

WONFO65/13
WONNY096/13

RRRRZZ UKMIS NEW YORK

RRRRZZ FCO

GRS 1000

SECRET

FM WASHINGTON 132304Z MAY 82
TO FLASH FCO
TELEGRAM NUMBER 1745 OF 13 MAY

INFO FLASH UKMIS NEW YORK

FALKLANDS

1. I SAW JUDGE CLARK AT THE WHITE HOUSE TODAY AFTER THE PRESIDENT'S TALK WITH THE PRIME MINISTER. HAIG HAD TELEPHONED ME EARLIER FROM ANKARA ASKING ME TO TRY TO SEE CLARK BEFORE THE TELEPHONE CONVERSATION BUT THIS HAD NOT PROVED POSSIBLE. HAIG WAS AFRAID THAT THE PRESIDENT HAD BEEN GIVEN A GARBLED ACCOUNT OF WHERE THE TROUBLE LAY IN THE NEGOTIATIONS IN NEW YORK AND HAD NOT BEEN TOLD THAT THERE WERE SEVERAL DIFFICULTIES NOT JUST ONE RELATING TO SOVEREIGNTY.

2. CLARK TOLD ME THAT THE PRESIDENT HAD BEEN PROMPTED TO TELEPHONE THE PRIME MINISTER FOR TWO REASONS. THE FIRST AROSE FROM CONVERSATIONS HE HAD JUST HAD WITH THE BRAZILIAN PRESIDENT. THE LATTER HAD EXPRESSED GREAT CONCERN ABOUT THE FALKLANDS ISSUE AND A READINESS TO DO WHATEVER HE COULD TO HELP BRING ABOUT A PEACEFUL SETTLEMENT. CLARK REGARDED HIM AS A MODERATE MAN AND BELIEVED THAT HE COULD BE USEFUL. THE BRAZILIAN PRESIDENT HAD DECIDED TO SEND A SPECIAL EMISSARY TO BUENOS AIRES, HIS CHIEF

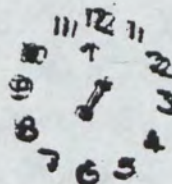
ER

XXX (10)

2356

12 MAY 1982

XX



THE BRAZILIAN PRESIDENT HAD BEEN PARTICULARLY CONCERNED ABOUT IN HIS TALK WITH PRESIDENT REAGAN WAS THE PROSPECT THAT THE BRITISH MIGHT BE ABOUT TO UNDERTAKE MILITARY OPERATIONS AGAINST ARGENTINA ON THE SOUTH AMERICAN MAINLAND. CLARK SPOKE OF FIVE AIR BASES WHERE THE ARGENTINIANS MAINTAINED PLANES. CLARK SAID THAT IT WAS THE BRAZILIAN PRESIDENT'S OPINION, TO WHICH EVIDENTLY PRESIDENT REAGAN HAD PAID HEED, THAT A BRITISH ATTACK ON ARGENTINA WOULD HAVE FAR-REACHING REPERCUSSIONS AND ENGAGE THE WHOLE LATIN AMERICAN CONTINENT.

3. CLARK SAID THAT THE SECOND IMPULSE BEHIND PRESIDENT REAGAN'S TELEPHONE CALL TO THE PRIME MINISTER WAS THE REPORT THAT HE HAD RECEIVED FROM MRS KIRKPATRICK ABOUT THE NEGOTIATIONS IN NEW YORK. ACCORDING TO THIS ACCOUNT, THE ARGENTINIANS HAD BEEN EXTREMELY FORTHCOMING AND HAD CHANGED THEIR STANCE ON SOVEREIGNTY. AS THIS WAS THE MAIN STUMBLING BLOCK CLARK GAVE THE IMPRESSION THAT THE WHITE HOUSE HAD BEEN LED TO THINK, PRESUMABLY BY MRS KIRKPATRICK, THAT IT SIMPLY REQUIRED A SIMILAR MOVE ON THE PART OF THE BRITISH AND THE WAY WOULD BE OPEN FOR THE CONCLUSION OF AN AGREEMENT. CLARK SAID THAT HE HAD NOT RECEIVED A RUN-DOWN OF THE TELEPHONE CONVERSATION BETWEEN THE PRESIDENT AND THE PRIME MINISTER SO DID NOT KNOW WHAT HAD TRANSPIRED, BUT HIS IMPRESSION WAS THAT THE TALK HAD GONE WELL.

4. I SAID THAT I HAD NOT HAD AN ACCOUNT EITHER, BUT I WANTED TO FILL CLARK IN, SO THAT HE COULD INFORM THE PRESIDENT, ABOUT THE VARIOUS DIFFICULT ISSUES INVOLVED. IT WAS NOT A SIMPLE MATTER OF SOVEREIGNTY. PERHAPS THE ARGENTINIANS HAD BEEN PREPARED TO MAKE A MOVE ON SOVEREIGNTY, THOUGH THEIR PUBLIC STATEMENTS LEFT DOUBT ABOUT THIS. BUT WHAT THEY GAVE AWAY ON SOVEREIGNTY THEY TOOK BACK IN THEIR NEGOTIATING STANCE ON INTERIM ARRANGEMENTS. IF THEY WERE PREPARED NO LONGER TO INSIST ON PRE-JUDGING THE ULTIMATE TRANSFER OF SOVEREIGNTY THIS WAS BECAUSE THEY WERE TRYING TO ENSURE THE ESTABLISHMENT OF AN INTERIM ADMINISTRATION ON THE ISLAND, COUPLED WITH PROVISIONS FOR THE ENTRY OF ARGENTINE PEOPLE AND THE ACQUISITION OF PROPERTY, THAT WOULD ENSURE WITHIN A SHORT MATTER OF TIME THAT A MAJORITY OF THOSE ON THE ISLAND, BEHOLDEN AS THEY WOULD BE TO ARGENTINA, WOULD BE IN

INTOLERABLE IF AFTER ALL THE EFFORT AND SACRIFICE INVOLVED IN REDRESSING THE ARGENTINIAN INVASION OF THE FALKLAND ISLANDS, WE WERE TO BE FACED WITHIN A MATTER OF MONTHS WITH A DE FACTO REOCCUPATION THROUGH ADMINISTRATIVE MEANS.

5. BUT APART FROM THIS PROBLEM OF THE INTERIM ADMINISTRATION, THERE WERE OTHER DIFFICULTIES, AS I EXPLAINED TO CLARK. THERE WAS THE ISSUE OF WHAT WOULD HAPPEN IF A FINAL AGREEMENT HAD NOT BEEN REACHED BY THE STATED DATE OF 31 DECEMBER 1982. WE COULD NOT GET INTO A POSITION IN WHICH A SOVIET VETO IN THE SECURITY COUNCIL COULD PREVENT THE CONTINUATION OF THE INTERIM UN ADMINISTRATION. THERE WAS ALSO THE PROBLEM OF SOUTH GEORGIA ETC, ABOUT WHICH CLARK INTERJECTED THAT HE UNDERSTOOD THAT THE ARGENTINIANS HAD NO JUSTIFIABLE CLAIM TO THOSE TERRITORIES.

6. I ASKED CLARK WHAT HIS IMPRESSION WAS OF THE PRESENT MOOD IN BUENOS AIRES. DID HE THINK THAT THE JUNTA WANTED A SETTLEMENT OR DID HE BELIEVE THAT THEY WERE SIMPLY PLAYING FOR TIME IN THE BELIEF THAT SOMETHING WOULD TURN UP AND THAT THE BRITISH WOULD HAVE DIFFICULTY IN INVADING THE ISLANDS ? I EMPHASISED TO CLARK THE EXTREME TIME PRESSURE INVOLVED, OF WHICH THE ARGENTINIANS DID NOT SEEM TO BE AWARE.

7. CLARK SAID THAT HE DID NOT REALLY KNOW WHAT WAS HAPPENING IN BUENOS AIRES. HE DID NOT THINK THAT WALTERS WOULD GET ANYWHERE IN HIS MISSION. HIS IMPRESSION WAS THAT GALTIERI WANTED A SETTLEMENT BUT DID NOT HAVE THE AUTHORITY TO SECURE ONE. ADMIRAL ANAYA WAS THE MAIN STUMBLING BLOCK. CLARK SAID THAT HE RECOGNISED THE GRAVITY OF THE PROBLEM. HOSTILITIES COULD WELL BE SEVERE AND PROLONGED. THE DEEPER THE MILITARY INVOLVEMENT THE MORE DIFFICULT WOULD IT BE TO BRING IT TO AN END.

8. CLARK SAID THAT HE WAS SURE THAT THE PRESIDENT WOULD BE READY TO LISTEN TO ANY SUGGESTIONS WE MIGHT MAKE FOR HELP HE COULD GIVE IN BRINGING ABOUT A SETTLEMENT. I SAID THAT I WOULD REFER THIS OFFER TO LONDON AND LET HIM KNOW WHAT SUGGESTIONS THEY MIGHT HAVE.

9. PLEASE SEE MIFT

HENDERSON