

29. Telegram From the Embassy in Argentina to the Department of State¹

Washington, March 31, 1982, 2208Z

1871. Subject: South Georgia Dispute: Junta's Response to Our Demarche. Refs: (A) Buenos Aires 1814,² (B) State 85529,³ (C) State 85654.⁴

1. Secret-Entire text.

2. Foreign Minister Costa Mendez called me in late this afternoon (March 31). (The instructions referred to in Ref B had not arrived.) The Minister said he had conveyed my demarche of yesterday (Ref A) to the governing Junta. After expressions of high regard for the USG and myself, he gave me the following response from the three commanders: the GOA is prepared to accept the proffered good offices of the USG, but only on the basis that HMG first recognize the sovereignty of Argentina over the Malvinas and agree to deliver those Islands and their dependencies to Argentina within a reasonable period of time. The good offices of the USG would then be employed to help arrange such details as the future status of the Islanders under Argentine rule and the establishment of a permanent British fueling station to support operations in the Antarctic.

3. I asked two questions in response. Had prior recognition of Argentine sovereignty been a precondition in the GOA's February proposal for a permanent negotiating commission? Did this reply from the Junta affect in any way the Minister's assurances to me yesterday with respect to the possibility of a confrontation? Costa Mendez said that recognition of sovereignty was not a prior condition in the February

¹ Source: Reagan Library, Executive Secretariat, NSC Country File, Latin America/Central, Argentina (01/01/1982-04/02/1982). Secret; Niact Immediate; Exdis. Printed from a copy that was received in the White House Situation Room.

² See footnote 6, Document 25.

³ See Document 27.

⁴ In telegram 85654 to Buenos Aires, March 31, the Department instructed Shlaude-man to deliver a message from Haig to Costa Mendez expressing the former's "hope that both governments will be able to move forward toward satisfactory resolution" of the "longstanding issues" between Argentina and the United Kingdom. Haig continued; "Because these issues are not new, it would appear that arrangements and understandings have been agreed upon in the past for how to deal with problems such as that now posed at Leith Harbour. I urge your government do everything possible to adhere to such arrangements, and to avoid any actions that would make solution even more difficult. I have made the same requests to the British. I am convinced that it is in the interest of both governments to resolve the current impasse as quickly as possible. If our good offices can be of assistance, please let me know." (Reagan Library, Executive Secretariat, NSC Country File, Latin America/Central, Argentina (01/01/1982-04/02/1982))

proposal, but that the objective of the proposed negotiations was clearly stated as being affirmation of Argentine sovereignty. On the second question, he reiterated that there would be no confrontation unless the British tried to take the working party off South Georgia. I said we would regard any confrontation as most serious.

4. With respect to the Junta's message, I said again that we did not see how we could be useful in resolving the sovereignty issue. I did promise to convey the Junta's message to the Secretary. Costa Mendez closed the meeting by delivering himself of some harsh observations on the British, asserting that the GOA had had enough, that HMG had tried to dupe and string along Argentina for years and that the GOA was prepared "to break relations" without any qualms.

5. Comment: The Junta's response is, of course, absurd. It sounds like Galtieri playing Patton. In any event, the GOA is clearly bent on pressing to the utmost the advantage it thinks it has. Always assuming the British are not going to make any rash move with the *Endurance* and its marines, my inclination would be to let things sit for awhile in the hope that the Argentines will begin to come down out of the clouds. They are likely to have increasing difficulties in maintaining a significant naval presence within reasonably quick reach of South Georgia. For one thing, the Argentine Navy's only oiler is reportedly laid up in Ushuaia. If the press reports of British Navy ship movements toward the South Atlantic are true, the Argentines may simmer down a bit. Our impression from contacts in the Argentine Navy is that no armed action is expected in that quarter for the time being at least.

6. Ref C arrived as I was drafting this cable. In view of the Junta's reply, I recommend against delivery of the Secretary's message. It would only prompt the GOA to put its extreme position into writing, where we surely don't want it. I would prefer not to deliver any high-level message until after the CNO has had a chance to talk to the navy here and to give us his insights.

7. I will leave to the Department the question of whether or not to share any of this with HMG. I have told my British colleague that the GOA has not so far accepted our good offices and did not find acceptable the proposal to send someone to document the workmen at South Georgia. (London had fully informed him on the Stoessel-Henderson conversation.)⁵ I do not propose to brief him on the Junta's extraordinary response.

Shlaudeman

⁵ See Document 25.