PS S/LPS

PS/MR LUCE

PS/LORD TREFGARNE

PS/PUS

MR GIFFARD

MR WRIGHT

MR ADAMS

MR GILLMORE

MR URE

HD/S AM D (STANDARD DIST.+A.D. FI.)

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DIO CABINET OFFICE

RESIDENT CLERK

(COPIES PASSED TO THE EMERGENCY STAFF AND MOD SITCHEN).

CONFIDENTIAL

PM WASHINGTON 070045Z APR 82

TO FLASH FCO

TELEGRAM NO 1146 OF 6 APRIL

SIR K COUZENS
MR LITTLER

MR PERETZ

FLASH

MR HAWTIN

MR ILETT

25 (25)

TREASURY

TUMIN

FALKLAND ISLANDS

ADVANCE COPIES

Hd NAJ

FALKLANDS

1. I SAW HAIG TODAY AT HIS REQUEST AND CONVEYED YOUR MESSAGE AND SUPPORTING POINTS (YOUR TELEGRAM NO 653).

2. HAIG SAID THAT HE WOULD BE SEEING THE ARGENTINE AMBASSADOR LATER TODAY AS WELL AS THE ARGENTINE FOREIGN MINISTER. HE DID NOT THINK THAT THEY CARRIED MUCH WEIGHT, IT WAS GALTIERI WHO MATTERED, BUT HE WOULD HAVE TO BEGIN WITH THEM. LATER, OTHER CHANNELS MIGHT HAVE TO BE FOUND.

3. HAIG SAID THAT HE HAD FIRST THOUGHT THAT IT MIGHT BE EXPEDIENT TO WAIT A LITTLE TIME BEFORE TRYING TO SET SOME NEGOTIATION IN TRAIN SO AS TO LET THE IMPACT OF OUR NAVAL DEPLOYMENT AND EVIDENT MILITARY DETERMINATION SINK IN ON THE ARGENTINIANS. BE HE WAS NOW COMING TO THE CONCLUSION THAT THE WINDOW WITHIN WHICH IT WOULD BE

COMING TO THE CONCLUSION THAT THE WINDOW WITHIN WHICH IT WOULD BE POSSIBLE FOR USEFUL ACTION TO BE TAKEN WAS A VERY NARROW ONE AND THAT THEREFORE SOME ACTION MUST BE TAKEN SOON. HE WAS THINKING IN TERMS OF SOME SORT OF MEDIATION AND, APPARENTLY THINKING OUT ALOUD, SURMISED WHETHER IT MIGHT BE POSSIBLE TO THINK OF NEGOTIATING WITH US AND THE ARGENTINIANS SOME MIXED ADMINISTRATION TO RUN THE ISLAND.

- 4. I SAID THAT I MUST CLARIFY OUR ATTITUDE TO AVOID ANY RISK OF MISUNDERSTANDING. HMG COULD NOT ENTER INTO ANY NEGOTIATIONS ABOUT THE FUTURE OF THE FALKLAND ISLANDS UNTIL ARGENTINE TROOPS HAD BEEN WITHDRAWN. THE SAME WOULD BE TRUE OF THE US ADMINISTRATION MUTATIS MUTANDIS IF US TERRITORY WAS OCCUPIED. IF, FOR EXAMPLE, THE CUBANS WITH SOVIET SUPPORT OCCUPIED PUERTO RICO, THE AMERICANS WOULD NOT BE READY TO ENTER INTO A NEGOTIATION ON THE FUTURE OF THE ISLAND WHILE CUBAN TROOPS WERE STILL IN OCCUPATION.
- 5. IT SEEMED TO ME INAPPROPRIATE TO THINK IN TERMS OF SOME MULTILATERAL ADMINISTRATION OF THE ISLAND. WE WERE PREPARED TO TALK ABOUT THE FUTURE OF THE ISLAND AND ITS RELATIONS WITH ARGENTINA ONCE ARGENTINE TROOPS HAD WITHDRAWN AND OUR ADMINISTRATION HAD BEEN RESTORED.
- 6. HAIG SAID THAT HE COULD NOT SEE HOW GALTIER! COULD SURVIVE IF HE SIMPLY HAD TO TAKE AWAY ARGENTINE TROOPS WITHOUT GETTING ANYTHING IN RETURN. I SAID THAT IT WAS NOT OUR PURPOSE TO HELP GALTIER! SURVIVE. IT WAS HE WHO HAD BROUGHT ABOUT THE PRESENT OCCUPATION IN ORDER TO DETRACT PUBLIC OPINION FROM ECONOMIC AND POLITICAL DIFFICULTIES.
- THERE CAN SCARCELY HAVE BEEN AN ISSUE SINCE 1939 UPON WHICH THE BRITISH FELT SO STRONGLY, AND THIS FEELING RAN ACROSS PARTY LINES. NO GOVERNMENT IN BRITAIN COULD POSSIBLY CONTEMPLATE A NEGOTIATION INVOLVING THE ARGENTINIANS WHILE THEY REMAINED IN OCCUPATION OF THE ISLAND. IF THE QUESTION WAS ASKED WHY WE BOTHERED SO MUCH ABOUT 2000 PEOPLE THE OTHER END OF THE WORLD, A POINT THAT HAD BEEN MADE TO ME IN MANY PUBLIC INTERVIEWS, THE ANSWER WAS THAT THE AMERICANS SHOULD BEAR IN MIND HOW STRONGLY THEY FELT ABOUT 52 HOSTAGES IN IRAN: WHAT WAS AT ISSUE HERE WAS WHETHER IN THE AMERICAN HEMISPHERE DIFFERENCES WERE GOING TO BE SETTLED BY FORCE AND WHETHER THE PRINCIPLE OF SELF-DETERMINATION WHICH THE US HAD PIONEERED WAS GOING TO BE OVERTHROWN. HAIG THEREFORE SHOULD BE IN NO DOUBT OF OUR DETERMINATION TO GO THROUGH WITH THIS OPERATION AND OUR ABILITY TO DO SO. HAIG SAID THAT HE ENTIRELY UNDERSTOOD. HE WAS COMPLETELY

DETERMINATION TO GO THROUGH WITH THIS OPERATION AND OUR ABILITY

TO DO SO. HAIG SAID THAT HE ENTIRELY UNDERSTOOD. HE WAS COMPLETELY

WARE OF THE STATE OF BRITISH PUBLIC OPINION ON THIS ISSUE. HE WAS

DETERMINED, AS WAS THE PRESIDENT, TO DO EVERYTHING CONCEIVABLE TO

HELP THE BRITISH GOVERNMENT. I MUST NOT UNDERESTIMATE THE PERSONAL

INVOLVEMENT OF THE PRESIDENT IN THIS MATTER. HE WAS TOTALLY AWARE

OF THE PROBLEMS AND VIEWS OF THE PRIME MINISTER ON THIS ISSUE. QUOTE

WE ARE DETERMINED THERE SHALL NOT BE ANOTHER SUEZ UNQUOTE, HE

SAID.

- 8. BUT THE DIFFICULTY WAS HOW TO GET THE ARGENTINIANS OUT. HE ACCEPTED IT NOW AS A FACT THAT THEY MUST BE GOT OUT BEFORE THE BRITISH COULD ENTER A NEGOTIATION. BUT, AGAIN THINKING ALOUD, HE WONDERED WHETHER IT WOULD BE POSSIBLE FOR HIM TO APPOINT A COMMISSION COMPRISING SAY, SOME DISTINGUISHED BUT IMPARTIAL AMERICAN FIGURE, A CANADIAN, SOME LATIN AMERICAN AND ONE OR TWO OTHERS WHO MIGHT ACT AS INTERMEDIARIES AND SERVE AS SOME KIND OF INTERIM ADMINISTRATION.
- 9. I SUGGESTED THAT TWO MATTERS SEEMED TO BE AT ISSUE IN WHAT HAIG WAS SUGGESTING. THE QUESTION OF THE ADMINISTRATION OF THE ISLAND WAS A PERFECTLY STRAIGHTFORWARD ONE. THE ADMINISTRATION MUST BE RETURNED TO US. THERE WERE AFTER ALL NO ARGENTINIANS TO SPEAK OF ON THE ISLAND. THE QUESTION OF ADMINISTRATION RAISED NO PROBLEMS. THE OTHER MATTER WAS THAT OF THE FUTURE SOVEREIGNTY OF THE ISLAND. IT MIGHT BE THAT A GROUP OF WISE MEN COULD COME UP WITH SUGGESTIONS ABOUT THIS, BUT THE KEY NEED AT THE MOMENT WAS FOR THE AMERICANS TO EXERT PRESSURE ON THE ARGENTINIANS LEAVING THEM IN NO DOUBT THAT THEY MUST WITHDRAW IF THEY WERE TO AVOID A BLOODY BATTLE: ONCE THEY HAD WITHDRAWN THERE MIGHT BE METHODS BY WHICH THE FUTURE STATUS OF THE ISLAND COULD BE DISCUSSED.
- THIS WOULD BE TOTALLY DEPLORABLE. THE AMERICANS, SCARCELY LESS THAN WE, WERE REGARDED AS ANGLO-SAXON GRINGOS BY THAT ORGANISATION AND WE WOULD GET NOWHERE BY INVOLVING THEM. NOR, I SAID, WOULD THERE BE ANY POINT IN BRINGING IN THE UNITED NATIONS AGAIN. WE HAD GOT A VERY SATISFACTORY VOTE WITHIN THE SECURITY COUNCIL AND IT WAS IMPORTANT TO BASE OURSELVES ON THIS RESOUNDING DEMAND FOR ARGENTINE WITHDRAWAL. TO TRY TO INVOLVE THE UNITED NATIONS FURTHER WOULD ONLY BE LIKELY TO INCURE A SOVIET VETO.

 PLEASE SEE MY IMMEDIATELY FOLLOWING TELEGRAM.