- v. The British declaration of a Maritime Zone had provoked mixed reactions; on the one hand Mr Haig wished that we had not done it, while on the other he welcomed the extra pressure on the Argentine. But we must be careful not to replace the present uncertainty in Buenos Aires by 'a new wave of macho'. The Argentinians would do everything to avoid a 'confirmation of cowardice'.
- vi. The United States objective was to help Britain.
 'You know where we come from.' The Administration recognised the support we had given them and the risks we had taken. They had avoided a 'high profile tilt' for tactical reasons, but had done everything they could to help behind the scenes.

 (Mr Pym took this opportunity to express thanks for American cooperation in the intelligence field.)
- vii. There was now a window of opportunity, but it was shorter than might appear to us. Mr Haig put it at 72 hrs. If the Argentinians went to the OAS, which they would do when the British fleet reached the 50th parallel, they would get a consensus in their favour whatever the private opinions of many of the countries concerned; if the OAS did not do enough, the Argentinians would turn to the Soviet Union; and if the present Argentine government fell it would be replaced by a worse one. Meanwhile, the greater the British investment (by implications in our present policy) the more difficult it would be.
- viii. Neither the United States nor the UK could be seen to fail to take an opportunity for peaceful settlement if there was one and the 72 hrs must be used intelligently. Mr Haig would be prepared to stay until tomorrow morning if that would help and to return to London from Buenos Aires.
- ix. Mr Haig had explained to the Argentinians beforehand that he would not be prepared to go to Buenos Aires to be faced by 'a priori demands of sovereignty'. The Argentinians had accepted the point.

Finally, Mr Haig sketched out a proposition which he indicated that he would wish to put to the Prime Minister. There were three stages: a. Argentine withdrawal; b. interim administration; and c. the solution for the long term. If the Argentines were to agree under a. to a fixed time for withdrawal, they would need something. b. might consist of administration under a British and Argentine umbrella (modalities not specified) by an authority which might comprise US and Canadian elements and elements from perhaps two Latin American states acceptable to both sides. It would include suitable guarantees of the rights of the population. This might also help towards stage c. which

would have to deal with the knotty problems of the longer term and in particular with the possible conflict between the principles of self-determination and sovereignty. Haig suggested that a reference to the Charter principles might cover that in the short term, and emphasised that Argentine withdrawal would have to come first.

The Secretary of State agreed that we should have an eye to the longer term. There might be some possibilities in the ideas sketched out by Mr Haig. The discussion could be pursued with the Prime Minister.

The Secretary of State raised the question of the meeting of Air Chiefs of the Americas to be held in Buenos Aires later this month (Washington telno 1184). Mr Haig said that he had decided against cancelling US participation or down-grading its level (the former, by implication, because the Americans wanted to talk about Central America; and the latter because, if they went at all, they wanted to go at the most effective level). He appeared not to have given thought to the idea of postponement and said that he would be 'very comfortable' with such a solution. He did not however undertake to work for it.

Lifan

(B J P Fall) Private Secretary

8 April 1982

CC: PS

PS/Mr Hurd
PS/Mr Onslow
PS/PUS
Mr Bullard
Lord Bridges
Mr Giffard
Mr Wright
Mr Ure
Mr Gillmore
Mr Weston - Defence Dept
News Dept

A J Coles Esq 10 Downing Street