

201. Action Memorandum From the Assistant Secretary of State for Inter-American Affairs (Enders) to Secretary of State Haig¹

Washington, May 1, 1982

SUBJECT

Next Steps in Negotiation

1. *Alternative Paths*

There are several immediately available.

—*UN good offices*, including appointment of a mediator (which Perez de Cuellar has now offered);²

—*A joint US-Latin American effort* (Belaunde's suggestion that Perez act for Argentina and the U.S. for Britain)³ won't do as such,—it increases our alienation from the Latins⁴—but *might work if both the U.S. and Peru acted together* as a joint go-between; note that the possibility of military intervention by Peru could offset Lima's acceptability in London);

¹ Source: Department of State, Executive Secretariat, S/S Special Handling Restrictions Memos 1979–1983, Lot 96D262, ES Sensitive May 1–5 1982. Secret; Sensitive.

² In telegram 118553 to all diplomatic and consular posts, May 1, the Department reported that a UN spokesman stated on April 30 that Pérez de Cuéllar had offered his "good offices" to the Argentines and British in order to resolve the conflict. (Department of State, Central Foreign Policy File, D820229–0299) In telegram 149840 to USUN, May 2, Haig observed to Kirkpatrick: "Clearly over the next few days we will face the probability of renewed efforts in the Security Council to help resolve the crisis in the Falklands." As a result, Haig continued, he had instructed the Acting Secretary "to be in close touch" with Kirkpatrick "so that we can be prepared to react appropriately to specific language and developments." He added, "our previous instructions and the basic principles of our position remain valid. Our aim is to uphold the principles of Resolution 502: cessation of hostilities, withdrawal of Argentine forces, and a diplomatic solution between the two sides." (Department of State, Central Foreign Policy File, D820286–0326)

³ Not further identified.

⁴ The Government of Peru had also protested the shift in U.S. policy announced on April 30. Arias Stella responded to Haig's April 30 message sent to all Latin American governments (see Document 196) with a May 1 message to the Secretary of State, which reads in part: "The Government of Peru deplors the fact that the Government of the United States has adopted measures that clearly place it in favor of one of the involved parties and that, in effect, virtually concludes Your Excellency's exercise of good offices. Furthermore, my government considers the offer made by the Government of the United States to offer material military aid to one of the parties as contravening the purposes of Resolution 502 of the Security Council of the United Nations by potentially contributing to the aggravation of the hostilities." (Telegram 4460 from Lima, May 1; Reagan Library, Executive Secretariat, NSC Cable File, Falkland File 05/01/1982)

—A *joint US-Latin American-European effort* (purpose here would be to bring greater pressure on Thatcher to compromise; the Germans and Italians are already getting restive; we could bring those pressures directly to the negotiating table);

—A *four member version of the preceding* (two Latins, plus U.S. and one European, to overcome Argentinian perception of a pro-British tilt in the tripartite formula);

—*Renewal of the U.S. solo* (this is *not* incredible, despite our tilt; the Argentine response has been measured—so far; however maybe we need more leverage on *both* Britain and Argentina).

We need to get Brazil involved, to build pressure on Argentina: The tripartite formula, say with Germany, Brazil and the U.S., and convening in Washington under our chairmanship, would give us the best continuing forum. But it may not be acceptable to Argentina and have to deal with the UN somehow. Also, we must include the Spanish speakers. Perhaps our *best formula is the U.S., Germany, Brazil, Peru, meeting in New York as a Contact Group.*

2. *Timing and Procedure*

Action should be immediate, because otherwise some other formula—Perez de Cuellar or the OAS—will press forward.

Thus the *first step* would be for the *British to pass up the UN offer*, agreeing to thinking about it but remaining non-committal.

The delicate question is *who should propose the formula*. Probably there is *no alternative to our doing it, but there is a risk of a turndown*. One danger is that the Argentines insist on having Perez de Cuellar as the leader of the effort. We can guard against that by including Peru in our original proposal.

3. *Substance*

Logical point of departure would be our last proposal, which now becomes negotiable. It is a flexible matrix and can be reweighted and complicated as necessary to achieve a result.

We should, however, *be prepared to switch to the short five point form, when both parties to the conflict have become desperate enough*. Shlaudeman cables me now (see attached) that we might give it a try even in the immediate future.⁵ I would await a clash of British and Argentine forces before doing so.

⁵ Attached but not printed is a May 1 backchannel message from Shlaudeman to Enders, in which the former stated that the Junta's communiqué in response to Haig's April 30 statement "was surprisingly soft and notable for its gentle treatment of the U.S.," which suggested to Shlaudeman "that I may have been wrong in my reaction to your idea of a partial solution through mutual withdrawal, a third party presence, etc. I think Galtieri at least still sees us as pulling him out of the hole. In the circumstances perhaps we should try him out on the outcome you suggested." (Backchannel message 976 from Buenos Aires, May 1; *ibid.*)

There remains the question of *how to give the right tilt to the negotiation paragraph* to attract both Argentina and Britain to the short five point form. Here is *one possibility, which tilts slightly toward Argentina*.

Quote:

The two governments acknowledge the existence of conflicting claims to the sovereignty to the islands. They also acknowledge conflicting views as to the role the wishes of the inhabitants should play in a settlement. The purpose of the negotiations will be to reach a definitive disposition of the sovereignty question within a framework of guarantees of the rights of the inhabitants. Negotiations will be conducted with the assistance of the Contact Group and shall conclude no later than April 30, 1983. *Unquote.*

Recommendation:

That you authorize us to proceed along the lines outlined above.⁶

⁶ Haig neither approved nor disapproved the recommendation.