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SUBJECT.

RECORD OF A MEETING HELD AT 10 DOWNING STREET ON TUESDAY  
13 APRIL 1982 AT 0915 HOURS

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Present

The Prime Minister	The Hon. Alexander M. Haig
Foreign and Commonwealth Secretary	The Hon. John J. Louis
Secretary of State for Defence	General Vernon Walters
Chief of Defence Staff	The Hon. Thomas O. Enders
Sir Antony Acland	Mr. David Gompert
Mr. Coles	

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Mr. Haig said that he wished to take stock. As we knew, he had heard overnight from the Argentine Foreign Minister that his Government needed an outcome to the negotiations which embodied a de facto change in the administration of the Islands and a process leading to ultimate Argentine sovereignty. Mr. Haig handed over the enclosed paper embodying five points which were described as essential for Argentine acceptance of any agreement. Mr. Costa Mendes had implied that the first two points were the most important and that Argentina needed to secure at least one of them at this stage. The Argentine Government saw the arrangements worked out with us yesterday as blocking both points. The proposal for an interim Commission did not represent a sufficient degree of change towards de facto Argentine administration. The provision for negotiations on the definitive status of the Islands was inadequate as a commitment to ultimate Argentine sovereignty.

The Argentine Foreign Minister had implied that there was no point in Mr. Haig returning to Buenos Aires unless he could take assurances on these matters. Mr. Costa Mendes had affirmed that he did not want to break off talks. The practical effect of these tactics was that the Argentines were buying time. This might cause difficulties with British public opinion.

The Prime Minister expressed doubt as to whether there would be severe difficulties in the next couple of days. But she thought

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definite progress in the negotiations would have to be registered this week. She had been impressed by the amount of time Mr. Haig had devoted to the negotiations in Buenos Aires. But the moment he left the Argentines seemed to have back-tracked on their agreement. Mr. Haig said that he had never in fact obtained Argentine agreement to the points discussed with us yesterday. He had worked out a scheme in Buenos Aires but the Argentines had declined to commit themselves to it and had remained equivocal until the moment he left.

Commenting on the five Argentine points (see enclosed paper), the Prime Minister said that they amounted to a demand for the handing of the Islands to Argentina with no provision for democratic processes. The Foreign and Commonwealth Secretary said that the Argentine demands bore no relation to reality.

Mr. Haig stressed that the Argentine Foreign Minister had implied that if either one of the first two points were accepted, this would be satisfactory. His own analysis was that the only way to keep the negotiating process going was to make another effort at "evolution" of the document agreed with us yesterday. The Prime Minister commented that it was essentially an issue of dictatorship versus democracy. Galtieri wanted to be able to claim victory by force of arms. The question now was whether he could be diverted by language he understood, for example the language of economic sanctions.

The Prime Minister expressed the view that Argentina was moving closer towards the Soviet Union. Mr. Haig said that he had received information yesterday to the effect that there were 34 Soviet fishing vessels in the area, who were providing intelligence. The Chief of the Defence Staff said that we were aware of these vessels as well as some Polish fishing craft but it was our understanding that they had received instructions from their authorities to leave the area.

The Prime Minister said that the Argentines might be indulging in brinkmanship. It remained to be seen whether they were willing to go to the brink. They should be faced with the

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consequences in world opinion and economic pressure of what they were saying. Mr. Haig said that he had made it abundantly clear to Argentina that if conflict developed the United States would side with the United Kingdom. But the question was whether we wished to bring the negotiations to a terminal point today. He could say publicly that he was suspending his own efforts, making clear that the cause was Argentine intransigence. But if he did so other less helpful people might try to intervene. The UN Secretary General was keen to find a role. The OAS might also try but their efforts would reinforce Argentinian intransigence. Another approach would be to say that some progress had been made but that several substantial difficulties remained and that a pause in the negotiating process was therefore desirable.

Mr. Haig said that he expected to have a further telephone conversation with the Argentine Foreign Minister later this morning. Meanwhile, the US Ambassador in Buenos Aires had yesterday been instructed to take all necessary precautionary measures for the protection of his staff and the American community. This would be known to the Argentines and might disturb them. In addition, a certain amount of planning was going on in Washington.

The Prime Minister said that if negotiations broke down at this point, she felt that the public reaction here might be that we had not tried hard enough. Sir Antony Acland suggested that much turned on the American assessment of the situation in Buenos Aires. Unless Mr. Haig judged that the five Argentine points were the final position of the Junta, a further effort at negotiations would be desirable. But it was most important to impress upon the Argentines the strength of the British position and the dangers to Argentina's relations with the United States if a conflict occurred. Mr. Haig commented that the known attitudes in Britain had had the effect of bringing Galtieri's regime to discuss compromise. But there was also very strong popular hysteria in Argentina. When his party had been in Buenos Aires they had been shown thoroughly misleading Argentinian intelligence reports about the alleged economic motives for the British position.

/Mr. Haig



Mr. Haig asked whether, if his next telephone conversation with Mr. Costa Mendes suggested that a further visit to Buenos Aires was desirable, he could take any further suggestions from us which, while consistent with our principles, would enable negotiations to continue. Sir Antony Acland commented that if the Argentines were looking for a face-saving device, there were many points in the document drawn up in London yesterday which could be of assistance to them. After further discussion, Mr. Haig said that he had reached the conclusion that an immediate visit to Buenos Aires would be a mistake. Subject to his telephone conversation with Mr. Costa Mendes, he would therefore tell the press that difficulties had arisen in Buenos Aires. As a result he was proceeding to Washington. But he remained ready to visit Buenos Aires again when the situation justified it. The Foreign and Commonwealth Secretary observed that the next visit by Mr. Haig to Argentina would be a very important card. He therefore thought it right that it should not be played immediately. Sir Antony Acland pointed out that the nearer the task force got to Argentina, the more difficult it would be, psychologically, for the Argentines to make concessions. Time was therefore limited.

The Secretary of State for Defence said that there were one or two military points which he wished to raise. Our submarines were now committed to the blockade. We should soon have to consider whether it was right to allow Argentinian naval vessels to leave port. Mr. Haig commented that if Argentinian ships did leave port and nothing happened, British credibility would suffer. He had already received some information suggesting that the Argentinians believed that we did not wish to fight. Mr. Nott also said that we should have to consider further military measures if it became clear that a peaceful solution was unlikely to be obtained. We might need to make it clear very soon that we were increasing the number of aircraft available in the area. Mr. Haig said that he favoured any steps which would strengthen the impression of British determination. He believed this would help the prospects for peace.

The discussion concluded at 1040.

13 April 1982



SOME ASPECTS WHICH ARE ESSENTIAL FOR THE ARGENTINE ACCEPTANCE OF ANY AGREEMENT.

- 1.- The governor of the islands must be appointed by the Argentine Government .

The argentine flag should continue to be flown on the islands.

- 2.- Assurances should be given to the Argentine Government that at the end of the negotiations there will be a recognition of argentine sovereignty.

Any formulation implying that sovereignty is being negotiated should be avoided.

- 3.- Equal rights shall be recognized for Argentines coming from the mainland as for the inhabitants of the islands.

- 4.- The agreement on demilitarization should be considered as complying with Resolution 502 of the United Nations Security Council .

5. The draft agreement should be made compatible with the above mentioned elements.

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10 DOWNING STREET

From the Private Secretary

13 April 1982

*see file*

Falkland Islands: Talks with Mr. Haig

I enclose a copy of the record of the discussion held here this morning with Mr. Haig and his party.

I am sending a copy of this letter and enclosure to John Halliday (Home Office), David Omand (Ministry of Defence), Keith Long (Office of the Chancellor of the Duchy of Lancaster) and David Wright (Cabinet Office).

*John Halliday  
David Omand*

Brian Fall, Esq.,  
Foreign and Commonwealth Office.

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