

24. Briefing Memorandum From the Assistant Secretary of State for Inter-American Affairs (Enders) and the Acting Assistant Secretary of State for European Affairs (Scanlan) to the Deputy Secretary of State (Stoessel)¹

Washington, March 29, 1982

SUBJECT

Your Demarches to British Ambassador Henderson and Argentine Ambassador Takacs

I. YOUR OBJECTIVE

Express our concern over potential confrontation between British and Argentine naval vessels in South Atlantic; urge restraint and concerted effort to *defuse situation*; offer our good offices in resolving this immediate problem, if so requested by both parties. Talking points attached.

II. SETTING

The British and Argentines have been *disputing the sovereignty of the Falkland Islands* (250 miles east of Argentina) since the 1830s. The two countries also dispute sovereignty over the *South Georgia, Sandwich and Shetland Islands*, long administered by the UK. There are 1800 British residents in the Falklands and British installations on some of the other islands. In 1964 the UN classified the islands as a *non-self-governing territory* administered by the UK and there have been *sporadic UK-Argentine talks* since then. There is an agreement on travel documents and the GOA provides regular airline and communications services and fuel supplies. The *talks*, last held in February,² have *stalemated* over

¹ Source: Department of State, Central Foreign Policy File, P820057-0766. Confidential. Tom Niles (EUR) initialed the memorandum on behalf of Scanlan. A stamped notation in the upper right-hand corner of the first page states that Stoessel saw the memorandum on March 30. Attached but not printed are a copy of telegram 1768 from Buenos Aires (see Document 23), biographical information about Henderson and Takacs, and agendas for the March 29 meetings with the two Ambassadors. For a record of the two meetings, see Document 25.

² See Document 11.

Argentine insistence that its sovereignty be discussed first, and the UK's unwillingness to agree to anything without the consent of the islanders who are vehemently attached to the UK. The Argentines have recently escalated the public rhetoric on the dispute and the UK asked us to counsel them to be more reasonable. The GOA has traditionally sought our support. We have maintained a neutral stance, asserting the issue should be resolved through negotiations. Either side may take the dispute back to the UN.

III. CURRENT PROBLEM

On March 19, a civilian-chartered Argentine naval transport landed a party of salvage workers on a South Georgia Island and departed, pursuant to a contract with a British firm for removal of an old whaling station. HMG protested that the party did not seek permission and requested their removal. The Argentine company says it requested and received approval to land the men. Following reports that the Argentines raised their flag on one of the South Georgia Islands, Falkland Islanders March 22 allegedly retaliated against the Argentine airline office in Port Stanley. Details of the situation are in dispute. A British icebreaker, the *Endurance*, is in the area; the Argentine navy is shadowing it and probably will interfere if the *Endurance* attempts to remove the work party.³ The dispute has become a major nationalistic issue in both countries. The British want us to use our influence to have the GOA withdraw the workers, and Lord Carrington has sent a personal message to the Secretary (attached).⁴

The GOA would resent such a one-sided approach, and a U.S. tilt could endanger our improving relations with Argentina and their support on hemispheric issues. The best course is to advise both sides to avoid precipitous action in order to allow passions to cool so that a compromise can be found without loss of face to either side. While we do not intend to become directly involved in the substance of this bilateral dispute, we could offer our good offices to assist with a solution to the immediate problem, if both sides agree and so request. However, it is not clear at this point how any such "good office" role could usefully extend beyond talking to the two sides. We doubt strongly that the GOA would agree to let a U.S. ship take the men off the island, as suggested by Carrington in his letter to the Secretary.

³ At 1604Z, March 29, the Embassy in Buenos Aires reported that Argentine press reports, citing "unidentified high level Argentine navy sources," had stated that "five Argentine warships, including two missile-carrying corvettes, two destroyers and a submarine, will join the 'Bahia Paraiso' at the South Georgia Islands, but this has not been officially confirmed." (Telegram 1770 from Buenos Aires, March 29; Department of State, Central Foreign Policy File, D820165-0327)

⁴ See Document 22.

- CONCERNED ABOUT POTENTIAL NAVAL CONFRONTATION.
- APPRECIATE THE PUBLIC CONCERNS OF BOTH SIDES.
- UK AND ARGENTINA BOTH OUR FRIENDS.
- WISH TO SEE AMICABLE RESOLUTION.
- URGE RESTRAINT ON BOTH SIDES.
- UNDERLYING ISSUES CAN ONLY BE RESOLVED BY YOUR TWO GOVERNMENTS. DO NOT SEE A USEFUL USG ROLE.
- IF BOTH PARTIES AGREE ON A USEFUL ROLE FOR USG IN HELPING RESOLVE IMMEDIATE⁵ PROBLEM, WE ARE PREPARED TO LISTEN AND DO WHAT WE CAN.

⁵ An unknown hand underlined this word.