

TYPISTS

ADVANCE COPY

HAIG ADVANCEES

x18

IMMEDIATE

PS

PS/No 10 DOWNING STREET

PS/MR HURD

PS/S of S DEFENCE

PS/MR ONSLOW

PS/PUS

PS/SIR R. ARMSTRONG )

MR GIFFARD

PS/SIR M PALLISER )

MR WRIGHT

MR WADE-GERY ) CABINET OFFICE

MR GILLMORE

MR FULLER )

MR URE

D I O )

HD/SAMD

HD/DEFD

LC

(Passed E.U.)

CONFIDENTIAL

FM WASHINGTON 061730Z MAY 82

TO IMMEDIATE F C O

TELEGRAM NO 1634 OF 6 MAY

INFO IMMEDIATE UKMIS NEW YORK

YOUR TELNO 925: FALKLANDS

1 I HAVE HAD ANOTHER LONG MEETING WITH HAIG WHO ASKED ME TO SPEAK TO YOU PERSONALLY, WHICH I WANTED TO DO BUT YOU WERE TIED UP. HE IS NOT YET SURE WHAT TO DO ABOUT PUBLISHING THE US/PERUVIAN PROPOSALS. AT THE MOMENT HE IS THINKING OF WRITING A LETTER TO MANY OF HIS FOREIGN MINISTERIAL COLLEAGUES INFORMING THEM ABOUT THE PROPOSALS. IF YOU MAKE A STATEMENT ON THE SUBJECT HE WILL CERTAINLY CONFIRM YOUR INTERPRETATION THAT IT WAS THE ARGENTINIANS WHO SLAMMED THE DOOR.

2. HAIG HAD BEGUN BY SAYING THAT HE DID NOT THINK THAT THE US GOVERNMENT WOULD SAY ANYTHING ABOUT THE US/PERUVIAN PROPOSALS OR THE OUTCOME OF THE VARIOUS EXCHANGES CONCERNING THEM. I SAID THAT THIS WAS NOT REASONABLE FROM LONDON'S POINT OF VIEW. THEY HAD GONE TO ENORMOUS TROUBLE IN RESPONDING TO HAIG'S APPEALS THAT WE SHOULD ACCEPT THE PROPOSALS BECAUSE OF THE WIDER ISSUES INVOLVED. MINISTERS HAD DEVOTED HOURS TO THE SUBJECT AND HAD TAKEN TO HEART THE VERY

ACCEPT THE PROPOSALS BECAUSE OF THE WIDER ISSUES INVOLVED. MINISTERS HAD DEVOTED HOURS TO THE SUBJECT AND HAD TAKEN TO HEART THE VERY STRONG RECOMMENDATIONS THAT HAIG HAD MADE PERSONALLY. IT WOULD NOT SEEM REASONABLE TO THEM THEREFORE IF HAIG SIMPLY WASHED HIS HANDS OF THE WHOLE MATTER AND BEHAVED AS THOUGH IT HAD NEVER EXISTED. HE MUST SHOW CLEARLY THAT IT WAS THE PERUVIANS/ARGENTINIANS WHO HAD CLOSED THE DOOR.

3. HAIG IS VERY SUSPICIOUS OF BELAUNDE - AND FOR THAT MATTER PEREZ DE CUELLAR - WHOM, HE THINKS, ARE TRYING TO EXCLUDE THE USA FROM INVOLVEMENT IN A PEACE PLAN, PROBABLY AT ARGENTINIAN BIDDING. THIS SUSPICION IS CONFIRMED BY A MESSAGE HAIG HAS JUST RECEIVED FROM THE CANADIAN FOREIGN MINISTER SAYING THAT HE HAS BEEN APPROACHED BY THE PERUVIANS ASKING THEM, CANADA, TO JOIN IN A PEACE PROPOSAL FOR THE FALKLANDS. THE PERUVIAN SAID THAT HE WAS MAKING A SIMILAR APPROACH TO THE ARGENTINIANS. WHEN I LEFT HAIG HE WAS TRYING TO REACH MACGUIGAN BY TELEPHONE TO TELL HIM THAT THE PERUVIAN MANOEUVRE SEEMED TO BE TO EXCLUDE THE AMERICANS FROM THE SCHEME WHICH HAIG DID NOT PARTICULARLY MIND. BUT HE WAS GOING TO WARN THE CANADIAN FOREIGN MINISTER OF THE DIFFICULTIES OF DEALING WITH THE ARGENTINIANS AND SUGGEST THAT THE PERUVIANS GET AN ANSWER FROM THEM BEFORE GOING THROUGH ALL THE RIGMAROLE OF GIVING A CONSIDERED VIEW THEMSELVES.

4. IT IS HAIG'S VIEW NOW, AS WELL AS THAT OF ENDERS, WHO WAS PRESENT FOR SOME OF OUR TALK, THAT THE ARGENTINIANS HAVE NOT BEEN, AND ARE NOT YET, SERIOUSLY INTERESTED IN NEGOTIATION. HAIG THINKS THAT THEY WANT TO GIVE THE IMPRESSION OF BEING READY TO NEGOTIATE BUT THEY BELIEVE THAT TIME IS ON THEIR SIDE, THAT BRITAIN'S DIPLOMATIC SUPPORT WILL DWINDLE AND THAT WITH THE ONSET OF WINTER IN THE SOUTH ATLANTIC AND POSSIBLY THE SINKING OF ANOTHER SHIP, WE WILL BUCKLE.

5 HAIG WAS ENTHUSIASTIC ABOUT THE LINE OF ARGUMENT IN YOUR DRAFT REPLY TO PEREZ DE CUELLAR. HE THINKS THAT IT IS A MAGNIFICENT STATEMENT OF OUR POSITION AND THAT WE SHOULD STAND PUBLICLY ON THAT GIVING THE THEME AS MUCH PUBLICITY AS POSSIBLE. HE WOULD LIKE TO KNOW WHEN WE ARE THINKING OF GOING PUBLIC ON IT. HE ENTIRELY UNDERSTANDS THE NEED FOR A FIRM LINK BETWEEN WITHDRAWAL AND A CEASEFIRE AND IMPLORES YOU NOT TO BELIEVE THAT THERE CAN BY ANY US WEAKENING ON THIS.

6. THE NEXT THING I THINK IS FOR YOU TO LET US KNOW AS QUICKLY AS POSSIBLE HOW YOU PROPOSE TO GO PUBLIC ON THE US/PERUVIAN PROPOSALS AND ON THE REPLY TO PEREZ DE CUELLAR. MY OWN PERSONAL THOUGHT IS THAT YOU COULD COMBINE THE TWO BY PUTTING OUT PUBLICLY IN WHATEVER

POSSIBLE HOW YOU PROPOSE TO GO PUBLIC ON THE US/PERUVIAN PROPOSALS AND ON THE REPLY TO PEREZ DE CUELLAR. MY OWN PERSONAL THOUGHT IS THAT YOU COULD COMBINE THE TWO BY PUTTING OUT PUBLICLY IN WHATEVER WAY YOU THINK BEST A STATEMENT OF OUR NEGOTIATING POSITION WHICH COULD FORM THE BASIS BOTH OF OUR REPLY TO DE CUELLAR AND OUR RESPONSE TO THE PERUVIAN PROPOSALS. THIS STATEMENT WOULD DRAW ON THE PRESENT TEXT OF THE REPLY TO DE CUELLAR. WE WOULD THEN ASK HAIG TO MAKE SOME STATEMENT ENDORSING THE REASONABLENESS AND VALIDITY OF OUR ARGUMENTS.

HENDERSON

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