ZZ WASHINGTON

GRS 717

SECRET

FM FCO 180930Z APRIL 82

TO FLASH WASHINGTON

TELEGRAM NUMBER 749 OF 18 APRIL

FALKLANDS: CORRESPONDENCE WITH HAIG

AR 19

1. I HAVE THIS MORNING RECEIVED THE FOLLOWING FURTHER MESSAGE FROM HAIG IN BUENOS AIRES.

BEGINS. BASED ON THE UNACCEPTABLE LANGUAGE WHICH I RECEIVED AND SENT TO YOU LAST NIGHT (FRIDAY), I THREATENED TO BREAK OFF THIS PROCESS. AS A RESULT, I WAS INVITED TO MEET WITH THE JUNTA, AND SPENT TWO HOURS WITH THEM THIS MORNING (SATURDAY). THE CHARACTER OF THE GROUP IS ESSENTIALLY AS I IMAGINED: GALTIERI IS THE LEAST BRIGHT AND GIVEN TO BLUSTER: THE ADMIRAL IS ULTRA HARD-LINE: THE AIR FORCE GENERAL IS BRIGHT. POLITICALLY REASONABLE - RELATIVELY SPEAKING - BUT CLEARLY THIRD IN INFLUENCE.

I IMPRESSED ON THESE MEN IN THE STRONGEST TERMS THAT BRITISHRESOLVE WAS BEYOND DOUBT, AND THAT THEY WERE ON A COLLISION COURSE
WITH MILITARY HUMILIATION AND ECONOMICRUIN. WITH THE POSSIBLE
EXCEPTION OF THE ADMIRAL - WHOSE DEFINITION OF GLORY HAS LITTLE
TO DO WITH THE CONCEPT OF MILITARY SUCCESS - I WOULD SAY THESE
MEN ARE WORRIED. THEY ARE FEELING THE PRESSURE OF YOUR FLEET,
THOUGH IT WOULD BE A SERIOUS MISTAKE FOR YOU TO ASSUME THEY ARE
NOT PREPARED TO FIGHT.

THE JUNTA URGED ME TO STAY AND TRY TO 'SOLVE THE PROBLEM' WITH THE FOREIGN MINISTER. IN HOPES THAT THEY WOULD IMPART FLEXIBILITY TO THEIR NEGOTIATORS I AGREED TO DO SO. THE TENHOUR SESSION THAT ENSUED WAS EXCRUTIATINGLY DIFFICULT. WE SPENT MOST OF THAT TIME ON THE LANGUAGE DEALING WITH THE TERMS OF REFERENCE FOR THE NEGOTIATIONS ON THE DEFINITIVE STATUS OF THE ISLANDS. YOUR LANGUAGE WAS REJECTED OUT OF HAND. I PRESSED UPON THEM LANGUAGE THAT AVOIDS REJUDGING THE SOVEREIGNTY ISSUE WHILE PRESERVING WHAT YOU MUST HAVE WITH REGARD TO THE RIGHTS OF THE ISLANDERS. THE ARGENTINES ARE NOW DEVELOPING A NEW FORMULATION BUT I EXPECT IT WILL BE PREGNANT WITH THE CONCEPT

/OF ASSURED

SECRET 691 - 2 OF ASSURED ARGENTINE SOVEREIGNTY. THE ISSUE OF TRAVEL, TRADE, ETC, IN THE INTERIM PERIOD WAS ALSO HOTLY CONTESTED. THERE WILL BE NO AGREEMENT UNLESS IT INVOLVES A CLEAR PROSPECT OF GENUINE PROMOTION OF VARIOUS FORMS OF INTER ACTION, WITH THE NECESSARY SAFEGUARDS TO PREVENT WHAT THE PRIME MINISTER FEARS COULD OCCUR. WE ARE ALSO ENCOUNTERING DIFFICULTY ON THE QUESTION OF INTER-IM ADMINISTRATION, THOUGH THE INTEGRITY OF THE IDEA WE DISCUSSED IN LONDON HAS BEEN MAINTAINED. FINALLY, THOUGH WE DID NOT DISCUSS IT AT LENGTH THERE WAS A DEFINITE FORESHADOWING OF SERIOUS PROBLEMS ON THE QUESTION OF MILITARY DISENGAGEMENT - IE STOPPING THE FLEET AND REMOVING THE SUBMARINES. I THINK THIS MATTER CAN BE SETTLED IN TERMS ACCEPT-ABLE TO THE UK. THOUGH NOT WITHOUT MORE FLEXIBILITY THAN I ENCOUNTERED IN LONDON. ALL IN ALL, AS OF NOW THE SITUATION IS GRIM. I WILL RECEIVE A NEW ARGENTINE TEXT DURING THE NIGHT AND THEN DECIDE WHETHER OR NOT TO BREAK OFF. I WILL ONLY CONSIDER COMING TO LONDON IF THE ARGENTINES GIVE ME A TEXT THAT GOES WELL BEYOND THEIR POSITION TODAY. I DO NOT WANT TO SHIFT THE SPOTLIGHT ON TO YOU IF IT IS CLEAR THAT THE ARGENTINE PROPOSAL IS UNACCEPTABLE. EVEN IF I DO NOT COME TO LONDON, I WILL OF COURSE SEND YOU THE ARGENTINE TEXT. IF I SUSPEND MY MISSION TOMORROW MORNING I WILL LEAVE NO DOUBT WHERE LIES RESPONSIBILITY FOR THE IMPASSE. ENDS. 2. PLEASE DELIVER IMMEDIATELY THE FOLLOWING REPLY FROM ME. BEGINS. THANK YOU VERY MUCH FOR YOUR MESSAGE THIS MORNING ABOUT YOUR TALKS IN BUENOS AIRES. YOU ARE CLEARLY MAKING SUPER-HUMAN EFFORTS TO ACHIEVE A REASONABLE RESULT. WE IN LONDON ARE MOST GRATEFUL. SUCCESS WOULD BE A TREMENDOUS ACHIEVEMENT AND WE VERY MUCH HOPE THAT YOU CAN BRING THE ARGENTINES TO SEE REASON. IF, MOST REGRETTABLY, YOU WERE TO CONCLUDE THAT YOU COULD NOT CONTINUE YOUR MISSION FOR THE TIME BEING, WE SHOULD NEED A LITTLE TIME TO CONSIDER WHAT TO DO NEXT. IF YOU ANNOUNCED A DECISION TO SUSPEND YOUR EFFORTS BEFORE WE HAD DECIDED WITH YOU ON NEXT STEPS. THE DIPLOMATIC INITIATIVE MIGHT PASS TO OTHERS. WE SHOULD THEREFORE BE MOST GRATEFUL TO KNOW YOUR INTENTIONS IN /GOOD TIME SECRET

GOOD TIME BEFORE ANY ANNOUNCEMENT. ONE WAY OF HOLDING THE POSITION MIGHT BE FOR YOU TO SAY ON LEAVING BUENOS AIRES THAT THE ARGENTINES HAD NOT TRIED SERIOUSLY TO NEGOTIATE A REASONABLE OUTCOME AND THAT YOU WOULD BE REPORTING ON THE SITUATION TO THE PRESIDENT AND DISCUSSING FURTHER STEPS WITH HIM. ENDS. 3. TEXT IN PARAGRAPH 2 ALSO PASSED TO U.S. EMBASSY.

PYM

[COPY SENT TO NO 10 DOWNING STREET]

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