59. Telegram From the Department of State to All Diplomatic and Consular Posts¹

Washington, April 4, 1982, 2308Z

89907. Inform Consuls, Paris pass Eagleburger or Price. Subject: Falkland Islands Situation Report No. 6.

- 1. C-Entire Text.
- 2. Military situation: Argentina has taken over South Georgia Island, admitting three Argentines killed. HMG says its forces shot down a helicopter and damaged an Argentine frigate. The status and

 $^{^1\,\}rm Source$: Department of State, Central Foreign Policy File, D820177–0935. Confidential; Immediate. Sent for information Immediate to USSOUTHCOM, the Department of Defense, and CINCLANT. Drafted by Service; approved in S/S–O.

location of British ice patrol vessel *Endurance*, which was at South Georgia, is unclear at this time. (South Georgia, along with the Falklands and the South Sandwich Islands, constitute the territory disputed by UK/Argentina.) The British have begun to fly men and materiel into Ascension Island for embarkation on ships.²

- 3. Diplomatic moves: The GOA issued a statement rejecting the UN Security Council approval of the UK-sponsored resolution,³ saying it violates Argentina's rights and goes against quote contemporary history end quote. The OAS meeting April 5 to hear GOA Foreign Minister Costa Mendez will be a protocolary session. There will be no debate, and we do not now expect more than a statement of the GOA position. However the GOA has said it is considering eventual invocation of the Rio Treaty on hemispheric defense. GOA President Galtieri said late April 3 that his government is ready to talk with the UK over the situation, but will not accept military pressure.
- 4. Other actions: The GOA has suspended all payments and transfers to the UK (HMG had earlier frozen Argentine assets in the UK), and has also announced a temporary suspension on the purchase of foreign exchange of all kinds except for the payment of import bills and foreign debts two days before they fall due. Embassy Buenos Aires is checking whether this latter step constitutes comprehensive exchange controls.⁴
- 5. Protection of US citizens: We are asking GOA authorities to inform US promptly after contacts are made with AmCits on the Falklands. We have no reports as yet. 5

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² See Document 60.

³ See footnote 3, Document 50.

⁴ In telegram 2003 from Buenos Aires, April 3, the Embassy reported that Argentine bankers "do not characterize temporary suspension of sale to public of foreign exchange bills as comprehensive exchange controls." (Department of State, Central Foreign Policy File, D820179–0963)

⁵ In telegram 90947 to all diplomatic posts and the Department of Defense, the Department estimated that there were 35 U.S. citizens then resident in the Falklands/Malvinas. (Department of State, Central Foreign Policy File, D820180–0067) On April 7, the Argentine Army informed the Embassy that all U.S. citizens in the Falklands/Malvinas were in "good health." (Telegram 2075 from Buenos Aires, April 7; Department of State, Central Foreign Policy File, D820184–0455)