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BACKGROUND PRESS CONFERENCE ON FALKLAND ISLANDS SITUATION

DEPARTMENT OF STATE WASHINGTON, D. C. FRIDAY, APRIL 30, 1982, AT 2:30 P.M.

MR. FISCHER: Good afternoon. The backgrounder, of course, will be conducted under the usual BACKGROUND rules, which means you can attribute it to a Senior State Department Official or a Senior Administration Official.

I've been asked to remind you that you should please use the microphones when you put the questions to the Senior Official who will have a few remarks prior to taking the questions.

SENIOR STATE DEPARTMENT OFFICIAL: I thought it might be helpful to refresh your memories a little bit so you have some historic background before we go to your questions. First, with respect to the question of the Falklands (Malvinas) issue, there have been some 17 years of negotiations between the United Kingdom and Argentina on this subject. It's been based on a 150-year historic claim by Argentina for sovereignty over what they refer to as the Malvinas, an equally strongly-held view by Great Britain that the Islands were sovereign British territory, having been discovered originally by Cook.

The most recent negotiation occurred this past February in New York. During that time, as I've been able to ascertain, the British side continued to hold its position which is essentially one based on the self determination of the Islanders, and the Argentine side continued to insist on the transfer of sovereignty, which they claimed was not negotiable and was a fact.

It was clear from discussions in Buenos Aires that these meetings in Pebruary left a very high level of frustration among the already-frustrated Argentine negotiators, some of whom had been involved during the whole span of this negotiation of 17 years.

The first inkling the United States had of difficulty was on March 28, not involving the Falklands, but rather a dispute between the Argentines who had a work force on the Island of South George and British authorities there, and a request from the British Government to the United States to intervene in their behalf to peacefully resolve a dispute that had been going on for a matter of days.

On March 30, the United States had a first, vary minor, indication of unusual force readiness on the part of the Argentines. On March 31, Ambassador Henderson visited the Department, spoke to me personally, and laid out a full panorama of steps underway by Argentine forces which suggested to the United Kingdom that military action was about to take place in the Falklands.

Based on that intelligence and our corroboration of it, on April 1, we instructed our Ambassador to not only contact the Foreign Office in Buenos Aires, but President Galtier!, and to express and register our strongest concern. The result of that was a flat turndown by the Argentine Government. I also, that same day, discussed the issue with the Argentine Ambassador here in Washington, and did not receive a satisfactory reply. On the evening of April 1, President Reagan called President Galtieri, and after two hours of delay, raised the issue with him on the telephone. President Galtieri stated it was too late, and there was nothing that could be done about the military operations which were then under way.

The actual invasion occurred, chronologically on April 2. On April 3, the United Nations met in emergency session, and U.N. Resolution 502, supported by the United States very actively, was approved. On that same date, London announced its decision to take action under the U.N. Resolution 51, and troop movements, fleet movements, et cetera, began to develop.

Basically, I think it's important to recognize that in the context of the development of this crisis, it was somewhat of a surprise not only to the United States, but perhaps more importantly to Great Britain. But from the very outset, this government viewed the Argentine invasion as an extremely serious issue. We also recognized that we had a unique role in this issue that we had to play. That was reflected first in our fundamental support of U.N. Resolution 502, which called first for the cassation of hostilities; second, the withdrawal of Argentine forces; and third, a political solution solution solution solution solution solution.

The reason we recognized that we had a unique role to play was, first, that we had good relationships with both governments, but perhaps most important because both governments, at the highest level, requested our immediate and active intervention — both governments. The reason we felt we did not have the luxury to refuse these requests were multiple. The first and most profound of which we touched

upon in this morning's statement, and that is that a basic premise of President Reagan's foreign policy, as it has been in the past in all American foreign policy, but especially acute now after the years of violent change that we have wirnessed, that we must be advocates and strong advocates, of peaceful change in the rule of law. The consequences of such violations that go ignored and untended, we have seen by a proliferation of such activity dating back from the Vietnam period, running through Africa, the Middle East, Southeast Asia, and this Hemisphere.

The second imperative for American involvement was the historic special relationship with Great Britain and the interrelationship of that relationship with the NATO alliance. Above all, we were extremely sensitive to the essential need of avoiding the repetition of the scers of Suez.

In the context of the Alliance itself, yu will note that the European nations, the Economic Community, rallied promptly behind Great Britain in the institution of sanctions. And in the wake of the political difficulties within the Alliance associated with Afghanistan and Poland and the axisting economic and strategic difficulties that exist within the Alliance family today, we felt it vitally important that we not be presumed to let nature be taking its course, and not to become actively involved.

There was the additional question of our overall Hemispheric relationships and policies. It was clear that were this matter to be left untended or to drift immediately into the OAS, it would have been a very destabilizing issue, which would have resolved itself along Spanish-speaking/ English-speaking lines; and hemispheric unity could have been fractured in 'the early hours of the crisis. The diplomatic activity instituted by the United States tended to ameliorate and moderate these highly-charged issues. In the same context, had it been left to drift within the United Nations after U.N. Resolution 502, it could have taken on historic North-South overtones — imperialism and colonialism versus the developing world. And so that required American activity.

Beyond that, it is clear that we were sensitive to the East-West overtones and the likelihood that the Soviet Union might use the opportunity to "fish in troubled waters." Indeed, on the first day of my visit to Buenos Aires, after a year and a half of absence, the Cuban Ambassador and a planeload of high Cuban officials suddenly reappeared in Buenos Aires with offers of unfilmching support.

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Throughout our efforts to resolve this issue peacefully, there have been two profound divergencies of view between Great Britain, on the one hand, and Argentine on the other. Great Britain has felt, with considerable intensity, that the issue of the Wishes of the inhabitants of the Islands must be given a high precedence in the determination of the future of the Islands themselves. And as I mentioned this morning throughout our discussions with the Argentine Government, they insisted on one of two alternatives —— either an a priori acceptance of ultimate sovereignty for Argentine or the creation of de facto governing arrangements on the Islands which would lead inevitably to such an outcome.

Despite the hours of discussion and effort in which differences were narrowed and grounds for possible compromise were surfaced, when I left Buenos Aires the last time, as I arrived at the airport, I received, despite the framework that we had put together the night before, a renewed demand for a guarantee of sovereignty to Argentina.

The discussions, as we conducted them, evolved around, first, the conditions for the withdrawal of forces on both sides; interim arrangements for the governing of the Island; and a framework for negotiations to determine future outcome. In the light of the new Argentine demand — and as I say, on occasions, we had arrived at one point with the promising, only to find that 24 hours later, it would be totally withdrawn and a new set of demands; and this was the repeated pattern of our talks in Buenos Aires — that based on that situation, the United States tried to devise as best it could a fair and just solution dealing with the three areas I spoke to and in more detail than in our formal statement this morning.

This arrangement would have required concession on the part of both Great Britain and Argentina. And as I say, in my discussions with Foreign Minister Pym here in Washington last week and subsequent communications, we had reason to hope that despite the difficulties -- and there were many for Great Britain -- that they would be willing to accept such a framework and such a proposal. On the other hand, the response from Argentina was a negative one, and a reiteration that they must either have a confirmation of ultimate sovereignty in the terms of the agreement itself and as of the outcome of the negotiations or de facto arrangements on the Island immediately, which would lead to such an outcome. So in hindsight and in any objective assessment, one would have to say that the United Kingdom has been reasonable and forthcoming throughout the discussions, and that Argentina has been less so.

It is the basic American position, of course, that we cannot be or be perceived to be participating in an arrangement which would reward aggression, although we do feel that the past history of this thing would not make us rigid adherents to the <u>status guo ante</u> either.

That is where the situation rested, and that's what direction caused the President to decide to authorize the actions that were announced this morning. Clearly, this is not the end. Ultimately, a negotiated settlement must and, I am confident, will be found. It means a phase is over and a new phase will begin; and it may be that some military action will be the next benchmark for more intense reconsideration in both capitals of the situation. It may be, as well, that other formulas —— and we discussed countless other formulas —— will appear and will provide a vehicle for the parties to finesse what have become hard points of honor with both.

Now, I welcome your questions.

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\ Q The measures that were announced this morning seems to be moderate, not affecting the mainstream of either Argentine investments or trade with the United States.

In that light, can they be seen as a prelude to further steps if this situation should continue?

A Clearly, there are many additional steps which the United States could take and is prepared to take if circumstances require it.

I think it is important to recognize that it may well be that the United States at some future time in another phase could continue to play a constructive role.

It is also important to remember that there are a number of other considerations that must be taken into account as one assesses the options open to the United States at this time.

Our signals are essentially political because in practical terms the full panoply of American economic or trade or financial leverage would not be instrumental in changing the situation.

What is important is the political signal that has been sent, and that's a signal which lays responsibility on the Government of Argentina for the failure in this phase. It is the confirmation that the United States will now change what has been a more balanced posture will now the crisis — although I must tell you again that despite some of the press speculation you've seen, the United Kingdom, the Primm Minister and Foreign Minister are well aware of the posture that we have taken, the reasons we have taken it, and they support that and have supported it from the outset.

But we have now clearly been placed in a position where it is necessary for the international community to recognize why the crisis continues at this hour.

Q It was mentioned in the statement today that the President is willing to respond positively to any requests for materiel or support from Britain.

Does that include military resupply, or could you define it better for us?

A. I think it's best to answer it in the context of a number of ongoing historic relationships we have had with British forces across a broad spectrum, and it must also be reviewed in the context of obligations we have in certain areas such as the Ascension Islands, which of course are being utilized by the British, which are owned by the British, and for which American presence there and utilization there of those facilities involve reciprocal obligations.

I think I want to make very, very clear that there's no prospect of any kind, as we stated in this morning's statement, of direct American military involvement in this situation at this time. None at all.

There have been certain levels of assistance provided, but the British Government has been very moderate in its requests. I can't say what the level will be in the days shead, until we receive the request; then we'll consider them case by case. But I think the President's inclination is to receive them favorably unless they represent some fundamental violation of our longstanding relationship.

- Q Could you give us some estimate of the play of forces right now? What ships might likely be ready too open fire, how soon shooting might break out, and if anybody outside of these two combatants are in the way, specifically the Soviet Union?
- A I don't want to go into too much detail here. Clearly, it's a dangerous thing for a third party to do as forces are beginning to approach one another in a very dangerous way. I think public discussion of the issue would be both inappropriate and possibly dangerous for one or the other of the parties, and I can't do that.
- I can say this: that the proximity of forces is such now that should one side or the other violate the two sanitized areas that both have applied now in that 200-mile circle around the Islands, either by air or surface or subsurface, engagement and the likelihood of a clash is high.
- Q I wonder if you could comment on the Soviet role to date so far? You mentioned that the Cubans have sent an Ambassador and a number of officials to Argentina. There have been reports that the Soviet Union has given the Argentines intelligence data such as the position of the British fleet.

You, yourself, have werned several times about possible roles for the Soviets here. Would you expand on that?

We are aware that the Soviets have been in touch with the Argentine Government, but I would not be justified in suggesting that there are any near-term, verified indicators of a dramatic or direct Soviet involvement at this point.

There have been a number of rumors that perhaps the Soviets have offered intelligence support to Argentina. I've seen them as you have. I've also been assured by the Argentine Government that they would not accept such profers. That might change in the period shead.

Q It appears that there is a kind of an orchestration between ourselves and the British in applying pressure to Argentine. Mr. Pym is now coming, I believe, here and then to the United Nations in New York. It looks like the British are willing to hold off until they see the effects of what the U.S. Government has done today.

I think my question basically is, can you explain any of that, and can you tell us what comes next?

A First, let me assure you that such is not the case. I saw a report -- a misinformed report, I think a day or two ago -- to the effect that British forces had held up their activity for a certain period at our request to permit the negotiations to proceed.

This is not true. It is totally lacking in any basis in fact. We have not requested anything of that kind from the British Government. We do not believe that it would be appropriate to do so.

We have fully engaged ourselves in a process designed to get a peaceful solution, but we do not feel that it is our role to influence the conduct of the forces of either side, and I don't think we would be successful if we tried.

Q The other part of the question is really, was Mr. Pym coming here or going to the United Nations? Are you going up to the United Nations, and is the matter going to be sent to them next or what is the next step?

A I think it remains to be seen. We have been avid supporters of U.N. Resolution 502. That has been the basic framework and the premise under which American diplomatic activity has been launched and conducted.

There are several venues open to the parties, certainly to Argentina. One is the CAS. They've been there this week. They could reopen their activity there. The other is the United Nations. As you know, Foreign Minister Costa Mendez is there today. You note that he stated today publicly that Argentina would accept all the provisions of U.N. Resolution 502. That's the most definitive statement of that kind that I have noted, although they have suggested the same to me informally but usually with the caveats associated with what the political solution would provide for — transfer of sovereignty.

I make the point, very strenuously that it is this government's position that a negotiated settlement of this issue remains an outcome which we must continue to strive for.

- Q Have you suggested that any of our citizens leave Argentina? Are any of our citizens who are there in trouble?
- A We put out a travel advisory yesterday to American citizens, and at the outset of this crisis we had alerted American official personnel of the situation. I think enough said.
- Q Could you tell us whether, in your judgment, the Argentine junta right now is sufficiently cohesive to make the kind of major diplomatic decisions that have to be made to head-off war?
- A I think that remains to be seen, and it doesn't serve any purpose for me even in a background session to indulge in observations which could have an impact on the demeanor and the flexibility of that government to deal with this difficult question. Maybe that's a good question for history.
- Q Was it your analysis of Mr. Costa Mendez's statement earlier that that represented in fact no change in their policy and thus really didn't affect things one way or the other?
 - A Do you mean the adherence to 502?

Q Yes.

- A I think it's too early to say. I would suggest that neither side wants conflict. Argentina certainly does not want conflict. They are going to seek ways to delay the prospect of conflict. One cannot fault them for that, and one must look at their activities in that context.
- moment. Rave you or any Department officials talked with the Soviets about the Palkland Islands crisis, specifically the role the two countries are playing in it?
- And, secondly, do you envision any scenario in which the U.S. and the Soviet Union could come in direct conflict or confrontation over this issue?
- A I don't think it serves any purpose to speculate about that, nor does it serve any purpose to air diplomatic communications that may or may not have taken place, especially at this stage of the situation.
- Q How do you construe Mr. Costa Mendez's statement today that he had not rejected your most recent proposal?
- A I think the answer to that question is one of subjective blas. There was a very, very clear turndown of the proposals in the written reply that we have received, but I am not upset by such a comment.
- Q You spoke before about one of the earlier considerations being the need to maintain hemispheric unity, and now you've obviously, in effect, broken with Argentina, and I wonder what you think is going to happen now to hemispheric unity.
- A First, I don't want to suggest the United States has broken with Argentina. I do want to suggest that we had arrived at a point in time when was necessary for the American public and the international community to know precisely why we were where we are, so close to potential conflict.
- I do not anticipate that this will be well received in all Latin American capitals. Rowever, all of our hemispheric friends must also recognize that many of them have similar territorial disputes with one neighbor or

one power or another, and that the united States adherence to a rule of law and peaceful change and diplomatic solutions to these controversies is an espousal of a principle from which they themselves benefit.

We would hope that they would share with us our concern about the importance of that principle.

9 Do you think if Argentina would in fact seriously accept Resolution 502, as Costa Mendez seems to have implied today, that could still head off war?

A There are any number of formulas. Of course, with Resolution 502 you must look at the essence of the question. First, it calls for a cessation of hostilities. That would have the practical consequence of achieving the objective.

Second, the withdrawal of Argentine forces from the Islands. That's a very important step, and it is not one that the Argentines have refused to consider. Where the hangup comes is "a political solution will be found." If that political solution involves a willingness to sit down and negotiate without precondition or to have it adjudicated by other parties without preconditions, then 502 does indeed, as did our proposal, provide a framework for a peaceful solution.

Thank you very much.

(The background briefing concluded at 3:12 p.m.)