

CONFIDENTIAL

WASHINGTON 152145Z MAY 82

FLASH FCO

TELEGRAM NUMBER 1773 OF 14 MAY

INFO IMMEDIATE UKMIS NEW YORK

MAY 1982
Action (178)
9 → 3
8
7 6 5 4

FALKLANDS: GENERAL WALTERS' VISIT TO BUENOS AIRES

1. GENERAL WALTERS PHONED ME ON HIS RETURN FROM BUENOS AIRES TO APOLOGIES FOR HIS UNHELPFUL REMARKS ABOUT BRITISH AND ARGENTINE POLICY ON THE FALKLANDS (MY TELNO 1729). HE WAS A GREAT ADMIRER OF THE PRIME MINISTER, AND WAS DEEPLY DISTRESSED THAT HIS REMARKS SHOULD HAVE CAUSED OFFENCE IN LONDON
2. WALTERS WENT ON TO OUTLINE HIS VISIT TO BUENOS AIRES, THE MAIN PURPOSE OF WHICH HE CLAIMED WAS TO LIMIT THE DAMAGE TO AMERICAN RELATIONS WITH LATIN AMERICA WHICH HAD BEEN BROUGHT ABOUT BY US SUPPORT FOR THE UK. HE HAD FOUND THE ARGENTINE JUNTA THE MOST DIFFICULT PEOPLE HE HAD HAD TO DEAL WITH SINCE HIS ENCOUNTERS MANY YEARS AGO WITH MOSSADE.
3. EAGLEBURGER SUBSEQUENTLY GAVE THE MINISTER AN ACCOUNT OF THE VISIT, BASED ON WALTERS' REPORTING CABLES. WALTERS HAD BEEN EFFUSIVELY GREETED BY GALTIERI, WHO HAD THANKED HIM FOR COMING SO FAR. HE AGREED WITH THE AMERICAN DESIRE FOR AN HONOURABLE SETTLEMENT TO A WAR BETWEEN TWO FRIENDS OF THE US.
4. GALTIERI TOLD WALTERS THAT RECENT US STATEMENTS, PARTICULARLY BY WEINBERGER, HAD RAISED STRONG ANTI-AMERICAN FEELINGS IN BUENOS AIRES. HE CLAIMED TO UNDERSTAND THE REASONS FOR US BACKING OF THE UK, BUT HE FELT THAT THE AMERICANS COULD HAVE ADOPTED A LESS PARTIAL COURSE. WALTERS REMINDED HIM THAT HAIG HAD WARNED THE ARGENTINIANS SEVERAL TIMES THAT THE US WOULD HAVE TO SUPPORT BRITAIN IF ARGENTINA REFUSED TO NEGOTIATE SERIOUSLY.
5. WALTERS DISCUSSED IN DETAIL WHAT HE FELT WERE THE TWO MAIN PROBLEMS IN THE PRESENT NEGOTIATIONS, IE PREJUDGEMENT OF SOVEREIGNTY AND THE QUESTION OF SELF-DETERMINATION AND THE REPRESENTATION OF THE ISLANDERS IN THE INTERIM ADMINISTRATION. GALTIERI HAD ASKED WHAT GUARANTEE THERE WAS THAT ARGENTINA WOULD EVENTUALLY HAVE SOVEREIGNTY OVER THE ISLANDS AND THAT THE BRITISH WOULD SIMPLY NOT SPIN OUT NEGOTIATIONS

5. WALTERS DISCUSSED IN DETAIL WHAT HE FELT WERE THE TWO MAIN PROBLEMS IN THE PRESENT NEGOTIATIONS, IE PREJUDGEMENT OF SOVEREIGNTY AND THE QUESTION OF SELF-DETERMINATION AND THE REPRESENTATION OF THE ISLANDERS IN THE INTERIM ADMINISTRATION. GALTIERI HAD ASKED WHAT GUARANTEE THERE WAS THAT ARGENTINA WOULD EVENTUALLY HAVE SOVEREIGNTY OVER THE ISLANDS AND THAT THE BRITISH WOULD SIMPLY NOT SPIN OUT NEGOTIATIONS INDEFINITELY; HE HAD TO HAVE SOMETHING TO REASSURE THE ARGENTINE PUBLIC ON THIS. WALTERS HAD REPLIED THAT ALTHOUGH HE COULD GIVE NO PROMISES AS TO THE OUTCOME OF NEGOTIATIONS DURING THE INTERIM PERIOD, THE EXISTENCE OF A CONTACT GROUP OF THIRD PARTIES (SIC) WOULD QUOTE HELP THINGS ALONG UNQUOTE.

6. WITH REGARD TO ARGENTINE RELATIONS WITH THE SOVIET UNION, WALTERS CLAIMED THAT THE ONLY WINNER OF WAR BETWEEN ARGENTINA AND THE UK WOULD BE THE USSR. GALTIERI REPLIED THAT IF BRITAIN ASSAULTED THE FALKLANDS, ARGENTINA WOULD SEEK HELP FROM THOSE FRIENDS WHO HAD OFFERED IT, EXCEPT THE SOVIETS. THE ARGENTINIANS HAD ALREADY LOST NEARLY 400 MEN; THEY WERE PREPARED TO LOSE 40,000 IF NECESSARY.

7. ON MILITARY MATTERS, ALL THE MEMBERS OF THE JUNTA (WHO WALTERS SAW SEPARATELY) ACCUSED THE US OF HAVING PROVIDED THE ROYAL NAVY WITH INTELLIGENCE ON ARGENTINE SHIP POSITIONS. ADMIRAL ANAYA CLAIMED THAT ARGENTINE VESSELS HAD ON FIVE OCCASIONS BEEN LOCATED OUTSIDE THE RANGE OF BRITISH RADAR AND THAT ALL THE EVIDENCE POINTED TOWARDS US ASSISTANCE. WALTERS HAD DENIED THIS. THE BRITISH HAD ADEQUATE DETECTION CAPABILITIES OF THEIR OWN (HE TOLD ME THAT HE REMINDED THE ARGENTINIANS THAT THEY HAD TAKEN ON A GREAT POWER).

8. AT A SECOND MEETING WITH GALTIERI, WALTERS GAINED THE IMPRESSION THAT THE JUNTA (WHICH HE THOUGHT SEEMED COMPLETELY UNITED) WERE FLEXIBLE ON PREDETERMINATION ON SOVEREIGNTY (ALTHOUGH THEY STILL INSISTED ON A FIRM CUT-OFF DATE) AND EVEN ON THE CONTINUATION OF SOME FORM OF LOCAL ADMINISTRATION DURING THE INTERIM PERIOD. HOWEVER GALTIERI WAS UNYIELDING ON ACCESS TO THE ISLANDS FOR ARGENTINE NATIONALS. WALTERS HAD EMPHASIZED THE DIFFICULTIES WHICH THE US WOULD HAVE ON THIS POINT. NO MENTION WAS MADE OF THE DEPENDENCIES, BUT WALTERS THOUGHT THE JUNTA WOULD PROBABLY ACCEPT THAT THEY SHOULD BE SETTLED SEPARATELY.

9. GALTIERI HAD ALSO PROPOSED THAT THE DISPUTE SHOULD BE SOLVED BY MEANS OF A SUMMIT MEETING...

HE REMINDED THE ARGENTINIANS THAT THEY HAD TAKEN ON A GREAT POWER).

8. AT A SECOND MEETING WITH GALTIERI, WALTERS GAINED THE IMPRESSION THAT THE JUNTA (WHICH HE THOUGHT SEEMED COMPLETELY UNITED) WERE FLEXIBLE ON PREDETERMINATION ON SOVERIGNTY (ALTHOUGH THEY STILL INSISTED ON A FIRM CUT-OFF DATE) AND EVEN ON THE CONTINUATION OF SOME FORM OF LOCAL ADMINISTRATION DURING THE INTERIM PERIOD. HOWEVER GALTIERI WAS UNYIELDING ON ACCESS TO THE ISLANDS FOR ARGENTINE NATIONALS. WALTERS HAD EMPHASIZED THE DIFFICULTIES WHICH THE US WOULD HAVE ON THIS POINT. NO MENTION WAS MADE OF THE DEPENDENCIES, BUT WALTERS THOUGHT THE JUNTA WOULD PROBABLY ACCEPT THAT THEY SHOULD BE HANDLED SEPARATELY.

9. GALTIERI HAD ALSO PROPOSED THAT THE DISPUTE SHOULD BE RESOLVED BY MEANS OF A SUMMIT MEETING HELD UNDER THE AUSPICES OF THE UN SECRETARY GENERAL AND COMPRISING HIMSELF, MRS THATCHER AND PRESIDENT REAGAN.

10. WALTERS FINALLY EMPHASIZED THE NEED TO ENSURE THE SAFETY OF US CITIZENS IN ARGENTINA; HE WAS TOLD THAT ARGENTINA WAS NOT IRAN AND THAT AMERICANS HAD NOTHING TO FEAR (PROVIDED THEY TOOK A LOW PROFILE). GALTIERI REPEATED THAT AMERICAN SUPPORT FOR THE UK WAS DEEPLY RESENTED, BUT WALTERS WAS ENCOURAGED THAT THE ARGENTINES SEEMED ANXIOUS TO MEND FENCES.

HENDERSON

NNNN