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Miss DICKSON (EIP DIV) D/EN

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RESIDENT CLERK

(Copies passed to Emergency Staff, MOD Sitcen and CinC Fleet)

CONFIDENTIAL

FM WASHINGTON 220130Z
TO IMMEDIATE F C O
TELNO 1397 OF 21 APRIL 1982,
AND TO IMMEDIATE UKMIS NEW YORK
INFO IMMEDIATE NASSAU, BRIDGETOWN, LA PAZ, BRASILIA, SANTIAGO,
BOGOTA, SAN JOSE, QUITO, KINGSTON, SANTO DOMINGO, TEGUCIGALPA,
MEXICO CITY, PANAMA CITY, ASUNCION, LIMA, PORT OF SPAIN,
MONTEVIDEO.

MY TELNO 1378: FALKLANDS/OAS

1. WE HAVE DISCUSSED POSSIBLE OUTCOMES OF THE OAS FOREIGN MINISTERS' MEETING ON 26 APRIL WITH A NUMBER OF INFORMED CONTACTS, INCLUDING MEMBERS OF THE US DELEGATION AND THE OAS SECRETARIAT.

2. IT IS GENERALLY THOUGHT THAT IF THE HAIG INITIATIVE IS STILL ALIVE ON MONDAY, THE ARGENTINES WILL SEEK A RESOLUTION SUPPORTING THEIR POSITION AND DENOUNCING THE THREAT TO PEACE SUPPOSEDLY POSED BY THE BRITISH FLEET. THEY WOULD WIN OVERWHELMING SUPPORT FOR SUCH A RESOLUTION, ALTHOUGH THE AMERICANS WILL TRY TO WORK BEHIND THE SCENES TO PREVENT THE OAS FROM DOING MORE THAN SUPPORTING

A RESOLUTION, ALTHOUGH THE AMERICANS WILL TRY TO WORK BEHIND THE SCENES TO PREVENT THE OAS FROM DOING MORE THAN SUPPORTING HAIG'S EFFORTS AND CALLING FOR A PEACEFUL SETTLEMENT THE AMERICAN DELEGATION DOUBT IF ARGENTINA WOULD BE CONFIDENT ENOUGH OF GETTING GENERAL SUPPORT TO PROPOSE, IN THE FACE OF AMERICAN RESISTANCE, A RESOLUTION SEEKING TO IMPOSE GENERAL SANCTIONS AGAINST US IN PRESENT CIRCUMSTANCES.

3. IF, HOWEVER AN ARMED CLASH OCCURRED BEFORE THE MEETING, ARGENTINA WOULD CERTAINLY PROPOSE SANCTIONS. THE EXTENT OF THESE WOULD DECIDE THE AMOUNT OF SUPPORT ARGENTINA MIGHT RECEIVE, BUT US OFFICIALS THINK THAT SOME ACTION SUCH AS THE DOWNGRADING OF RELATIONS WITH THE UK WOULD BE LIKELY TO WIN THE TWO-THIRDS MAJORITY REQUIRED FORMALLY TO MAKE COMPLIANCE MANDATORY ON ALL RIO TREATY SIGNATORIES. IT IS POSSIBLE THAT MORE RADICAL MEASURES MIGHT BE APPROVED, REGARDLESS OF WHETHER THE GOVERNMENTS CONCERNED ACTUALLY IMPLEMENTED THEM LATER.

4. APART FROM THE CONSEQUENCES OF POSSIBLE DIPLOMATIC, ECONOMIC OR OTHER SANCTIONS, OAS SUPPORT FOR ARGENTINA THREATENS TO DILUTE THE POSITION WE HAVE ESTABLISHED IN THE UN AND TO ENCOURAGE THE ARGENTINES IN THEIR PRESENT INTRANSIGENCE. WE WILL CONTINUE TO ARGUE WITH RELIABLE CONTACTS THAT OAS ACTION WOULD CUT ACROSS UN RESPONSIBILITY, BUT GIVEN THE ELEMENT OF "LATIN SOLIDARITY" THE AMERICANS THINK IT DOUBTFUL IF WE AND THEY WILL BE ABLE TO DISSUADE MOST RIO SIGNATORIES FROM GIVING GENERAL POLITICAL SUPPORT TO ARGENTINA IF A PEACEFUL SETTLEMENT IS UNOBTAINABLE. THERE ARE OBVIOUS PROBLEMS FOR THE AMERICANS, WHOSE COMMITMENT TO THE RIO TREATY WOULD BE PLACED IN DOUBT IF THEY REFUSED, AS THEY WOULD NO DOUBT HAVE TO DO, TO GO ALONG WITH THE ACTION APPROVED BY A TWO-THIRDS MAJORITY. I AM SURE, THEREFORE, THAT WE CAN COUNT ON THE AMERICANS TO LOBBY ENERGETICALLY AGAINST SANCTIONS WITH ANY TEETH: AND, WHILE ACTION MAY WELL BE DECIDED BY A MAJORITY OF MEMBER STATES, IT REMAINS TO BE SEEN HOW ENERGETICALLY INDIVIDUAL OAS MEMBER STATES WOULD BE LIKELY TO PUT IT INTO EFFECT.

5. EAGLEBURGER TOLD MINISTER THIS EVENING THAT IN THE LAST RESORT THE US WOULD HAVE TO USE THE ARGUMENT THAT THERE WAS NO ROLE IN THIS AFFAIR FOR THE OAS, SINCE THE SECURITY COUNCIL, AS THE SUPERIOR BODY, HAD PREEMPTED THE GROUND. THEY WOULD BE RELUCTANT TO DO THIS BECAUSE THERE WOULD BE OCCASIONS IN FUTURE WHEN THEY WOULD WANT TO KEEP A SUBJECT WITHIN THE HEMISPHERE AND THIS PRECEDENT WOULD BE USED AGAINST THEM. IT WOULD ALSO GRAVELY WEAKEN THE INTER AMERICAN SYSTEM. BUT IF THERE WAS NO

