of a book on the Malvinas and Argentine sovereignty.5 He agreed that his

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government would maintain confidentiality, although, he joked, ‘they could not answer for the British press’. Pereyra welcomed an informal, free-ranging agenda, but added that his delegation would be briefed to cover only the sovereignty issue in depth. Though his reaction to the suggestion of a visit to London was favourable, Pereyra delivered a polite reminder of Argentina’s need for ‘something positive’ (*hecho positivo*) before full relations could be revived. The chargé assured Pereyra that he would receive a copy of the Shackleton report before publication, but warned him that its length might not allow the Argentine delegation time to visit the Moulin Rouge or the Crazy Horse (bizarrely, Pereyra was under the impression that this was an English institution). It all made for a cheerful exchange.

The FCO remit mirrored that outlined by Callaghan in March. British agreement to discuss ‘the nature of a hypothetical future constitutional relationship’ between the Falklands and Argentina rested on two provisos: the ‘sovereignty umbrella’ (a dialogue without prejudice to both governments’ position on sovereignty), and the involvement of islander representatives at the appropriate stage. Argentine officials were in buoyant form ahead of Paris. In a further meeting with Shakespeare, Pereyra, speaking in English, said he was very happy with the British response. ‘After three years of ice and six months of storms the ice had now been broken’, he declared. Pereyra had ‘great faith’ in the talks provided that the British delegation showed ‘imagination’, which he knew from his reading of English literature to be ‘one of the most striking characteristics of the English race’. His own imagination immediately caught Crosland’s attention. ‘We must hope that the Argentines have not veered from the depths of pessimism to extreme euphoria’, he cautioned.

Pereyra’s demeanour was understandable. These were, after all, the first meaningful discussions in two years. Ever since Callaghan had advised officials to ‘leave this poisoned chalice alone’, the British government restricted itself to talks about talks. The first round took place on 10 July. FCO assistant under-secretary Robin Edmonds, and Argentina’s deputy foreign minister, Gualter Allara, led their respective sides. The Foreign Office had learned from previous mistakes and called on Adrian Sindall to act as an interpreter. Edmonds assured Captain Allara (replete with epaulettes) that he was willing to discuss all aspects of the dispute. He hoped this would include economic cooperation, but admitted that it had become a ‘dirty word’ to the Argentines. Edmonds told Allara that Callaghan’s phrase about a ‘hypothetical future constitutional relationship’ was only invoked for domestic reasons; it was, in