Washington, April 9, 1982, 3:15 p.m.

PARTICIPANTS

Derek Thomas, Minister, Embassy of Great Britain J. W. Middendorf, Ambassador, USOAS

Minister Thomas called me with some questions of a technical nature about the Rio Treaty² and took the opportunity to discuss the Haig visit to Prime Minister Thatcher. Derek advised me that the position of Her Majesty's Government had hardened perceptibly in the past two to three days prior to the Haig visit, largely as a result of an aroused domestic public opinion which was being incited by television coverage of the issue, e.g. "Who is this tin horn dictator pushing us around?" As a result, the Thatcher Government's conditions for a resolution of the issue now consist of the following three points:

- 1. Argentine withdrawal of military forces from the Falkland Islands.
 - 2. Observance of the principle of self-determination of the Islanders.
- 3. A return to the status-quo ante with British administration until negotiations resolve the issue.

I pointed out that these conditions might seem too harsh in the limited time framework available and could, if not tempered with face-saving measures, involve the downfall of the Galtieri Government.

¹ Source: Department of State, Executive Secretariat, S/S Special Handling Restrictions Memos 1979–1983, Lot 96D262, ES Sensitive April 1–9 1982. Secret. Drafted by Davila and approved by Middendorf. Davila initialed for Middendorf. Copies were sent to Bosworth and Kirkpatrick.

² See footnote 4, Document 50.

I queried Thomas as to how much this reflected UK posturing for domestic opinion and how much was for intimidating the Argentines to be able to get a better deal. After a pause, he said that he could not answer that question but reiterated the grave seriousness with which HMG views the situation and that it would not refrain from use of armed force, if necessary.³

Expressing my dismay to Thomas, I pointed out that the basic elements for a solution were already in hand, and that a decision between a Hong-Kong (lease-back) or condominium (joint administration) arrangement was the only real remaining stumbling block which was not a significant obstacle as the two sides are very close to an agreement. I stressed that a failure to achieve a peaceful solution could spell the end of the Inter-American system, damage British commercial interests throughout Latin America and involve the British in a lengthy no-win situation in the Falkland Islands in which HMG could conceivably reoccupy the Falklands by force but would require them to maintain lengthy sea lanes of communication. Furthermore, it would not contribute to a stable, lasting solution to the problem; instead, it could engender protracted Argentine resistance along Vietnam lines that could prove costly to Britain.

He said that HM ships are prepared to sink any Argentine warship that would be "foolish enough" to enter the 200 mile zone after midnight Sunday. I countered that this left little time for negotiation. He, in turn, said that if the GOA commenced withdrawal by that time, obviously, the British Navy would not take physical action. I pointed out that any early hostilities would cause the Rio Treaty to be invoked and would make any diplomatic initiatives almost impossible after that.

³ Later, he told me it was unfortunate that the Secretary did not go to Argentina first because Margaret Thatcher was not able to respond to an offer but had to lay her own offer out on the table first (implying to me that it was, therefore, tougher than it might otherwise have been—I hope that I am right on this). [Footnote is in the original.]

⁴ April 11. See Document 78.