## 81. Telegram From Secretary of State Haig to the Department of State<sup>1</sup>

Buenos Aires, April 11, 1982, 0425Z

Secto 5038. Subject: Secretary's Working Dinner With Prime Minister Thatcher, April 8.

1. Summary. During an extended working dinner discussion April 8 in Number Ten, the Secretary and senior members of his party explored with Prime Minister Thatcher the possibilities of a peaceful settlement between the UK and Argentina of the South Atlantic crisis. The PM, strongly seconded by Defense Minister Nott and less so by Foreign Secretary Pym, asserted UK determination to achieve the status quo ante. The Secretary suggested a possible course which might ensure essentials of British position (withdrawal of Argentine forces from the Falkland, restoration of British administration) while leaving Argentina a face-saving way out via interim arrangement involving internationally recognized presence. PM indicated little willingness or give in UK position but expressed deep appreciation for U.S. initiative and interest in further views Secretary might develop during discussions with Argentine leadership in Buenos Aires. Accompanying the Secretary on the U.S. side were: Assistant Secretary of State for American Republic Affairs Thomas Enders; Ambassador-at-Large Vernon Walters; Deputy to the Under Secretary of State for Political Affairs David Gompert; NSC Senior Staff Member James Rentschler; Embassy London Charge

 $<sup>^1</sup>$  Source: Reagan Library, Executive Secretariat, NSC Cable File, Falkland File 04/11/1982 (1). Secret; Immediate; Nodis. The telegram was sent after Haig left London for Buenos Aires, where he arrived on April 9.

d'Affaires Edward Streator. Joining Mrs. Thatcher were: Foreign Secretary Francis Pym; Defense Minister John Nott; Chief of Military Staff Terri Lewins; Director of Foreign Office Sir Antony Acland; Private Secretary to Prime Minister Clive Whittemore. End summary.

- 2. In an extensive dinner discussion April 8 which centered on the crisis in the South Atlantic, Prime Minister Thatcher asserted that the basis of British action was compliance with UNSC Resolution 502.<sup>2</sup> This meant that Argentina must withdraw its forces and that British administration of the Falkland Islands must be restored. British sovereignty continues by international law.
- 3. Secretary Haig stated that the U.S. saw the situation pretty much the same way as the British. Where the two of us might differ, he suggested, was in our view that it may be desirable to change somewhat the approach to the problem, but not the basic principle. The Secretary went on to emphasize that he was in London to help the British, that we desired above all the maintenance of the present British Government in power, and that we were fully sensitive to the depth of British feeling which surrounds the Falklands issue. Nevertheless, he added, the UK and the U.S. now faced a common danger: it would be very bad if we put ourselves in a position where our publics perceived us to have failed to grasp a possible political opportunity to avert armed conflict. The Secretary noted that we agree a political settlement must involve the withdrawal of Argentine forces, the return of British administration, and a mechanism for the resumption of negotiations on the future of the Islands; nevertheless, it was unlikely that either side could get the totality of what it wants, and what we would like to assist in finding is some vehicle which would enable the British to preserve the essentials of its position while leaving a way out for the Argentines, who now probably recognize the enormity of the risk they have taken.
- 4. In reply the Prime Minister forcefully observed that she, the Foreign Secretary, and the Defense Minister were all pledged before the House of Commons to restore British administration in the Falklands. Sovereignty was not the issue, because British sovereignty was a fact—it continues no matter what the Argentines did.
- 5. The Secretary suggested that a useful approach to a diplomatic solution might be to fence off the questions of sovereignty and self-determination, to leave them aside for the time being. Meanwhile, one could proceed with a possible scenario where the basic premise is withdrawal of Argentine forces. The Secretary added that he could then go on to Buenos Aires and speak to the leadership there in the context of Britain's basic requirements, but for this to happen he would

<sup>&</sup>lt;sup>2</sup> See footnote 3, Document 50.

have to have a bit of air, something which would enable the Argentines to act without risking the survival of their regime.

- 6. The Prime Minister interjected to say that at this same table Neville Chamberlain had sat in 1938. She begged us, she said, to remember that fact and not urge Britain to acquiesce in a course which would simply reward aggression, which would give Argentina something by force which it could not have gained by peaceful means, and which would send a signal around the world with devastating consequences. Britain, she added, could not be considered on the same level as Argentina. The latter was the aggressor. She had not sent a fleet into the South Atlantic to strike a bargain with an aggressor.
- 7. Defense Minister Nott said he for one was not convinced that the British military position was weaker than Argentina's. He expressed confidence in the fleet's ability to sustain operations over a protracted period of time and, in conjunction with economic measures, to inflict considerable hardship on the Argentines. It was they, not Britain, which had to initiate moves toward a diplomatic solution.
- 8. Foreign Secretary Pym, less assertive than either the PM or Nott throughout the discussions, felt that it was relevant to find out how the Falklanders themselves felt about the prospect of war—a suggestion which the PM heatedly challenged, noting that aggressors classically tried to intimidate the people against whom they were aggressing by saying that things far worse than the aggression itself could happen.
- 9. Both sides then discussed at length the possible ingredients of a diplomatic solution. The Secretary reiterated what he felt might be a promising approach, which involved an interim arrangement whereby an internationally recognized "umbrella", perhaps composed of U.S. and Canadian elements, plus two Latins, could prevent war, oversee the withdrawal of Argentine forces, and ensure conditions of self-determination.
- 10. The Prime Minister questioned the notion of an international presence as too "woolly"—the House of Commons would never accept it, she said, because she was pledged to the restoration of British administration, which meant the courts, public services, etc. No vague international presence could substitute for that essential authority. She added that her fear was that what we were really talking about was negotiations under conditions of duress, which would be a terrible insult to Britain. It was her view, she concluded, that Argentina would never accept in any event the self-determination of the Falklanders, all of whom wanted to remain British.
- 11. The Secretary assured the Prime Minister that the U.S. had no intention of forcing the UK to negotiate under duress. Nothing could be further from the truth. The U.S. stood by the UK, we were allied, we had already shown we were not treating the UK and Argentina as

equals through our vote on UNSC 502. We were here to help, and while we felt that the suggestion we put forward was worth reflecting on—withdrawal of Argentine forces, the temporary introduction of an internationally recognized authority to supervise and verify it, and a resumption of negotiations—all we could do now was continue on to Buenos Aires and probe the Argentines. We would be sure to carry with us the message of British unity and resolve and convey to them the strength of feeling which exists over the Falklands dispute. The Secretary went on to say that in all frankness he felt the British should be fully aware of the many factors at play in the present crisis, including the substantial interests we have in the hemisphere and the potential for Soviet exploitation of the crisis.

12. The Prime Minister thanked the Secretary and his party and said that only true friends could discuss such an issue with the candor and feeling which had characterized this dinner exchange, she laughingly concluded by noting that "we're nice to other people".