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TELEGRAM NUMBER 1506 OF 28 APRIL 1982

AND TO IMMEDIATE UKMIS NEW YORK

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Mr Giddara
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YOUR TELNO 862: FALKLAND ISLANDS

[SER]

1. I HAVE SEEN HAIG AND ASKED FOR CLARIFICATION ON THREE POINTS:

- I) WHAT HE MEANT WHEN HE SPOKE TO YOU ABOUT QUOTE THE NEXT BIG EVENT UNQUOTE;
- II) WHETHER HE REALLY MEANT THAT HE WAS GOING TO PASS ON TO US ARGENTINE COUNTER PROPOSALS; AND
- III) WHAT HE HAD MEANT BY TALKING ABOUT QUOTE THE TOTAL MOVE UNQUOTE.

2. HAIG SAID THAT HIS REFERENCE TO FRIDAY HAD BEEN TO THE ACTION HE ASSUMED WE WOULD HAVE TO TAKE TO IMPLEMENT THE TOTAL EXCLUSION ZONE: HE ASSUMED THAT THERE WOULD BE SOME MILITARY ACTION THAT WOULD INCLUDE LANDINGS OF SOME KIND. HE EMPHASISED THAT HE DID NOT KNOW WHAT OUR PLANS WERE. HIS ONLY POINT IN REFERRING TO THIS WAS THAT HE THOUGHT IT WOULD ALTER THE SCENE AND, TO ANSWER MY THIRD QUESTION, HE THOUGHT THAT HE WOULD HAVE TO MAKE CLEAR AT THAT TIME THE REASONS FOR THE BREAKDOWN OF THE NEGOTIATIONS AND THE READINESS OF THE USA TO COME DOWN ON OUR SIDE.

3. AS REGARDS WHAT HE WOULD DO IF COSTA MENDEZ CAME BACK WITH COUNTER PROPOSALS HAIG SPOKE AS FOLLOWS. HE SAID THAT HE WAS EXPECTING COSTA MENDEZ TO COME BACK THIS EVENING. HE DID NOT

COUNTER PROPOSALS HAIG SPOKE AS FOLLOWS. HE SAID THAT HE WAS EXPECTING COSTA MENDEZ TO COME BACK THIS EVENING. HE DID NOT EXPECT HIM TO ACCEPT HIS PROPOSALS OR TO HAVE ANY SUGGESTIONS THAT WERE TOLERABLE. BUT HE HAD INDICATED TO COSTA MENDEZ EARLIER TODAY THAT IF THERE WERE SIMPLY MINIMAL CHANGES HE WANTED TO MAKE HE COULD NOT REFUSE TO CONSIDER THEM. HAIG'S OWN VIEW WAS THAT SOVEREIGNTY WAS THE ISSUE THE ARGENTINIANS SOUGHT, AND THAT ANY PROPOSALS THEY MAKE WOULD REFER TO THAT MATTER AND THAT THESE WOULD BE TOTALLY UNACCEPTABLE BOTH FOR HIM AND FOR HMG.

4. I SAID THAT IN THE UNLIKELY EVENT OF COSTA MENDEZ BEING PREPARED TO ACCEPT THE US PROPOSALS WITH MINIMAL CHANGES I HOPED HAIG WOULD AVOID TELLING HIM OR SAYING PUBLICLY THAT THE ARGENTINE PROPOSALS HAD BEEN CONVEYED TO HMG. THIS WOULD PUT THE SPOTLIGHT ON US AND COULD CAUSE US GREAT DIFFICULTIES. IT WAS IN ANY CASE TOTALLY UNREASONABLE SINCE HE, HAIG, HAD NOT BEEN PREPARED TO PASS OUR PROPOSALS ON TO THE ARGENTINIANS. HAIG ACCEPTED THIS AND SAID THAT HE WOULD SIMPLY TELL COSTA MENDEZ THAT HIS IDEAS WOULD BE EXAMINED. BUT HAIG REPEATED THAT HE THOUGHT IT WAS HIGHLY UNLIKELY THAT COSTA MENDEZ WOULD HAVE ANYTHING WORTHWHILE TO SAY.

5. HAIG HAS OBVIOUSLY REACHED YOUR VIEW, AND INDEED THE VIEW WE HAVE HELD IN LONDON FOR A LONG TIME, THAT THE ARGENTINIANS ARE SIMPLY STRINGING THE AMERICANS ALONG. THEY ARE NOT SERIOUSLY INTERESTED IN NEGOTIATION. BUT HAIG EMPHASISED HOW EXTREMELY IMPORTANT IT WAS THAT IF HE SHOULD HAVE TO ANNOUNCE THE END OF THE NEGOTIATIONS AND COME DOWN ON OUR SIDE HE SHOULD BE ABLE TO DEMONSTRATE BEYOND QUESTION THAT HE HAD LEFT NO POSSIBILITY OF NEGOTIATION OUT OF ACCOUNT.

6. WE THEN DISCUSSED THE TIMING OF AN AMERICAN ANNOUNCEMENT THAT THE TALKS HAD BROKEN DOWN ETC. HAIG SAID HE HAD JUST BEEN TO A MEETING OF THE SENATE WHERE THERE HAD BEEN GREAT SUPPORT FOR THE BRITISH POSITION, EXCEPT FROM SENATOR HELMS. HAIG WOULD HAVE TO GIVE A FULL EXPLANATION PUBLICLY OF THE WHOLE COURSE OF THE NEGOTIATIONS AND HE WOULD LEAVE NO SHADOW OF DOUBT THAT THE BRITISH HAD SHOWN A READINESS TO NEGOTIATE AND THAT IT WAS THE ARGENTINIANS WHO HAD PREVENTED THE NEGOTIATIONS FROM SUCCEEDING. AS REGARDS WHEN HE WOULD DO THIS HE HAD NOW REVISED THE IDEA THAT HE HAD MENTIONED TO YOU OF DOING THIS ON FRIDAY IN THE SHADOW OF SOME MILITARY ACTION THAT WE MIGHT BE TAKING. HE THOUGHT IT WOULD BE BETTER TO GIVE HIS EXPLANATION PUBLICLY TOMORROW EVENING, 29 APRIL, AFTER THE END OF THE HOUSE OF COMMONS DEBATE. THIS WOULD ENABLE YOU TO STICK TO THE LINE YOU ARE NOW PROPOSING TO TAKE IN THE DEBATE.

YOU TO STICK TO THE LINE YOU ARE NOW PROPOSING TO TAKE IN THE
DEBATE.

7 HAIG WILL LET ME KNOW IMMEDIATELY HE HAS SEEN COSTA MENDEZ.
HE EXPECTS HIM TO TELL THE PRESS WHEN HE LEAVES THE STATE DEPT
THAT HE HAS EVERY HOPE THE NEGOTIATIONS WILL PROCEED. THIS IS
PART OF THEIR TACTIC. I SAID THAT IT WAS UP TO HAIG TO EXPOSE THIS.

HENDERSON

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