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1100, 17/4

## FALKLAND ISLANDS

SITREP BY FCO, 0730, 17 APRIL : OVERNIGHT DEVELOPMENTS

### Haig Initiative

1. Haig is now in Buenos Aires. Press reports indicate that President Galtieri phoned President Reagan before Haig's departure to stress Argentina's desire for a peaceful settlement. Apparently Haig saw President Galtieri on arrival before going into meetings with Costa Méndez.
2. Haig has sent a telegram this morning to the Secretary of State indicating a discouraging initial Argentine response - see attached.

### Argentine Action

3. Non-Aligned Movement (NAM): The Argentines have circulated a draft communiqué seeking support for Argentine sovereignty to selected Members of the NAM Coordinating Bureau in the hope that it can be adopted at the meeting of the Bureau, probably on 20 April. UKMIS New York recommend that we should carry out an urgent lobbying exercise to prevent it going through on the nod.
4. Convention on International Civil Aviation (ICAO): the Argentines have notified ICAO that permission will now have to be sought for aircraft overflights of Argentine territory south of Parallel 368 (which includes the Falklands).
5. Economic Retaliation: HMA, Montevideo, relays Argentine press reports indicating that the Argentine ban on EC imports will be selective - only goods which cannot be bought elsewhere will be affected; firms based in EC countries would be excluded from public sector contracts.

### Latin America

6. HMA, Caracas, has been warned informally by official sources that Venezuela may take action against British commercial and shipping interests. HMA, Montevideo, has reported receipt of letters threatening terrorist action from a pro-Argentine group. The local police have advised that she should hire a personal bodyguard.

### UN

7. Sir A Parsons thinks that he has successfully averted Security Council activity over the weekend but urges a rapid British initiative if the Haig talks fail, to forestall activity by the President and others. The Argentine Permanent Representative (Roca) has addressed a further letter to the President of the Security Council requesting its circulation as a Security Council

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document; a reply will have to be formulated early next week. UKMIS New York report a 'New York Times' interview with the UN Secretary-General in which he intimated that he would consider intervening if the Haig initiative failed.

#### Other Countries

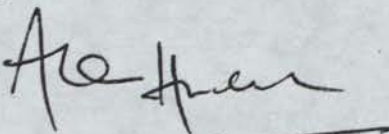
8. The Norwegian Foreign Minister has indicated privately that the Government of Norway has decided to ban imports from Argentina; the decision is confidential until it is announced in the Norwegian Parliament on 19 April.
9. The Australian Prime Minister (Mr Fraser) has agreed to send a message to President Reagan on 17 April urging positive American support for the UK if the Haig initiative breaks down.
10. The Chinese People's Daily has come out more strongly in favour of the Argentine position and HMA, Peking, recommends that we should do all that we can to ensure that China continues to abstain in any votes in the UN Security Council.
11. HMA, Bonn, reports that the West German Government may come under greater pressure if there is no quick diplomatic solution to the crisis, and recommends that we should take them as much as possible into our confidence.

#### US

12. Washington report that Eagleburger was upset that the Argentine request for Landsat coverage of the Falklands had got into the press. It would be virtually impossible for him now to prevent NASA from complying.
13. The Anderson tapes of the conversation between Haig and President Reagan received considerable media coverage. Jack Anderson commented in his article that it was obvious from the transcript that the British worried Reagan and Haig more than the Argentines.

#### Missing Journalists

14. Three British journalists - Simon Winchester ('Times') and Ian Mather and Tony Prime ('Observer') - have been missing since 11 April. It is thought that they left Buenos Aires to tour Argentine ports.



17 April 1982

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Emergency Unit/Distribution: