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DEDIP
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FM WASHINGTON 281900Z APR 82
TO IMMEDIATE FCO
TELEGRAM NUMBER 1495 OF 28 APRIL

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FALKLANDS

1. THIS TELEGRAM PUTS ON RECORD THE MEETING I HAVE JUST HAD WITH HAIG AND MY SUBSEQUENT TALK WITH YOU ON THE SECRET TELEPHONE. HAIG SAID THAT COSTA MENDEZ HAD NOT YET ASKED TO SEE HIM AND THERE HAD BEEN NO REPLY IN BUENOS AIRES, THOUGH MANY HOURS HAD PASSED SINCE THE HOUR HE HAD SET FOR A REPLY. HE BELIEVED THAT THE ARGENTINIANS WERE DELIBERATELY STALLING WHILE THE OAS DEBATE WAS STILL GOING ON. BUT THEY HAD NOT DERIVED MUCH ADVANTAGE FROM THAT.

2. HAIG SAID THAT HE WAS PRETTY SURE THAT WHEN COSTA MENDEZ DID SEE HIM HE WOULD COME FORWARD WITH COUNTER-PROPOSALS ON ALL THE THREE MAIN SUBJECTS: HE WOULD SEEK GREATER ARGENTINIAN REPRESENTATION ON THE LEGISLATIVE COUNCIL IN THE INTERIM; HE WOULD TRY TO REINSTATE THE REFERENCES TO UN RESOLUTIONS THAT WERE TANTAMOUNT TO A COMMITMENT ON THE TRANSFER OF SOVEREIGNTY; AND HE WOULD SAY THAT AT THE END OF THE SIX MONTH PERIOD IN WHICH THE AMERICANS WOULD TRY TO FIND A SOLUTION THE ISLANDS WOULD BE TRANSFERRED TO ARGENTINE SOVEREIGNTY IF NO AGREEMENT HAD BEEN REACHED. HAIG KNEW THAT THE LAST TWO IDEAS WERE COMPLETELY UNACCEPTABLE TO US. HE THOUGHT THAT THERE MIGHT BE ROOM FOR MANOEUVRE AS REGARDS THE FIRST. I SAID THAT THE IDEA HAD BEEN THAT THE U S PROPOSALS HAD BEEN SUBMITTED ON A TAKE IT OR LEAVE IT BASIS AND A DEADLINE HAD BEEN SET FOR MIDNIGHT LAST NIGHT. HAIG QUALIFIED THIS LAST POINT BY SAYING THAT HE HAD NOT EXACTLY SET A DEADLINE; HE HAD TOLD THE ARGENTINIANS THAT UNLESS THEY REPLIED BY MIDNIGHT THE WHOLE SITUATION WOULD CHANGE.

3. I ASKED HAIG WHETHER HE DID NOT THINK THAT THE ARGENTINIANS WERE JUST WASTING TIME. THEY HAD BEEN NEGOTIATING WITH HIM NOW FOR THREE WEEKS AND SURELY HE WOULD AGREE WITH ME THAT THE JUNTA WERE NOT NEGOTIATING SERIOUSLY. HE SAID HE AGREED BUT THE AMERICANS MUST GO RIGHT DOWN TO THE END OF THE LINE BEFORE COMING OUT ON OUR SIDE. THERE WERE ALL SORTS OF WAYS THEY COULD HELP, INCLUDING A SERIOUS ECONOMIC SQUEEZE. BUT THERE MUST BE NO DOUBT IN ANYBODY'S MIND THAT THE ULTIMATE EFFORT HAD BEEN MADE TO TRY TO FIND A PEACEFUL SOLUTION.

4. HAIG WENT ON TO ASK ME ABOUT BRITISH OPINION IN THE LIGHT OF FOOT'S SPEECH IN THE HOUSE OF COMMONS YESTERDAY. I SHOULD INTERJECT HERE THAT WEINBERGER TELEPHONED ME EARLY THIS MORNING TO ASK ME WHETHER FOOT'S SPEECH INDICATED THAT THERE WAS A CRACK IN THE BRITISH POSITION, SOMETHING THAT COULD BE VERY SERIOUS. I HAD TOLD WEINBERGER, AS I HAVE NOW TOLD HAIG, THAT TOO MUCH SHOULD NOT BE MADE OF

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FOOT'S SPEECH. THEY MUST KNOW WHAT HE WAS LIKE. BUT THE BRITISH GOVERNMENT'S STAND WAS RESOLUTE AS WAS BRITISH PUBLIC OPINION.

5. HAIG WENT ON TO SAY THAT THE PRESIDENT WAS MOST DETERMINED IN HIS WISH TO GIVE THE PRIME MINISTER EVERY SORT OF HELP BUT QUOTE THE AMERICANS COULD NOT BE MORE BRITISH THAN THE BRITISH UNQUOTE AND HAIG WANTED THEREFORE TO BE SURE THAT THEY WOULD NOT BE GETTING AHEAD OF US. I LEFT HIM IN NO DOUBT ON THIS POINT AND SAID THAT THE MOST USEFUL THING THE AMERICANS COULD DO IF THEY REALLY WANTED TO AFFECT ARGENTINE REACTIONS WAS TO SHOW WHICH SIDE THEY WERE ON.

6. THIS LED ME ON TO TALK ABOUT TWO RESOLUTIONS THAT ARE BEING PUT DOWN IN THE SENATE AND THE HOUSE OF REPRESENTATIVES. I SAID THAT I THOUGHT HE, HAIG, WAS WRONG TO TRY TO DISSUADE SENATORS AND CONGRESSMEN FROM VOTING FOR RESOLUTIONS CONDEMNING THE ARGENTINIANS ETC. HAIG DENIED THAT HE WAS DOING THIS AND ADDED THAT AT ANY RATE HE WAS NOW IN FAVOUR OF SUCH RESOLUTIONS. HE WOULD BE HAVING A SECRET MEETING WITH THE SENATE FOREIGN RELATIONS COMMITTEE THIS AFTERNOON.

7. HAIG SAID HE HAD NOTICED THAT WE HAD POSTPONED BY 24 HOURS THE COMING INTO EFFECT OF THE AIRCRAFT EXCLUSION ZONE. HE REGARDED THIS AS A SIGN OF OUR EXTENDED READINESS TO NEGOTIATE AND WOULD BE TAKING THAT LINE WITH THE ARGENTINIANS. I SAID THAT THAT MIGHT BE ALL RIGHT BUT HE SHOULD NOT GIVE THEM ANY GROUNDS FOR THINKING THAT IT WAS A SIGN OF WEAKENING ON OUR PART. THE ZONE WOULD COME INTO EFFECT AS ANNOUNCED. SUBSEQUENTLY, HAVING SPOKEN TO BRIAN FALL, I TOLD HAIG THAT THE REASON FOR THE DELAY IN IMPLEMENTATION WAS SIMPLY TO GIVE AIRCRAFT AN ADDITIONAL CHANCE TO GET OUT OF THE ZONE.

8. FOLLOWING MY TALK WITH YOU I ALSO SPOKE AGAIN TO HAIG SAYING THAT YOU EXPECTED HIM TO TELL COSTA MENDEZ THAT HE, HAIG, INTERPRETED ANY COUNTER PROPOSALS THE ARGENTINIANS MIGHT MAKE AT THIS STAGE AS A REJECTION OF THE AMERICAN PROPOSALS. THE PROPOSALS WOULD BE DIFFICULT ENOUGH FOR US AS THEY WERE. THERE COULD BE NO QUESTION OF HARDENING THEM AS THE ARGENTINIANS APPARENTLY WERE THINKING OF TRYING TO DO. HAIG ASKED ME WHAT HE SHOULD SAY IF COSTA MENDEZ ASKED WHAT THE

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BRITISH REACTION WAS. I SAID TO HIM THEN AND REPEATED IT AGAIN AFTER CLEARING THE LINE WITH YOU ON A SECURE TELEPHONE THAT HE MUST AVOID LETTING THE ARGENTINIANS SAY THAT WE HAD REJECTED THE PROPOSALS: BUT LIKEWISE HE SHOULD REFRAIN FROM ANYTHING THAT COULD LEAD TO SOME PUBLIC, OR FOR THAT MATTER PRIVATE, STATEMENT THAT WE HAD IN FACT ACCEPTED THEM. AS HE KNEW, WE HAVE NOT IN FACT DONE SO. I SUGGESTED THAT IN ANSWERING SUCH A QUESTION FROM COSTA MENDEZ HE COULD ELABORATE BY SAYING THAT THE WHOLE SUBJECT HAD BEEN DISCUSSED AT LENGTH WITH YOU AT THE END OF LAST WEEK.

HENDERSON

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