TOP SECRET 1/FCO 001/17 ADVANCE COPY OO F C O DESKBY 170600Z IMMEDIATE DESKBY 17Ø3ØØZ OO WASHINGTON OO UKMIS NEW YORK DESKBY 170300Z 1 PS/PUS (Coylle 1 73) GRS 180 (Boy 1620+3) DEDIP TOP SECRET DESKBY WASHINGTON UKMIS NEW YORK 170300Z DESKBY FCO 170600Z FM LUXEMBOURG 170102Z MAY 82 TO IMMEDIATE F C O TELEGRAM NUMBER 126 OF 17 MAY INFO IMMEDIATE WASHINGTON UKMIS NEW YORK (PERSONAL FOR AMBASSADOR/ MINISTER). PERSONAL FROM PRIVATE SECRETARY FOR PUS AND PRIVATE SECRETARY. FALKLAND ISLANDS: SECRETARY OF STATE'S MEETING WITH HAIG. MIPT: MILITARY MATTERS. 1. HAIG SEEMED MORE CONFIDENT THAN IN EARLIER MEETINGS OF OUR ABILITY TO DO THE JOB MILITARILY, AND ASSUMED THAT WE WOULD NOT BE ABLE TO WAIT MUCH LONGER. HE ARGUED STRONGLY AGAINST ACTION AGAINST THE MAINLAND, BUT SEEMED OTHERWISE UNDISTURBED ABOUT THE MILITARY PROSPECTS (DESPITE HIS APPARENT WISH TO SEE GALTIERI FALL AFTER A SETTLEMENT RATHER THAN A MILITARY HUMILIATION: SEE MIPT PARA 6). 2. THE SECRETARY OF STATE WARNED HAIG OF THE POSSIBLE NEED TO SHOOT DOWN AN ARGENTINE 707 WHICH WAS BEING USED FOR SURVEILLANCE. HAIG SEEMED RELAXED, AND WONDERED ALOUD WHETHER WE HAD THE RIGHT KIND OF LONG RANGE SURFACE TO AIR MISSILES. 3. HAIG SAID THE AMERICANS HAD FOUND THE OTHER US-BUILT ARGENTINE SUBMARINE. IT WAS IN TROUBLE AND UNABLE TO SUBMERGE. THOMAS NNNN TOP SECRET