

c.c. J. Bullard, Fco.

R. Wade-Gery, CO



121

SUBJECT.

10 DOWNING STREET

From the Private Secretary

8 April 1982

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Dear Francis,

FALKLAND ISLANDS: VISIT OF US SECRETARY OF STATE

Secretary Haig called on the Prime Minister at 7.00 p.m. today. I enclose a record of the conversation. This should not be copied beyond Private Offices and senior officials with an operational need to know.

I am copying this letter to David Omand (Ministry of Defence), John Halliday (Home Office) and David Wright (Cabinet Office).

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Francis Richards, Esq.,
Foreign and Commonwealth Office.

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RECORD OF A CONVERSATION BETWEEN THE PRIME MINISTER AND THE
U.S. SECRETARY OF STATE AT NO. 10 DOWNING STREET AT 7.00 P.M.
THURSDAY 8 APRIL 1982

The Prime Minister thanked Mr. Haig for his visit to London. She described the background to the Argentine invasion of the Falkland Islands. The intelligence which we had received last Wednesday of an imminent invasion had, she believed, been as much a surprise to the United States as to us. Mr. Haig said that the Americans had been even more surprised than we. The Prime Minister expressed gratitude for the quick action taken by President Reagan. We had thought that his representations to the Argentine/^{Government}would succeed and were surprised when he was rebuffed.

The Prime Minister said that she wished to explain clearly the mood in Britain. We were deeply wounded that our sovereign territory had been invaded. The only desire of the Falkland Islanders was to be British. There was great anguish that we had been unable to defend them. The House of Commons' debate last Saturday had been the most difficult Parliamentary session she had seen. The charge had been made that the Government had betrayed and humiliated the Falkland Islanders and the nation. Calm could not be expected in these circumstances. If the Government had not been able to announce in that debate that the fleet was to sail, the position could probably not have been held. Feelings ran the more strongly because of the nature of the Argentine regime. A further debate yesterday had been more sombre but there was full support for the action the Government were now taking. We wanted a diplomatic solution. We did not wish to use the fleet. But there was total determination that a dictator should not be appeased. If strength was the only language the Argentine regime understood, it would have to be exercised.

We had been careful, for example in our announcement of an exclusion zone, to observe international law scrupulously.

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- 2 -

We had been greatly heartened by the support received from others. President Mitterrand and Chancellor Schmidt had expressed full understanding. The German Chancellor agreed with us that unless this act of unprovoked aggression was reversed, the consequences could be most dangerous for other areas of tension. It was essential that somebody said "enough". Our Community partners were taking practical action. Firm support had been received from Commonwealth countries. It was impossible to be neutral as between unprovoked aggression and a people who just wished to live their lives in their own way. Mr. Haig agreed that neutrality was an impossible position.

The Prime Minister said that we should now have to make our decisions day by day. We hoped for a diplomatic solution. There was no question of negotiation until Argentina withdrew its forces. Their act of aggression did not change the status of the Falkland Islands which remained British Sovereign territory under law. We could not negotiate under duress. We had been rather disturbed by President Reagan's reference to friendship with both the United Kingdom and Argentina, though we understood that this was an "off the cuff" remark. We had always tried to support the United States. We were grateful for the co-operation they were giving over the use of Ascension Island and on intelligence matters.

Mr. Haig said that the Prime Minister would well know where the President really stood. The United States was not impartial. But it had to be cautious about its profile, though not with respect to the violation of international law nor with respect to UN Security Council Resolution 502. On arrival at the airport he had said that he was working for the implementation of that Resolution which required Argentine withdrawal and a diplomatic solution. Wherever international law was violated by an aggressor, whether in Afghanistan, Poland or the Falkland Islands, the principle was the same. The Reagan Administration had had fifteen months' experience

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- 3 -

of Britain's support and the personal backing of the Prime Minister. Whenever the Americans had sought our understanding, we had backed them, sometimes at political risk for ourselves. We now faced a critical, common problem. The United States wished to do everything possible to strengthen the British Government in this hour of trial.

They had analysed the situation carefully. They had had no better intelligence than we had about the invasion. They had been following the South Georgia incident but not with unusual concern. When the invasion was imminent, the United States Ambassador in Buenos Aires had sought an urgent appointment but the Argentines had delayed him until 2 p.m. in the afternoon. His representations having been ineffective, President Reagan had decided to telephone Galtieri. For two-and-a-half hours the latter would not take the call. He had then said that he would be available in fifteen minutes. Later the Argentine Foreign Minister had claimed that the reason for the delay was that it had taken President Galtieri two-and-a-half hours to find out whether it was possible to reverse the military operation. Mr. Haig said that this explanation was "hogwash".

The Americans were watching the situation in Argentina carefully. The Argentines had at first been convinced that the use of force would go unchallenged. Now they had been shocked by the British reaction. Despite their claims to the contrary, they had sought a Soviet veto in the Security Council but failed to get one. We needed to be careful about the Soviet posture. It was clear that doubts were growing in Buenos Aires and that Galtieri's position was in jeopardy. If he fell, his successor would be more intransigent. The Argentine Foreign Minister had recently said that he was prepared to negotiate about everything except sovereignty. Mr. Haig had replied that negotiations were not possible in circumstances where by force the Argentines had brought about a situation which they had been unable to obtain by negotiation.

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- 4 -

He was not prepared to go to Buenos Aires if this kind of language would be used when he arrived. After consultation with his capital, the Argentine Foreign Minister had said that his Government wished Haig to come. Mr. Haig had made it plain that America would only become involved if it was fully understood that they could not accept a change in the status quo brought about by force.

The Argentine character had to be understood. They were less than rational but their greatest subjective fear was that they would appear cowardly. The "macho" instinct would soon develop. For the moment there was a window for negotiation. Now was the optimum time to hold rational discussions with Galtieri. But the agreed American assessment was that when our fleet reached the fiftieth parallel, this would change. The OAS would adopt an anti-colonial stance, whatever the real feelings of the states concerned. This would develop with every passing hour.

The Argentine Foreign Minister had recently said that he saw two options, resort either to the OAS or the Soviet Union. He claimed that they would accept Soviet assistance. Mr. Haig did not wish to overdramatise this point, but neither of us could be comfortable about the prospect. Once the danger of conflict became imminent, the moment for negotiation would have passed. In the United Kingdom, the greater the expenditure of resources, the more difficult the situation would become. He judged that the next 72 hours were the optimum time for negotiation as far as the Argentine was concerned.

He wanted to visit Britain first because we were America's closest friend and ally. He did not wish to go to Buenos Aires without a fundamental understanding of the limits of our possibilities for negotiation, and he wished to be able to portray accurately the vigour of the British approach. It was

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- 5 -

in the American interest that the British Government should succeed in its policies and become stronger. The Reagan Administration agreed with the Government's philosophy. The Prime Minister said that the issue went wider than the United Kingdom. It mattered to Germany because of Berlin, to France because of some of its colonial possessions, to the Caribbean because of the Guyana/Venezuelan dispute. We had experienced before the danger of appeasing dictators. With regard to Mr. Haig's reference to the Soviet Union, she suspected that the Russians feared American involvement as much as the Americans feared the reverse. The West might be stretched, but so were the Soviet Union. She would be surprised if they intervened actively, though they would doubtless fishⁱⁿ/troubled waters.

Mr. Haig said that he believed we could succeed in military terms, at least for a limited period. The Argentines had told him that their fleet would go into port and stay there. The Prime Minister said that we believed that the Argentines had used the negotiations earlier this year simply as a cover for their military preparations. The Foreign and Commonwealth Secretary said that it appeared that the Galtieri regime had been carried away by emotion.

The Prime Minister asked what pressure the Americans could bring upon Galtieri. The reputation of the Western world was at stake. We wished to solve the matter by diplomatic means, but we would not negotiate under duress - withdrawal was a prior condition. Mr. Haig said that he knew Galtieri well. He was very religious and went to Mass every day. He also drank, perhaps too often and too early. He was tough and saw himself as a man of principle and strength. He was also a poker player who doubled when he lost. He would up the ante if he decided force was inevitable. The United Kingdom could damage the Argentine fleet severely and could blockade the Islands fairly easily. But a landing on the Falklands would be very costly and would put the population in jeopardy. It would be very difficult at this time of the year and in high seas. The problems and burden would grow. Questions and

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- 6 -

doubts would appear in the United Kingdom. American opinion was now much in favour of our principled stance. But he was not sure this would last long - he remembered Vietnam.

He thought it necessary to consider some device which reinforced our position, and would strengthen us in our aims. The Prime Minister said that withdrawal must come first. Mr. Haig suggested that the question was how to obtain withdrawal. Some device was necessary so that the Argentines could claim that they had not lost face totally. Something which looked like less than a total victory for us was desirable. There were three issues - withdrawal, administration and future status, but the sovereignty issue was not America's business. The Prime Minister commented that Britain was sovereign in the Falkland Islands. They were British by law and were free a week ago. Mr. Haig said that it was important to avoid a priori judgements about sovereignty. We might envisage a different character of regime. The Prime Minister said that this was very dangerous ground with British public opinion. The Islanders were British by choice and by allegiance. We had negotiated for fifteen years, but had always said that the wishes of the Islanders must be paramount - surely that principle appealed to American opinion. British public opinion would not accept what Mr. Haig was suggesting. Withdrawal must come first. Later it might be possible to resume earlier talks. Mr. Haig commented that this solution would require force. The Prime Minister replied that force had already been used. Further force would be a great tragedy. Our soldiers would be vulnerable. But so would theirs. The Argentines had forced dictatorship on a people who would not be subjugated. Mr. Haig hinted again at a different form of administration. The Prime Minister stated that we were pledged to restore British administration. Mr. Haig suggested that some kind of American or perhaps Canadian presence might be possible while negotiations continued. The Prime Minister reiterated that we were pledged to the House of Commons to restore British administration. What he was suggesting violated the principle that the Argentines

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- 7 -

could not be allowed to achieve by force what they had not been able to achieve without force. Mr. Haig said that he was merely suggesting that some kind of temporary arrangement should be applied. The Prime Minister said that this would mean that the Argentines had gained from the use of force. Mr. Haig said that he saw things differently. They would be asked to withdraw and agree to a new arrangement involving longer negotiations and ^{an} administration which should guarantee the freedom and sovereignty of the Falkland Islanders while those negotiations continued. The longer-term future of the islands would depend on the resumption of the earlier negotiations. The Prime Minister said that we had to be guided by the wishes of the Islanders. Earlier schemes had foundered because the Islanders turned them down. Only when the Argentine force had withdrawn and British administration had returned, could we reopen negotiations. These might conceivably take a different course than previously. The Foreign and Commonwealth Secretary asked whether Mr. Haig envisaged the preservation of the rights of the Islanders. Mr. Haig said that he did. But if we insisted on withdrawal and the return to the status quo ante, conflict was inevitable. The Prime Minister said that the implication of this was that the Russians could move into Berlin and other countries could take similar action. What kind of signal was this to give to the Soviet Union? Mr. Haig said that he accepted that point. But if our principles were preserved and an interim arrangement was made for an authority on the Islands in which the United Kingdom participated, progress could be made. The Prime Minister said that she could not go back to the House of Commons with such a solution. We were pledged to restore British administration. The Foreign and Commonwealth Secretary asked whether the conclusion of the process which Mr. Haig had in mind would be the return of British administration. Mr. Haig said that he believed that the ultimate solution would depend on resuming the earlier negotiations. Leasing had been mentioned at an earlier stage. He believed that that was now unacceptable in the wake of the use of force.

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- 8 -

He said that we must consider where we were going if we did not find a solution and conflict developed. The Prime Minister said that conflict had occurred. It had started with the Argentine invasion. She did not want force to be used, but we had to insist on withdrawal and the restoration of British administration. Mr. Streeter asked whether, if British administration were restored, it could be combined with some kind of international presence, for example from the United States or another country. This would serve as an earnest of our intention to continue negotiations. He did not think this would be an invidious device. The Prime Minister reiterated that British Sovereignty must continue and our administration be restored. Then there could be negotiations in order to make certain that the wishes of the Islanders were paramount. If they wished to continue under British Sovereignty, that was surely unexceptionable.

The discussion ended at 1920 hours, but continued over dinner.

A. J. C.

8 April 1982

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