

66. Telegram From the Embassy in the United Kingdom to the Department of State¹

London, April 6, 1982, 1742Z

07568. Subj: Falklands Dispute: A Few Suggestions.

1. S—Entire text.

2. With the fleet underway, the chances are high that the British will use it once they reach the South Atlantic—if a face-saving diplomatic initiative is not launched.

3. Britain is in a bellicose mood, and more high-strung and unpredictable than we have known it. The Prime Minister is under pressure to get results. With Carrington out of action, and the Foreign Office reeling, the diplomatic track may wobble without a steadying U.S. hand.

4. It is in our interest, of course, to keep the Argentines and the British from coming to blows. Optimally, we will succeed in a way that maintains our credibility and decent relations with both sides. But realistically, if we intercede, we may break some crockery with both sides. Here are some problems we see with the British:

5. So far our performance has been highly rated. But memories of Suez are just below the surface, especially in the Conservative Party. We cannot be sure HMG will do our bidding if we simply tell them to stop. They already fear being presented with an ultimatum by us, tying their hands militarily when diplomatic options fail. But they are anxious to have our help, knowing that probably only we have the weight to achieve a diplomatic solution. Indeed, their pugnaciousness aims in part to get us to act.

6. HMG now is focusing on the need for help from friends—including the United States—to bring maximum pressure to bear on Argentina. Almost certainly, they will be asking us to do things we will not want to do. The best tactics for dealing with these requests, it seems to us, will be:

—To say we must remain credible as mediators; and not say that we attach equal importance to both sides (an approach that will infuriate the British).

—To press the British to state clearly their diplomatic and military objectives and to set out a total package of requests (thereby forcing

¹ Source: Reagan Library, Executive Secretariat, NSC Country File, Europe and Soviet Union, United Kingdom (04/01/1982–07/31/1982 (3)). Secret; Immediate; Nodis. Sent for information Immediate to Buenos Aires. Printed from a copy that was received in the White House Situation Room.

them to think through their strategy in a way they have not done yet; giving us a list of requests from which we can choose; and thus discouraging them from coming to us daily for more).

7. Above all, we recommend the U.S. put forward soon a dramatic proposal for talks that can at least buy time. We have no rabbit to suggest. But it seems to us that proposing, perhaps, some sort of condominium over the islands (on the New Hebrides model),² which accommodates the claims of both to sovereignty and a presence, might be a way to start. Presentation will be important. The Falklands are a searing political issue in Britain. And with the Prime Minister's future at stake, and bureaucracy shaken, we suggest it will be best to jump traditional channels and go right to the top with a proposal Mrs. Thatcher herself can judge politically.

Streator

² Reference is to the condominium under which France and the United Kingdom shared sovereignty over the Pacific island group known as the New Hebrides from 1906 until 1980. In July 1980, the New Hebrides became the independent state of Vanuatu.