

167. Memorandum From Dennis C. Blair, Roger W. Fontaine, and James M. Rentschler of the National Security Council Staff to the President's Assistant for National Security Affairs (Clark)<sup>1</sup>

Washington, April 23, 1982

SUBJECT

Falklands

Here is the view of your NSC "Falklands Task Force" on the likely course of future events, the questions that will face the President next week, and the objectives our policy should pursue.

*Assumptions*

—That Pym's counteroffer to the Argentines will not be acceptable to them, and the present phase of U.S. honest-broker efforts will therefore end by the middle of next week;

—That the U.K. task force will blockade the Falklands at the end of next week, and probably also reoccupy the South Georgias, causing casualties on both sides;

—Alternatively, that the U.K. fleet may try to deal a quick and significant "bloody nose" to the Argentines, withdraw the fleet (with intention of returning when seasons change), and in meantime intensify economic measures;

—That Argentina will bring the issue to the OAS next week, seeking the invocation of the Rio treaty against the U.K.

—That a longer-term period of military inconclusiveness will ensue.

*U.S. Policy Decisions Next Week*

—Whether Haig (or some other high-level U.S. officer) should return to B.A. next week bearing an ultimatum (accept U.K. compromise language or bear onus for breakoff of negotiations, with U.S. ending "evenhandedness");

—Whether or not we join the British-initiated, EC-supported economic sanctions against Argentina (we believe we should);

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<sup>1</sup> Source: Reagan Library, Dennis Blair Files, Country File, Falklands (April 1982). Secret. Sent for information. A stamped notation in the top right-hand corner of the memorandum indicates that Clark saw it. Clark circled the stamped notation and the typewritten date on the memorandum, drew a line between the circles, and wrote: "Timely, timely—."

—Whether and to what extent we advance other overt support to U.K. (logistical, supply, intelligence, diplomatic, etc.);

—The public stance we take (we believe we need to come down clearly on the U.K. side, on the basis of U.N. resolution 502, but more in sorrow than in anger);

—How we vote in the OAS (this would depend to a certain extent on how the votes were lining up, but we should probably vote against the resolution).

*U.S. Policy Initiatives to Start Next Week*

—In the event that we are out of the mediation business, we should push others forward—Brazil seems the best candidate, or perhaps some larger combination of Latin American countries;

—We need to work hard on other Latin American countries supporting Argentina to try to hold onto our common interests in other areas, particularly Central America.

We would welcome a chance to discuss this business further with you, perhaps on the heels of Pym's visit (particularly if he meets with the President).