## **122.** Memorandum of Conversation<sup>1</sup>

Caracas, April 15, 1982

PARTICIPANTS

US Secretary Haig Ambassador Walters Ambassador Enders Ambassador Luers Venezuela Foreign Minister Zambrano Interpreter

After an initial exchange of amenities re photographers which Secretary Haig described as one of the hazards of democracy, FM Zambrano thanked the Secretary for stopping in Caracas.

Secretary Haig then said he believed it would be helpful for him to give FM Zambrano a picture of the situation relating to the Falkland Islands. The Secretary had spoken to President Reagan last night, who had asked him to convey his highest esteem and regards to President Herrera Campins. The President recalled with great pleasure his discussions in Washington with President Herrera Campins. President Reagan had also expressed the hope that Secretary Haig could meet with FM Zambrano during his stop in Caracas. Secretary Haig said that with this difficult situation in the South Atlantic we would welcome their advice as we continue our efforts to find a peaceful solution.

First, the US has supported the UN Resolution 502 which has two primary operative paragraphs, withdrawal and a political solution; but the resolution did not imply a return to the status quo ante. Therefore, we are making an effort to maintain a balanced position recognizing that the situation was not balanced at the outset. We have longstanding,

<sup>&</sup>lt;sup>1</sup> Source: Department of State, Executive Secretariat, Files of Alexander M. Haig, Jr., 1981–1982, Lot 82D370, (2) Falklands Crisis—1982. Secret; Sensitive. The meeting took place at Marqueta Airport, where the airplane transporting Haig and his party to Buenos Aires stopped for refueling.

highly intimate relations with Great Britain and when we say balanced position we mean that we do not go beyond our traditional relationship. The Secretary said he was trying to walk a narrow path. Basic problems reside in three areas.

First, the manner in which the forces would be withdrawn. This will be manageable. It was clear during the visit in Britain that the UK insists that all Argentine forces must be withdrawn before they would recall or even stop the fleet. Clearly Argentina expects greater simultaneity. This we think we can achieve.

The second range of problems involves the immediate situation we will have in the islands following withdrawal. Here the British position is hard. They are insisting, as a matter of principle, on the return to the status quo ante on the grounds that the application of force to change the status quo ante cannot be accepted. In Buenos Aires, not only as a matter of principle, but we believe in order to survive politically, they are insisting on the retention of the Governor of the islands and the maintenance of the Argentine flag. Here we have developed some possible solutions but the flexibility that the Argentines can demonstrate in this area is intimately dependent on the third range of problems.

The ultimate disposition of the islands. Here we have great differences. On one hand the UK insists that sovereignty is not in question. The UK focus is not on sovereignty but on self-determination and the will of the inhabitants. Argentina conversely insists that historically the islands have been Argentine and, secondly, they are confident that the rules and regulations that have governed the islands make it impossible for self-determination to manifest itself except in the direction of continued allegiance to the United Kingdom. There is much truth in that argument. What we are trying to do is solve the three problems.

The first is easiest but tension-laden.

The second is easier for the UK than for the Argentines.

The third is an area of more concern to Great Britain and will lead to ultimate realization of an outcome that may already be evolving in a legal sense.

We have just now received the first serious proposals from the Argentines. The Secretary does not believe that these proposals can be accepted in London. We are awaiting London's ideas this morning. They will focus on sovereignty but will not use the word. Nevertheless, the process must lead to the ultimate solution.

It is our great concern as we try to solve this problem that it not become a North-South issue nor an East-West issue. There is great danger that both may happen if we do not get a solution. It has been a very frustrating process. Some progress has been made on important questions, but there is still a long way to go. FM Zambrano said he was very grateful that the Secretary had chosen to pass through Caracas on a refueling stop on his trip but the Venezuelans very much hope to receive him on another occasion, not as a refueling stop, but on a visit to their country.

President Herrera Campins had charged FM Zambrano expressly to ask Secretary Haig to convey to President Reagan the happy memories he retains from his visit to Washington and the friendship he shares with the President of the United States. The Venezuelan President asked the Minister of the Presidency also to accompany the Foreign Minister to his meeting with the Secretary, but at the last minute he had not felt well and was unable to come. President Herrera Campins is very conscious of the importance of the Secretary's mission and expressed his wishes for a happy outcome.

For the Venezuelans the matter has some special aspects the FM would like to transmit to the Secretary, so he could understand their approach to this matter. Venezuela has a territorial claim, analogous to that of Argentina's, resulting from the British occupation in the last century of a vast expanse of territory belonging to Venezuela. The US presence in the last century has been of special assistance in leading Venezuela to seek a judicial solution through the International Court of Justice. The Court's award had many shortcomings into which he would not go. On the eve of Guyana's independence the Venezuelans recognized the situation and signed a treaty in Geneva in which judicial means would be applied to a political situation. This was the fundamental difference between the Venezuelan claims and the Argentine claim. Argentina is now in the phase in which Venezuela found itself prior to the 1899 award. Venezuela's claim was advanced under the treaty and they were convinced that if good faith was shown under the Geneva agreement with the UK and Guyana they would achieve a fair solution; but it will not be as clear to public opinion as it is to government officials who are familiar with the details. Public opinion could be easily aroused to demand that Venezuela follow the Argentine example. Yesterday's evening paper had even demanded this in an 8 column headline. He mentioned this to describe how Venezuela public opinion is very sensitive. The Venezuelan government will have to be very careful to avoid negative results. Another element of an emotional nature is the fact that at the turn of the century the UK, Italy, and Germany blockaded Venezuelan ports in order to collect debts in arrears. The Argentine FM Luis Drago formulated the Drago doctrine that force should not be used to collect unpaid debts and to deny the right to blockade for this purpose. This contributes to an emotional public opinion and would require a certain caution.

On the other hand the Venezuelans noted with some concern that the small islands of the Caribbean, which have sentimental ties to Great Britain, support the British despite Venezuela's strenuous efforts to incorporate them into the hemisphere. This attitude is working against Venezuelan efforts to develop a good relationship with those countries. For all of these reasons the Venezuelans attach special value to the immense work the Secretary of State was doing.

It is important to prevent a disastrous confrontation which would complicate the North-South and East-West tensions. For this reason when he received the Secretary's kind invitation yesterday and the final paragraph referred to the importance of not invoking the Treaty of Rio so as to give you time to work on this matter he accepted the wise suggestion. A resolution by the OAS could be meaningless and would lead to criticism. We should not jeopardize the unity of the hemisphere. A different solution could blow the organization apart and lead to resentments we should seek to avoid. Nevertheless, he felt that we should not let too much time go by before a meeting of the organization. It is important for the system that it should function so that if circumstances demand it we will have a body that can act.

Secretary Haig said that what Mr. Zambrano said is very important. Yesterday in a talk with Argentine FM Costa Mendez<sup>2</sup> the Secretary suggested to him that we must delay calling on the OAS or invoking the Rio Treaty while we are deliberating, certainly for the next 72 hours, now that we are involved in serious negotiations. As the FM knew the US has not joined the European 10 on economic sanctions<sup>3</sup> and this had created some resentment in Great Britain. We have resisted such pressure but if the Treaty of Rio is invoked we will be faced with exactly the opposite situation. We will have a split between the Englishspeaking peoples and the Spanish-speaking peoples. In the event of a clash, US public opinion will inevitably push US policy towards Britain. This was a matter of great urgency and he is pleased that Costa Mendez understands this. He believes that Argentina will not act until the completion of our next round of talks and we hope our friends would "cool it" for now. Whether we have to change that attitude depends on success or failure. He would be very prudent and try and handle this in a sensible way but there were many contradictions in this situation.

FM Zambrano said that it could involve all of us. Secretary Haig said that we are very sensitive to this and that is why we feel obliged to keep the Venezuelans fully informed as our talks proceed. In that way they will be better able to manage the internal pressures. Frankly right now he had no good news to offer.

<sup>&</sup>lt;sup>2</sup> See Document 117.

<sup>&</sup>lt;sup>3</sup> See footnote 2, Document 98.

FM Zambrano said that really the solution lay in the three orders of problems. In the UN Panama had presented an appeal to repeal Resolution 502. The UK fleet is continuing to sail south. The Argentine wish for the fleet to stop is difficult but conceivable. In the second order of problems we must find a formula to control the UK and the Argentine pressure, to maintain both flags. It will be difficult but it should be possible. There is a very limited space to negotiate these problems. Evidently national pride and the survival of the governments of both countries is at stake. Yesterday in Caracas an Argentine Christian Democrat Jose Antonio Allende told how the issue has rallied political support for Galtieri so that, if he is unable to secure a favorable result for Argentina, Galtieri's government will fall. In the UK the situation is similar. If the British fleet returns with no results, people will not understand and the British government will fall.

Ambassador Enders said that Argentina would not accept recourse to the International Court of Justice. The British wanted it but this is unacceptable to Argentina.

FM Zambrano said that Venezuela has similar concerns but they would have many reservations about a recourse to the ICJ. It was a political body and Venezuela had a bad experience with its decisions this century. This experience has destroyed their confidence in it.

Secretary Haig said that in the light of recent history the Argentines have a strong legal case and that is also true in the light of earlier history. We will have to work with great ingenuity.

[Omitted here is discussion of Central America.]

FM Zambrano asked if the Secretary wanted to say anything to the press as only he could speak for the US.

Secretary Haig said he thought it better for the FM to say that they had a thorough discussion of the situation in the South Atlantic and other matters of mutual concern such as Central America. He could say that you found the talks most beneficial.

FM Zambrano said that it was a great pleasure to have had these discussions with the Secretary and if he wished to stop in Caracas on his way back he would be most welcome.<sup>4</sup>

The Secretary replied that if that was the route perhaps he would, but it would be better to go to London.

<sup>&</sup>lt;sup>4</sup> During a brief stopover en route from Buenos Aires to Washington on April 19, Haig again met with Zambrano at the Caracas airport. The conversation during which Haig discussed the outcome of his talks with the Argentines, is summarized in telegram 3111 from Caracas, April 20. (Reagan Library, Executive Secretariat, NSC Cable File, Falkland File 04/20/1982) Haig made a brief statement and had an exchange with reporters; see the Department of State *Bulletin*, June 1982, p. 84.