155. Note From James M. Rentschler of the National Security Council Staff to the President's Assistant for National Security Affairs (Clark) and the President's Deputy Assistant for National Security Affairs (McFarlane)¹

Washington, April 20, 1982

SUBJ

Falklands, etc.

In addition to my airborne thoughts on where we now stand with the Falklands crisis (attached), you might want to review the talking points (Tab 1) which Tom Enders prepared for the Secretary's use when the latter briefs the President (perhaps today).² Tom, in his usual magisterial fashion, did not see fit to share these with his fellow delegates before they were done up in final. As they stand, I fear they suggest a far too leisurely, even laid-back U.S. posture given the impasse we face at this point in the intermediary process (I am not at all certain, for example, that Pym will want to fly over here,³ particularly at this delicate juncture in the evolution of events). Whether or not the Secretary follows these points (his instincts are pretty good, and he may take his own tack), I think a number of key questions must now be asked:

- —What are the criteria we are using to determine each party's bottom-line and how will we know when we have reached it?
- —Don't we need to put some clear (and preferably early) time limit on how long we are willing to continue this process, particularly if both sides maintain the rigidity they have so far displayed?

 $^{^1\,\}rm Source$: Reagan Library, NSC Political Affairs Directorate Files, Chron April 1982 (04/20/1982–04/22/1982). No classification marking.

² According to the President's Daily Diary, Reagan met with Haig, Clark, Baker, Meese, McFarlane, and Rentschler in the Oval Office to discuss the crisis from 11:40 a.m. to noon, April 20. (Reagan Library, President's Daily Diary) No memorandum of conversation of this meeting has been found. In his personal diary, Reagan noted: "Al H's report doesn't hold out much hope. The Junta is running the show in Argentina but the people when you get behind the phony rallies don't want war." (Reagan, *Diaries*, p. 125) Rentschler, in his diary, wrote of Haig's briefing that the Secretary "still sees a chance for the diplomatic route but concedes that the options have greatly narrowed and that the likelihood of imminent hostilities is very high." At Clark's request, Rentschler earlier had briefed Reagan on "all matters Falkland-side," as part of the President's 9:30 a.m. daily national security briefing. (Rentschler, "Falklands Diary," fo. 177) According to the Daily Diary, this briefing also attended by Clark, McFarlane, and Kemp, took place from 11:10 to 11:22 a.m. (Reagan Library, President's Daily Diary)

³ See footnote 4, Document 154.

—Is this exercise really doable now? Can we, in other words, meet each party's minimum requirements (withdrawal of forces and restoration of UK administration for the Brits, some understanding of eventual sovereignty over the islands for the Argies) and at the same time enable Thatcher to persuade her Parliament (and our own public) that we have not rewarded Argentine use of force?

Incidentally, Tom seems to be in some doubt concerning the location of both the Brit and Argie bottom lines; I am in no such uncertainty myself . . .

Jim Rentschler

Attachment

Memorandum From James M. Rentschler of the National Security Council Staff to the President's Assistant for National Security Affairs (Clark)⁴

Washington, April 20, 1982

SUBJECT

The Guns of April?—Where we now stand with Argentina, the UK, and Ourselves

The suspension of our peace shuttle and the likely imminence of armed conflict between the UK and Argentina require a very hard look at our next course. En route home from the dispiriting frustrations of Buenos Aires, I offer the following personal thoughts:

- —We promised both parties our best shot at assisting them to find a peaceful settlement; we gave them that shot—for the time being, at least, there is nothing more to give.
- —Implicit and explicit in our promise was the determination to practice even-handedness so long as the process continued; that stage has now ended.

Tilting toward either of the parties at this moment will undoubtedly damage our relations with the non-tiltee; yet tilting toward neither—i.e., attempting to prolong an appearance of "even-handedness" or even worse, passivity—could put larger US strategic interests at risk.

⁴ Secret; Sensitive. Sent through McFarlane, who did not initial the memorandum. Copies were sent to Fontaine and Blair. According to Rentschler's diary, he wrote a first draft of the memorandum on April 16 in Buenos Aires. (Rentschler, "Falklands Diary," fo. 168)

- —The greatest of all such risks may lie in the psychology of leadership: at what point does the US no longer appear "constructively concerned" but instead is perceived by the British and our own public as irresolute, ungrateful, and evasive?
- —The bilateral question for us thus boils down, in both policy terms and public perceptions, to pro-UK *or* pro-Argentina; the larger strategic question boils down to Pan-America vs. NATO.

There will be arguments that the choices set out above are, in reality, neither so stark nor simplistic, and that a US policy course which is both prudent and proper will aim to preserve the best of both worlds.

I believe such a course will prove illusory. It is a circle that cannot be squared; both sides of the conflict have too much invested in emotional, geopolitical, and historical capital to allow us a safe passage between them. More important, the moves we make—or fail to make—with respect to one or the other disputant will have a long-term ripple effect throughout our national security environment.

We need, therefore, to decide—on an extremely urgent basis—in which set of relationships (Hemispheric or Atlantic) we are prepared to sustain the most immediate (but perhaps less costly) casualties, recognizing that we cannot escape some significant damage in either case, and could well incur far worse.

This is properly the subject of an early NSC which would carefully weigh a detailed set of options and the consequences likely to flow from each. Meanwhile, in a spirit of total prejudice and partiality, I advance these views:

- —It is essential to back Britain, and for reasons which transcend the already compelling ties of history, language, and formal alliance.
- —Our strategic imperatives in the East-West context and the stakes we have in asserting the primacy of our Western leadership require it.
- —Enforcement and credibility of the UN system—particularly our strong backing for UNSC Resolution 502—justify it.
- —Moreover, our support for the UK must be seen as convincingly generous and resolute (this means something far beyond rhetoric in both the military supply and economic sanctions areas).
- —Failure to back our most important and forthcoming ally at this critical juncture—to reenact, in effect, a 1980s version of Suez or Skybolt—will have a profoundly adverse effect on an already shaky alliance and at a time when we can least afford such turbulence (we must understand that an Anglo-Argentine war will be bad for NATO and our own East-West interests, but that this unhappy state of affairs will be infinitely worse should we alienate Britain into the bargain).

To the positive factors which dictate a pro-British tilt, I would add a number of negative observations based on our direct and highly unpleasant experience with the Argentines over the past few days (in connection with which I invite the views of Roger Fontaine, who is a far better informed student of the gaucho psyche than I):

- —The talks in Buenos Aires demonstrated, more than anything else, the emptiness of our bilateral "Relationship" with the Argies. (Ambassador Shlaudeman voiced this same view, heartily seconded by every one of us who had to deal with them);
- —Even if we achieved a responsible agreement with the Argentines on a politically workable text, there is no assurance that the present junta—quite possibly an ephemeral expression of leadership—could or would deliver;
- —None of us ever had the certainty that the Argentine side was negotiating in good faith; indeed, the evidence indicated that we were being strung along (a risk we recognized and were willing to take in the larger interests of averting bloodshed);
- —We were deliberately treated to a series of petty but cumulatively significant, not to say contemptuous, derogatives from simple courtesy (manipulated crowd boos, squalid "holding" conditions for delegation members in the Presidential Palace, excessive rudeness on the part of Security and administrative personnel) which called into further question the seriousness and good faith of Argentine negotiating tactics;
- —On the larger question of what the South Atlantic crisis will do to the inter-American "system" I favor a fatalistic stance, believing as I do that those who are minded to back us would likely do so in any event, while traditional anti-gringo sentiment would line up a number of states against us no matter what role we played in the peace process (again, however, I would defer to Roger Fontaine).

The Argentines with whom we dealt were not, in sum, nice people; in this sense Mrs. Thatcher and her colleagues may from the start have read Argentine intentions and operating style more accurately than we. That fact simply reinforces my view that the time of even-handedness, indispensable during a period when we were actively engaged in a peace-shuttling effort, may now be past. We must not lose sight of the assertions with which the President addressed his very first message to Mrs. Thatcher in this crisis: "I told Galtieri that initiating military action against the Falkland Islands would seriously compromise relations between the United States and Argentina" and "while we have a policy of neutrality on the sovereignty issue, we would not be neutral on the issue of Argentine use of force."

⁵ See Document 42.

Just so. Secretary Haig has undertaken a gallant and gruelling marathon effort to make the Argentines see reason, an effort which I for one strongly supported. But the Argentines have not yet seen reason, and frankly I don't think they ever will—they may, indeed, be incapable of reasonable compromise in the sense that we understand that concept.

Assuming that a miracle rabbit or two will not pop out of our hat (Pym visit to the U.S., etc.), all of this argues for the earliest possible expression of support for the Brits in ways that are politically unambiguous for them. Unless such practical expression is soon forthcoming—and absent the kind of Argentine give which now seems unlikely—I can't imagine that the President would have a comfortable stay in Windsor Castle come early June.

Tab 1

Briefing Memorandum From the Assistant Secretary of State for Inter-American Affairs (Enders) to Secretary of State Haig⁶

Washington, undated

SUBJECT

Your meeting with the President, April 20

CHECKLIST

- Argentine position both very tough and very hard to establish. Some 50 military, including corps commanders, involved in decision making. Military kept jerking diplomats back. Believe I have got as close to Argentine bottom line as is possible this week.
 - What we got:
- —arrangements or language tilting towards Argentina on the two main questions (future negotiations and local administration), but
- —a British veto on both so that London could control the pace of future change.
- As expected, London can't and won't go that far, and we shouldn't in any way push them at this point. As you saw, my message to Pym was neutral.⁷
 - Now comes the delicate part of the problem.

⁶ Secret; Sensitive.

⁷ See Document 154.

- —military pressures are rising (Britain may debark on South Georgia tomorrow);
 - —British will step up pressure on us to back them openly;
- —Argentina will start Rio Treaty gambit and try (probably successfully) to get wide Latin support for its position (we doubt that Argentina will try for sanctions under the Rio Treaty now—or that it could get them).
- We need to identify the British bottom line, just as we are close to Argentina's. That is the reason for asking Pym to come over this week.
- Meanwhile, suggest we keep to a neutral press line: we've been identifying respective positions but not characterizing.
- This game is excruciatingly difficult and may well be impossible to win. But every time I recalculate the cost to us of war in the South Atlantic, I cannot avoid concluding that we would be a major loser, on both continents.