

PS (6)
 PS/MR HURD
 PS/MR ONSLOW
 PS/PUS
 MR BULLARD
 SIR I SINCLAIR
 MR GIFFARD
 MR WRIGHT
 MR GILLMORE
 MR URE
 HD/SAMD
 HD/DEF D
 HD/PLANNING STAFF
 HD/UND
 HD/NEWS D
 HD/ERD
 HD/PUSD
~~EMERGENCY ROOM~~
~~RESIDENT CLERK~~ *200A*

IMMEDIATE

PS/No.10 DOWNING STREET (2 Copies)
 PS/S of S DEFENCE
 PS/HOME SECRETARY
 PS/HOME SECRETARY(C/O No.10 D St)
 PS/ATTORNEY GENERAL
 PS/CHANCELLOR DUCHY OF LANCASTER
 PS/SIR R ARMSTRONG)
 PS/SIR M PALLISER)
 MR WADE-GERY) CABINET OFFICE
 MR FULLER)
 D I O)
 MR J M STEWART AUSD STAFF (MOD)

DEDIP
 SECRET
 FM WASHINGTON 090010Z MAY 82
 TO IMMEDIATE FCO
 TELEGRAM NUMBER 1678 OF 8 MAY

INFO IMMEDIATE UKMIS NEW YORK BRUSSELS (FOR SECRETARY OF STATE)

FALKLANDS

1. HAIG HAS JUST TELEPHONED ME AGAIN FROM WEST VIRGINIA WHERE HE IS SPENDING THE WEEKEND. HE HAS SAID THAT HE WILL WANT TO SPEAK TO ME AGAIN TOMORROW EVENING OR MONDAY MORNING WHEN HE RETURNS TO WASHINGTON.
2. ON THE OPEN LINE HE WAS EVEN MORE CRYPTIC THAN USUAL BUT I UNDERSTOOD HIM TO MEAN THAT HE HAS PRETTY CLEAR EVIDENCE OF MODERATE ELEMENTS IN BUENOS AIRES BIDDING FOR THE ASCENDANCY THERE BUT HOPING THAT BRITAIN CAN DELIVER A FEW MORE MILITARY BLOWS SO AS TO ENSURE THE DOWNFALL OF THE EXTREMISTS. I ASKED HAIG IF I HAD UNDERSTOOD HIM CORRECTLY. DID HE MEAN THAT THEY REALLY WANTED US TO DELIVER A FEW MORE BLOWS AGAINST THEM? YES HE SAID QUITE CATEGORICALLY, THE MODERATES SAW THEIR CHANCE AS DEPENDING ON MORE MILITARY SUCCESSES BY THE BRITISH. HAIG SAID

THAT HE WOULD BE SENDING AMBASSADOR WALTERS TO BUENOS AIRES ON A VERY SECRET MISSION ON MONDAY IN RESPONSE, SO I UNDERSTOOD IT, TO SOME FEELERS HE HAS HAD FROM THERE. HAIG EMPHASISED HOW EXTREMELY CONFIDENTIAL THIS WAS. HE HOPED THAT WALTERS WOULD BE ABLE TO GET IN AND OUT OF BUENOS AIRES UNOBSERVED.

3. HAIG REPEATED THAT WHAT THE MODERATES WERE HOPING FOR WAS QUOTE A COMPROMISE BASED ON PUNISHMENT UNQUOTE. THERE WOULD PROBABLY BE CONSIDERABLE CHANGES IN THE TOP RANKS.

4. I TOLD HAIG THAT I WAS NOT IN A POSITION TO GIVE HIM MUCH INFORMATION ABOUT HOW THINGS WERE GOING WITH PEREZ DE CUELLAR IN NEW YORK. INDEED HIS TALKS WERE STILL CONTINUING SEPARATELY WITH SIR A PARSONS AND ROSI. BUT ON THE FACE OF IT PEREZ DE CUELLAR SEEMED TO BE INDICATING THAT THE ARGENTINIANS WERE NOT AS INTRACTABLE AS THEY HAD BEEN, THOUGH OF COURSE THERE WAS NO DEFINITE EVIDENCE THAT ROSI COULD DELIVER.

5. HAIG SAID THAT THAT WAS AS WELL AND THAT IT WAS NOT INCOMPATIBLE WITH THE SORT OF INFORMATION HE WAS RECEIVING AND THAT HE HINTED AT TO ME.

6. HAIG WENT ON TO SAY THAT HE HOPED THAT QUOTE FAINT HEARTS UNQUOTE IN THE UK WERE NOT WINNING GROUND. HE WAS CONFIDENT THAT THIS WAS THE MOMENT FOR JUST THE SORT OF FIRMNESS BY BRITAIN THAT WE WERE SHOWING. OBVIOUSLY HE WAS A LITTLE PUT OUT BY THE ARCHBISHOP OF CANTERBURY'S LATEST REMARKS BUT I TOLD HIM THAT HE SHOULD NOT TAKE THEM TOO LITERALLY AND WE HAD AN EXCHANGE OF PLEASANTRIES ABOUT SPIRITUAL AND TEMPORAL AFFAIRS. AS YOU KNOW, HE IS A DEVOUT CATHOLIC.

7. I ASKED HAIG WHETHER I COULD CONTINUE TO ASSURE LONDON THAT EVERYBODY WHO MATTERED IN WASHINGTON WAS SOUND IN SUPPORT OF US. HE TOLD ME THAT WE COULD BE ABSOLUTELY SURE THAT THERE WAS NO WORRY ABOUT THIS. THERE WOULD OF COURSE BE ONE OR TWO JOURNALISTS WHO WOULD SHOOT THEIR MOUTHS OFF AND SUGGEST THAT EVERYBODY SHOULD RUN FOR COVER AT THE SLIGHTEST RISK. BUT WHAT MATTERED WAS HIS OWN ABSOLUTE SUPPORT BEHIND US. I ASKED ABOUT THE WHITE HOUSE AND HE ASSURED ME THAT THERE WAS NO NEED TO WORRY ABOUT THAT EITHER.

8. I WOULD LIKE TO KEEP HAIG INFORMED AS FULLY AS POSSIBLE OF WHAT IS HAPPENING IN NEW YORK: HE SHOULD NOT GET THE STORY FROM THE INEFFABLE KIRKPATRICK.

HENDERSON