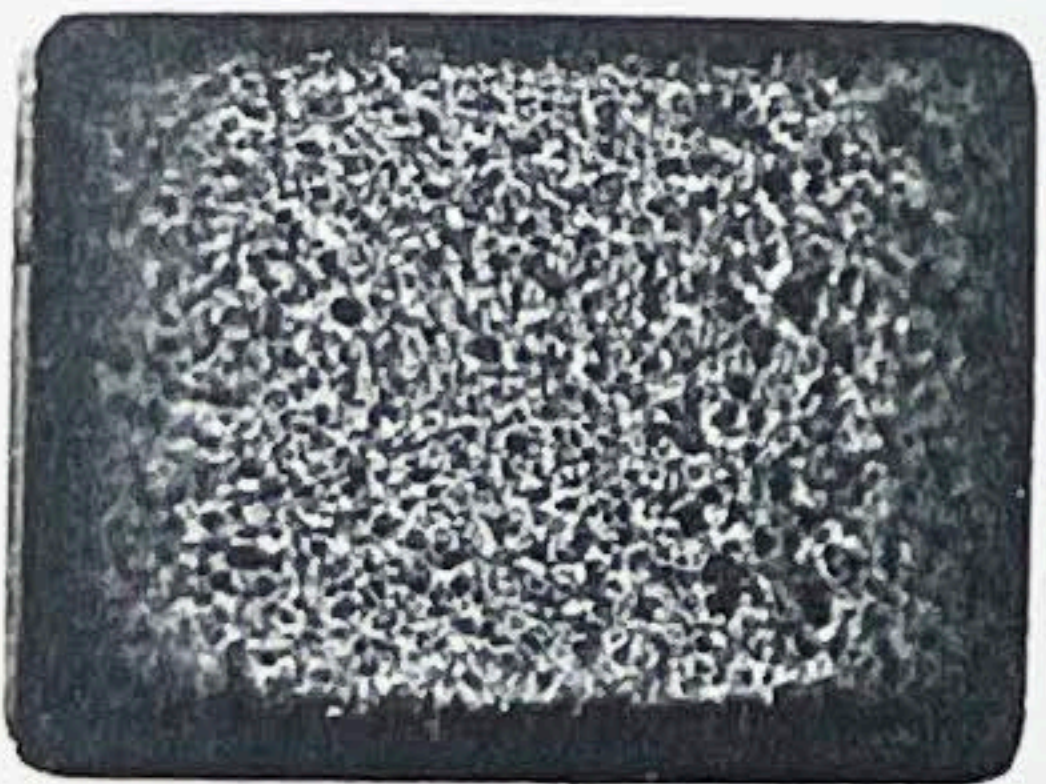
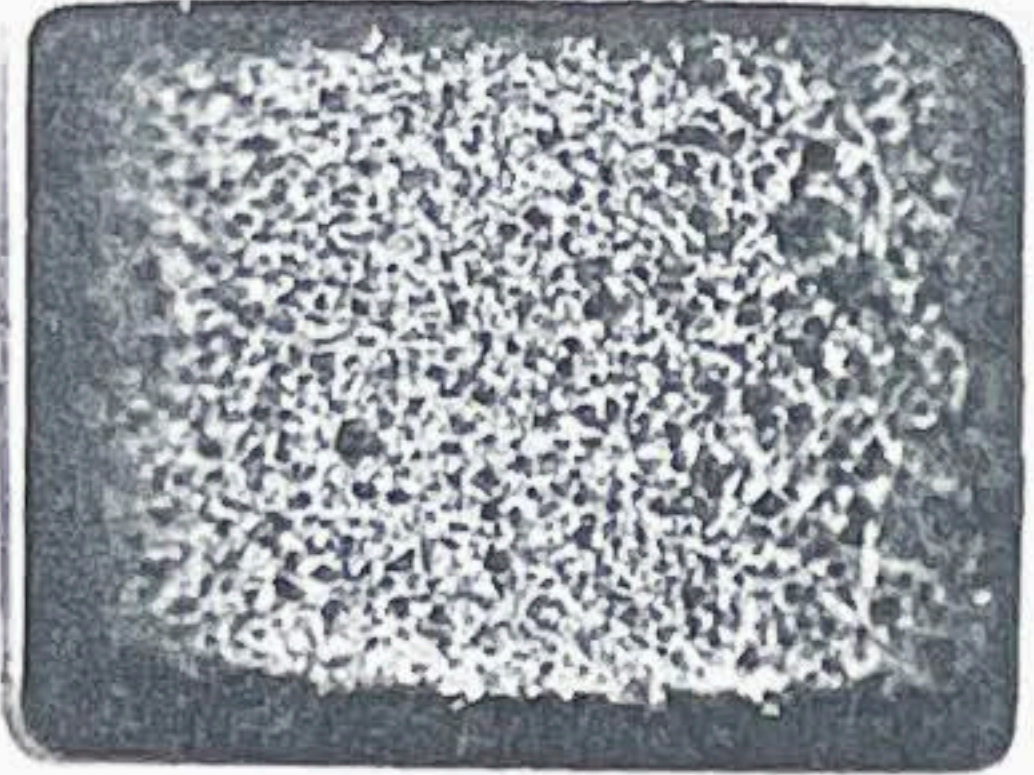


Falchid

4/14/82

United States Department of State  
Executive Assistant to the Secretary

Issue of telephone conversation  
on 4/14/82 w/ FN Costa  
Newly - day before  
departs for 24 round  
of efforts -  
see also annotated copy -





In discussions with Costa Mendez this morning, the following essential points emerged:

1. There will be no submission of Argentine proposals for paragraph 8 until there has been a submission by the UK. The basic Argentine thinking would be contained in a memo from the Foreign Minister to the US Secretary of State which involves a concept of decolonization and the creation of a status of international minority provision for compensation of island inhabitants' property rights, etc. and establishment of arrangements for joint ventures for the exportation of island resources; minerals, fish, oil. However, there would be no formal submission of this unless there is some indication of British flexibility and if you have or some statement from London or the US authorized by London which would indicate clearer flexibility than the Argentines interpreted to have emerged from Mrs. Thatcher's statement to the Parliament.

2. The second issue raised by the Foreign Minister involves the consensus of US news reporting over the last 24 hours which suggested US support for British forces. Costa Mendez stated that Argentina must have a firm statement that the US is not helping in any way. Secretary Haig emphasized that such a statement would be impossible in light of ongoing agreements of many years standing and especially US obligations on Ascension Island. Secretary Haig stated that he would seek to affirm that there has been no modification to status quo ante and if such were the case, would do all within his power to reverse such policies.



3. Argentine Foreign Minister Costa stated it would be essential to have some guarantee on a limit for the movement of the fleet and that they were already under great pressure from OAS members to invoke the Rio Treaty in this regard. I emphasized that this latter point would be provided for and encompassed in our proposals and there would be no way until an agreement was arrived at to place up limits. Underlining again that this all underlines the urgency of immediate resumption. The Foreign Minister then stated that none of these concerns should be considered personal against President Reagan or the Secretary of State; rather, were the outcome of public perception which needs to be dealt with in Argentina. He then expressed the deep personal gratitude of President Galtieri to President Reagan and Secretary Haig as well his own. I informed the Minister I would give him an early report to include an assessment of the Rio Treaty situation.

Footnote: It is clear that the Argentines will not accept a visit from the Secretary until some action has been taken on points one and two above.