

112. Paper Prepared in the Department of State¹

Washington, April 13, 1982

REPORT TO THE PRESIDENT

The Basic Negotiating Problem

- British have for years totally frustrated Argentine efforts to expand their role in the Falklands or to negotiate a shift of sovereignty. Now Argentines want one or the other: guarantee of sovereignty by the end of the year or de facto control now.

- For the British, the key is to ensure the Islanders can determine their own future: a matter of both principle and politics.

- This negotiation is a clash between these interests. British insistence on self-determination excludes guarantee of Argentine sovereignty. And British fear that greater de facto Argentine role will allow mainlanders to swamp the Islanders.

Politics in the Two Countries

- Galtieri has whipped up public emotions and now is their hostage. Peronist movement getting stronger. Navy Chief wants war, for glory (win or lose), and is a threat to Galtieri. Nevertheless, Argentines getting nervous and know that war would be ruinous.

- Thatcher was jolted by criticism for allowing the crisis to occur, and has therefore had to limit her own flexibility by her pledge to Parliament and commitment to military action. Brits are basically united, but their perseverance is suspect.

- Neither leader—or nation—wants war. But neither can back down militarily or accept a defeat through negotiations.

¹ Source: Department of State, Executive Secretariat, S/S Special Handling Restrictions Memos 1979–1983, Lot 96D262, Super Sensitive April 1–30 1982. Secret. No drafting information appears on the paper. In the upper right hand corner of the first page, a note in an unknown hand reads: “6:30 pm, 4/13/82.” Rentschler forwarded the paper to Clark under an April 14 covering note, stating that Clark might find it useful for his 9:30 a.m. briefing for Reagan. Rentschler added: “A longer-range problem, should this mission fail, will be the stance we adopt with our principal ally, particularly as regards the President’s trip to London in June. At this point, however, the focus is much more immediate, and with luck we won’t have to address the other problem.” (Reagan Library, Executive Secretariat, NSC Country File, Latin America/Central, Falklands War (04/09/1982–04/15/1982) According to the President’s Daily Diary, Clark met with Bush and Reagan for a national security briefing from 9:30 to 9:45 a.m., April 14. Reagan then met with Haig, Carlucci, Baker, Meese, and Clark in the Oval Office from 9:45 to 10:05 a.m. (Reagan Library, President’s Daily Diary) No memorandum of conversation of either meeting has been found.

Status of the Negotiations

- Thatcher has conceded change from the status quo ante. She has agreed to: (1) place local British administration under tripartite commission; (2) an Argentine flag; (3) provisions for expanded Argentine interaction with the Islanders; (4) December 31, 1982, deadline. (Text at Tab A)

- Argentine demand for either de facto control or guarantee of sovereignty sets up cross-play between Articles 5/6 and Article 8.

- Argentines' demands *may* be wavering—hard to tell given erratic behavior of GOA. They've floated the idea of *decolonization*—meaning that they might not insist on Argentine sovereignty if they can at least exclude British sovereignty. This would fit with a more subtle strategy of weakening the British link and expanding their de facto role as a way to secure eventual control. (Tab B)

Our Strategy

- Work with decolonization concept but not the word, while protecting self-determination. At the same time, loosen up provisions for expanded Argentine interim role.

- Convince Brits of the need to let events take a natural historical course—i.e., give Argentines a chance to work out a relationship with the Islanders.

- Convince the Argentines that we will use our decisive vote on the commission to help expand their role.

Prospects

- Keep the process going. The British would rather have us play this role than join in sanctions. Their suspicions about us are gone.

- Keep the threat of break-off hanging over the Argentines. They cannot afford to be blamed and further isolated.

Timing

- Optimal time for agreement is toward the end of next week. Before then, Thatcher won't stop her fleet; Galtieri won't sign unless the fleet is stopped. After then, the proximity of forces increases sharply the possibility of hostilities.

- Need to crack the main issues this weekend. Must leave for Buenos Aires on Thursday night.²

² April 15.

Tab A

Draft Agreement³

Undated

Draft Agreed Memorandum as agreed at London 4/12/82, 8 p.m.

1. On the basis of United Nations Security Council Resolution No. 502, and noting relevant United Nations General Assembly Resolutions, Argentina and the United Kingdom have agreed on the following steps, which form an integrated whole:

2. All military and security forces other than local police shall be withdrawn within a short period of time, but not later than two weeks from the date of this agreement, from three areas defined by circles of 150 nautical miles' radius from the following coordinate points:

- | | |
|--|--------------------------|
| (a) Lat. 51° 40' South Long. 59° 30' West | (Falklands) |
| (b) Lat. 54° 20' South Long. 36° 40' West | (South Georgia) |
| (c) Lat. 57° 40' South Long 26° 30' West | (South Sandwich Islands) |

3. After the date of this agreement and pending a definitive settlement, no military or security force shall be introduced into the areas defined in paragraph 2 above. On completion of the withdrawal specified in paragraph 2, all forces that have been deployed in connection with the current controversy shall be redeployed to normal duties.

4. The United Kingdom and Argentina shall each appoint, and the United States agrees to appoint, a representative to constitute a Special Commission which shall provide observers to verify compliance with the obligations in the preceding paragraphs. Each Commissioner may be supported by a staff of not more than (ten) persons.

5. On an interim basis, all decisions, laws and regulations hereafter adopted by the local administration on the islands shall be submitted to and expeditiously ratified by the Special Commission, except in the event that the Special Commission (unanimously) deems such decisions, laws or regulations to be inconsistent with the purposes of this agreement or its implementation. The traditional local administration shall continue, including the Executive and Legislative Councils, which would be enlarged to include representatives of the Argentine population whose period of residence on the islands is equal to that required

³ Secret; Sensitive.

of others entitled to representation, such representatives to be in proportion to that population subject to there being at least one such representative on each Council. The Special Commission shall fly the flag of each of its constituent members at the Commission's headquarters.

6. The Special Commission shall make specific recommendations to the two governments or to the Executive and Legislative Councils to facilitate and promote travel, transportation, communications and trade between the mainland and the islands.

7. Within a short period of time, but not later than two weeks from the date of this agreement, steps shall be taken to terminate the economic and financial measures adopted in connection with the current controversy; including restrictions relating to travel, transportation, communications, and transfers of funds between the two countries. Likewise, the United Kingdom shall request third countries that have adopted similar measures to terminate them by that date.

8. December 31, 1982, will conclude the interim period, and during this period the conditions of the definitive status of the islands shall be negotiated consistently with the Purposes and Principles of the United Nations Charter.

Tab B

Proposed Revised Text of Paragraph 8 of Draft Agreement⁴

Undated

December 31, 1982, will conclude the interim period and, during this period, the signatories shall negotiate the conditions of the decolonization and definitive status of the islands, consistent with the purposes and principles of the UN Charter, United Nations General Assembly Resolution 1514 (XV), and the 1964 Report of the Special Committee of the General Assembly on the situation with regard to the implementation of the declaration on the granting of independence to colonial countries and peoples.⁵

⁴ No classification marking.

⁵ See footnote 2, Document 105.