304. Memorandum From Secretary of State Haig to President Reagan¹

Washington, May 27, 1982

SUBJECT

Falkland Islands Dispute

There have been several developments this morning which you should know about. I attended the opening of the OAS meeting which featured a vicious anti-American speech by Argentine Foreign Minister Costa Mendez.² He was relentless and vitriolic in his attack. The Panamanian and Nicaraguan Ambassadors led most of the OAS members in a standing ovation.

As you know, we have been coordinating with the British on how to handle the UNSYG's diplomatic efforts. The Secretary General has asked both parties to give him their conditions for a ceasefire by this evening. We have just received the British reply, which is clearly an attempt to buy additional time (for the OAS meeting to pass unaffected). But the reply also indicates that the British have begun to reassess their position on the long-term arrangements for the Islands in response to my prodding them (per your authorization) in this direction. The last paragraph of their reply to the SYG suggests that they would be willing to accept international security arrangements on the Islands, provided

¹ Source: Department of State, Executive Secretariat, S/S Special Handling Restrictions Memos 1979–1983, Lot 96D262, ES Sensitive May 25–31 1982. Secret; Sensitive. Drafted by Bremer; cleared by Eagleburger. A typewritten notation at the top of the memorandum reads: "LDX'd to Mr. McFarlane 1540 hours, 5/27."

² Haig also addressed the OAS Foreign Ministers. For the text of his speech, see the Department of State *Bulletin*, July 1982, pp. 87–90.

such arrangements involved the participation of the United States (reply attached).³ This is a reference to our offer to provide a battalion to a peacekeeping force. (I have alerted Cap to begin thinking about this contingency.)

The British apparently now hope to be able to clean up Port Stanley in the next three or four days. Hopefully then they will be willing to put forward some constructive ideas for longer-term arrangements. Without some eventual British flexibility we will find the Argentines and other Latins increasingly embittered, with corresponding opportunities for Cuban and Soviet mischief. In such circumstances, British forces on the Island would be hostage to future Argentine attacks. Thus the fact that the British are willing to consider alternative long-term security arrangements on the Islands is significant for our interests in the hemisphere.

It is clear that we are not yet at the point where you should weigh in with Mrs. Thatcher but that point may be coming soon.

³ Attached but not printed is a copy of the May 27 message from Pym to Pérez de Cuéllar.