

260. Telegram From the Defense Intelligence Agency to [*text not declassified*]<sup>1</sup>

Washington, May 14, 1982, 0300Z

Subj: DIA Defense Intelligence Notice (DIN) (U).

US-Latin America: Impact of the Falklands Crisis. (U)

1. (S/Noform) Early signs suggest the Falklands crisis will have negative repercussions on the inter-American system, but bilateral relations with the US will ultimately be driven by each nation's perceived self-interest. Only the multilateral system will be critically affected, although it will probably survive.

2. (S/Noform) In Costa Rica, Former President Carazo reacted to US support of the UK in the crisis by calling for relocation of the Organization of American States (OAS) headquarters out of Washington. In Venezuela, where the reaction against US support for the UK has been particularly strong, various officials have called for action to reconfigure the OAS into a strictly Latin American body excluding the US. As a more immediate demonstration of official displeasure, the Venezuelan Government canceled a scheduled visit by the USS "Peterson" to Puerto Cabello from 17 to 21 May, giving "political reasons" as the excuse. Venezuela has also announced its decision not to participate in this year's US-South American combined naval exercise UNITAS XXIII.<sup>2</sup> While only Venezuela has officially withdrawn so far,

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<sup>1</sup> Source: Washington National Records Center, OSD Files, FRC 330-87-0067, Falkland Islands April 1982. Secret; Noform.

<sup>2</sup> See footnote 2, Document 65. In a May 11 memorandum for the record, Forster reported a conversation he had with Robayo and Gilly regarding the rumored Venezuelan abstention from UNITAS XXIII. The Venezuelans also elaborated on their government's attitude toward U.S. South Atlantic policy: "The thrust of the message was that all South American nations were grieved over the US's support of the UK in the Falkland issue. USA's sudden and inexplicable shift from a position of neutrality to pro-British had dealt a fatal blow to the Inter-American System. South America would now have to look elsewhere for leadership." (Washington National Records Center, OSD Files, FRC 330-84-0003, Argentina (Jan-15 May) 1982)

Argentina, Brazil, Chile, and others may well follow suit, threatening cancellation of the entire operation.

3. (S/Noform) Many of the more strident public statements and symbolic diplomatic reactions can be attributed to the high degree of emotionalism surrounding the crisis and a pervasive Latin American feeling of abandonment by the US. With time, these emotions will subside and tensions lessen as more pragmatic concerns come to the fore. In this context, each nation's perceived self-interest and reliance on assistance from the US will weigh heavily in forming policies and actions regarding Washington. Thus, except for the nations most immediately affected by Washington's backing of the UK, bilateral relations are not likely to be severed unless the US commits itself to active military involvement on the side of the British.

4. (S/Noform) The long-term impact of the present crisis will be felt most in the multilateral arena. The inter-American system—structured around the OAS, the Rio Treaty, and a web of mutual agreements—has been in a weakened condition for years. US actions in the present crisis will weaken the system further. But its total disappearance is not yet likely. The OAS serves a useful purpose, if only as a common forum for exchanging views, airing problems, and seeking relief from a multitude of pressures. Thus, it is likely to survive, although it may well be reconfigured. The US role within the organization will probably be further eroded, as will US influence. On the other hand, the tendency of Latin American nations to pressure in unison for concessions from the US will clearly be strengthened. Any significant additional crisis could well weaken the system beyond its ability to sustain itself.

5. (S/Noform) Regarding the Rio Treaty, the nations in the Hemisphere have grown more realistic over the years. They realize their own dependence on the US security umbrella, and until they find a better substitute, they will continue to depend on US protection in the nuclear age. The Rio Treaty will retain some function and will be called on by signatories in crises where it is perceived helpful. But other associations and bodies will also be asked to participate, and the Rio Treaty role is not likely to be exclusive.

6. (S/Noform) To some extent, repercussions of the present crisis are a hemispheric coming of age. Reliance on the old systems for all solutions is no longer seen as practicable, and of necessity. Each nation will seek its own friends in international affairs.