25. Telegram From the Department of State to the Embassies in Argentina and the United Kingdom¹

Washington, March 30, 1982, 0149Z

83963. Subject: Deputy Secretary's Meeting With Argentine and UK Ambassadors. References: (A) London 6930,² (B) Buenos Aires 1770,³ and previous.

1 Confidential-Entire text

¹ Source: Department of State, Central Foreign Policy File, D820166–0400. Confidential; Immediate; Exdis. Sent for information Immediate to Montevideo, Santiago, and USUN. Drafted by O'Connell; cleared by Service, Smith, Bosworth, Bremer, and Stern; and approved by Stoessel.

² In telegram 6930 from London, March 29, the Embassy reported: "According to FCO, the British believe that there has been 'absolutely no movement' on the impasse over South Georgia. The British are maintaining their position that the Argentines must be removed from the Island, and Argentina, complaining about gunboat diplomacy, insists that it is prepared to defend them. Talks are continuing mainly through the British Embassy in Buenos Aires, as the Argentine Ambassador is not in London. FCO officials fear that the two countries may be on a confrontation course, and deny that any likely form of compromise is currently under discussion. Indeed, the Carrington-Haig letter was sent only after the Argentines had made clear the intractability of their position." (Department of State, Central Foreign Policy File, D820165–0386)

³ See footnote 3, Document 24.

- 2. The Deputy Secretary called in separately March 29 the Ambassadors of Argentina and the UK and made the following points regarding the situation at South Georgia Island:⁴
- —We are concerned about the situation in the South Georgia Island and the possibility of confrontation.
- —We appreciate the public concern over this issue in Argentina and in the UK.
- —We would hope for an amicable resolution; both parties are good friends of ours.
 - —We urge restraint on both sides.
- —We realize that the underlying issues need to be solved between the two parties and do not see a useful role we could play with respect to them.
- —However, we are concerned about the immediate situation in South Georgia Island and if both sides felt we could play a useful role, we are ready to listen and offer our good offices.
 - —The situation is of personal interest to the Secretary.
- 2. Ambassador Takacs said that he had no instructions on the issue but would convey the Deputy Secretary's comments to Buenos Aires immediately. Takacs asked if he could tell his Foreign Minister that the same message was being conveyed to the British. The Deputy Secretary replied that he would be telling the exact same thing to Ambassador Henderson and reiterated that we would like to be helpful if both sides believe we can be.
- 3. Ambassador Henderson said that the workmen were on the Island illegally, having gone there ostensibly under the scrap removal contract. They had no immigration permission for the Island, not even a white card which is valid for entry into the Falkland Islands proper. The line the Argentines are taking does not suggest they are prepared to do anything. The British do not want them to stay there but they are prepared to make an important concession: if the Argentine ship, the *Bahia Paraiso*, would take the work party around to Grytviken Harbour, they could give them permission to stay. Henderson did not see how the USG could condone the illegal occupation of the Island and did not see why it would be taking sides to ask if the GOA was willing to accept this reasonable compromise. Henderson did not seem to be aware (Buenos Aires 1768)⁵ that the GOA had vetoed this possibility.

 $^{^{\}rm 4}$ No memoranda of conversation of Stoessel's meetings with Takacs or Henderson have been found.

⁵ See Document 23.

- 4. Henderson then noted that CNO, Admiral Hayward would be arriving in Argentina in a few days and asked if he might be able to play a helpful role with the Argentines. The Deputy Secretary said that the CNO would be fully briefed.
- 5. We asked whether it might be possible for HMG to send an official around to Leith Harbor to regularize the status of the workmen. Henderson said that if we gave assurances that the GOA would agree, he would suggest it to London.

Going back to the points the Deputy Secretary had made earlier, Henderson took mild issue with our counseling them on restraint; the British were "not hotting it up at all." The Deputy Secretary said we would inform our Embassy in Buenos Aires to see if there were any unexplored possibilities that could be raised with the GOA in an effort to regularize the status of the Argentine workmen.

6. You should report these demarches to Foreign Ministries. Embassy Buenos Aires, unless it perceives reasons to contrary, should ask the GOA if it would be agreeable to having someone travel from Grytviken to Leith Harbor to document workmen, while making clear that there is no HMG agreement at this time.⁶

Haig

⁶ On the morning of March 30, Shlaudeman met with Costa Mendez to discuss the Stoessel-Takacs meeting and to convey the Department's request. Summarizing the meeting, Shlaudeman reported: "The GOA is not at the moment willing to entertain any face-saving device by which the status of the workmen on South Georgia could be regularized. The Argentine position is that this problem can only be dealt with in the framework of negotiations on the question of sovereignty over the Falklands/Malvinas. The GOA is not interested in USG good offices unless these were to be extended to treatment of the underlying issues." (Telegram 1814 from Buenos Aires, March 30; Department of State, Central Foreign Policy File, D820168–0344)