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ZZ UKMIS NEW YORK
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FM FCO 282300Z APRIL 82
TO FLASH WASHINGTON
TELEGRAM NUMBER 862 OF 28 APR
INFO FLASH UKMIS NEW YORK
FALKLAND ISLANDS

1. HAIG TELEPHONED ME AGAIN AT 2100Z. HE HAD JUST SPENT ONE AND A QUARTER HOURS WITH COSTA MENDEZ WHO HAD MADE A CLEAR AND PLAINTIVE REQUEST FOR THE NEGOTIATING PROCESS TO CONTINUE. COSTA MENDEZ HAD SAID THAT THE ALTERANTIVES WERE FOR ARGENTINA TO BRING IN 'THE OTHERS' (BY WHICH HAIG PRESUMABLY MEANT THE RUSSIANS: HAIG COMMENTED THAT HE DOUBTED THAT THEY WOULD BE INTERESTED) OR GO TO THE UN. HE HAD ASKED HAIG WHETHER HE WOULD FORWARD FURTHER SUGGESTIONS TO US. HAIG HAD TOLD HIM THAT THE PROPOSALS AS THEY NOW STOOD OFFERED ARGENTINA MORE THAN SHE COULD REASONABLY HAVE EXPECTED. THERE WAS NO HOPE OF IMPROVING THEM. HOWEVER, HE COULD NOT ACTUALLY REFUSE TO PASS ON ANY ARGENTINE SUGGESTIONS. COSTA MENDEZ HAD FINALLY DEPARTED, LEAVING IT UNCLEAR WHETHER HE INTENDED TO GO TO NEW YORK OR PROPOSE SOME FURTHER SUGGESTIONS TO BE FORWARDED TO US. HAIG EXPECTED HIM TO MAKE SOME SUGGESTIONS IN THE NEXT FEW HOURS. ON EMERGING FROM THE STATE DEPARTMENT, COSTA MENDEZ HAD SAID PUBLICLY THAT HE HAD NOT REJECTED THE US PROPOSALS AND THAT THE NEGOTIATING PROCESS CONTINUED.

2. I SAID THAT IT WAS INCREASINGLY CLEAR THAT THE ARGENTINES WERE STRINGING US ALONG. HAIG DID NOT DISSENT BUT SAID THAT THE ARGENTINES WERE VERY WORRIED BECAUSE THEY HAD NO DOUBT WHICH SIDE THE AMERICANS WOULD FINALLY BE ON. HAIG WENT ON TO TALK OBSCURELY OF 'THE NEXT BIG EVENT' ON FRIDAY MORNING. HE HAD MADE CLEAR TO COSTA MENDEZ THAT WHEN THIS HAPPENED THE AMERICANS WOULD MAKE THE 'TOTAL MOVE' (IT WAS NOT ABSOLUTELY CLEAR WHETHER HAIG MEANT BY THIS

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JUMPING IN ON OUR SIDE OR MAKING HIS PROPOSALS PUBLIC), IF THE ARGENTINES DID NOT PROVOKE THIS MOVE BY THEIR OWN ACTIONS OR STATEMENTS BEFORE THEN.

3. I REPEATED MY CONCERN THAT ONE DEADLINE HAD ALREADY PASSED AND THAT NOW HAIG SEEMED TO BE THINKING IN TERMS OF NOTHING DEFINITE HAPPENING UNTIL AT LEAST FRIDAY MORNING. WE HAD TO BE ABLE TO SEE AN END TO THE PROCESS. HAIG SAID THAT HE HAD NO CHOICE BUT TO CARRY ON. AN ULTIMATUM NOW WOULD BE A MISTAKE. BUT HE HAD MADE THE US POSITION AND OUR OWN VIEWS VERY CLEAR TO COSTA MENDEZ. WE WOULD HAVE TO MAKE OUR OWN JUDGEMENT AND ACT IF WE HAD TO ON THE ASSUMPTION THAT THE ARGENTINES COULD NOT BRING THEMSELVES TO ACCEPT A REASONABLE FRAMEWORK. HE REPEATED THAT THE NEXT STEP WOULD COME WITH THE NEXT 'EVENT'. HAIG CONCLUDED THAT HE WOULD LET ME KNOW AS SOON AS HE HEARD FURTHER FROM COSTA MENDEZ. I MADE CLEAR AGAIN MY CONCERN AT THE UNSATISFACTORY POSITION WE WERE NOW IN.

4. I AM PUZZLED BY HAIG'S SEVERAL REFERENCES TO 'THE EVENT' ON FRIDAY MORNING. HE WAS TALKING ON THE OPEN LINE AND IT IS NOT CLEAR TO ME WHAT HE HAD IN MIND. I WOULD BE GRATEFUL IF YOU COULD EXPLORE URGENTLY WITH HIM EXACTLY WHAT HE HAD IN MIND, EXPLAINING THAT THE NECESSARILY OBLIQUE NATURE OF OUR CONVERSATION HAD LEFT ME IN SOME DOUBT. FOR YOUR OWN INFORMATION, IT SEEMED FROM THE WAY HAIG REFERRED TO IT, THAT HAIG WAS THINKING IN TERMS OF AN INVASION ON FRIDAY.

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