

PAGE 01 BUENOS 02402 211810Z
ACTION NODS-00

INFO OCT-00 ADS-00 /000 W

-----141410 211817Z /42
O 211717Z APR 82 ZFF-4
FM AMEMBASSY BUENOS AIRES
TO SECSTATE WASHDC NIACT IMMEDIATE 3325

RELEASED IN FULL

BUENOS AIRES 2402
DECAPTIONED

E.O. 12065: GDS 4/21/88 (SHLAUDEMAN, HARRY W.) OR-M
TAGS: PBOR, MILI, UK, PA, AR
SUBJECT: FALKLANDS DISPUTE; ARGENTINE NEGOTIATING POSITION AND
ATTITUDES

1. ENTIRE TEXT.

2. BEGIN SUMMARY: THE GOA CONTINUES TO PAINT ITSELF FURTHER INTO THE CORNER FROM WHICH EXIT WITHOUT EXPLICIT RECOGNITION OF ARGENTINE SOVEREIGNTY IN THE MALVINAS WILL BE EXCEEDINGLY DIFFICULT. EVEN A MILITARY WITHDRAWAL IS BECOMING A MORE DOUBTFUL PROPOSITION. THE CAPACITY OF THE FOREIGN MINISTRY TO EXERT INFLUENCE IN FAVOR OF REALISTIC NEGOTIATIONS IS ALSO IN QUESTION. THE NAVY EXPECTS AN ARMED ENCOUNTER EARLY NEXT WEEK AT SOUTH GEORGIA ISLAND. BUT THE PUBLIC WANTS PEACE AND IS PINNING ITS HOPES ON THE SECRETARY. WITH GALTIERI CLEARLY IN TROUBLE, THE PRESSURE OF THE FEAR OF WAR MUST BE MAINTAINED ON THE ARGENTINES IF HE IS TO BE KEPT FROM TRYING TO ESCAPE BY ABORTING THE NEGOTIATIONS.
END SUMMARY.

3. AT THIS POINT IT IS DIFFICULT FOR US TO SEE HOW THE GOA CAN ACCEPT THE PROPOSED SOLUTION WORKED OUT HERE WITHOUT AN EXPLICIT COMMITMENT TO ARGENTINE SOVEREIGNTY. THIS IS THE DIRECTION IN WHICH THE JUNTA'S LATEST

PAGE 02 BUENOS 02402 211810Z

COMMUNIQUE AND THE VARIOUS STATEMENTS EMANATING FROM THE GOVERNMENT POINT (SEPTEL). TWO FACTORS SEEM TO BE

AT WORK HERE NOW: AN INCREASINGLY HARD LINE AND GROWING ILLUSIONS ABOUT INTERNATIONAL SUPPORT, ESPECIALLY IN THE EVENT OF HOSTILITIES.

4. THE REACTION WE ARE GETTING FROM OUR CIVILIAN FRIENDS IN THE POLITICAL-FOREIGN POLICY ESTABLISHMENT TO PRESS ACCOUNTS OF THE PROPOSAL IS ONE OF SURPRISE THAT GALTIERI WOULD HAVE GONE AS FAR AS HE DID, EVEN WITH AN ASSURED OUTCOME. THE VIEW IN THAT QUARTER, AS EXPRESSED TO ME BY, AMONG OTHERS, FORMER FOREIGN MINISTERS MARIO AMADEO AND OSCAR CAMILION (THE LATTER IS IN PARTICULAR A LEADING DOVE) IS THAT THE "INTERNAL FRONT" (MEANING ABOVE ALL THE OFFICER CORPS) HAS NOT BEEN PREPARED FOR SO MUCH AS ONE STEP BACKWARD. THE STATEMENT FROM GENERAL MENENDEZ, GOVERNOR OF THE MALVINAS, THAT HE IS ON THE ISLANDS TO STAY AND THAT HIS TROOPS ARE PREPARED FOR ANY CONTINGENCY IS OMINOUS IN THAT RESPECT.

5. A COMPLICATING FACTOR IS THE INCREASINGLY DEFENSIVE POSITION OF THE FOREIGN MINISTRY, NOMINALLY THE PEACE PARTY IN THIS CRISIS. THE POLITICIANS ARE ZEROING IN ON THE MINISTRY FOR FAILURE TO OBTAIN INTERNATIONAL SUPPORT WHEN IT WAS NEEDED, AMONG OTHER PURPORTED CRIMES. BEHIND THIS IS THE BLACK LEGEND THAT ARGENTINA'S DIPLOMATS HAVE ALWAYS MANAGED TO GIVE AWAY WHAT THE COUNTRY'S SOLDIERS WON ON THE BATTLEFIELD. THE MINISTRY -- AND THE GOA GENERALLY -- IS PLAYING YESTERDAY'S VOTE IN THE OAS AS A GREAT TRIUMPH. THE DANGERS IN THAT LINE ARE OBVIOUS.

PAGE 03 BUENOS 02402 211810Z

6. THE NAVY IS TELLING US THAT THEY EXPECT AN ARMED ENCOUNTER BEFORE ANY NEGOTIATED SETTLEMENT -- PROBABLY A BRITISH ASSAULT ON SOUTH GEORGIA EARLY NEXT WEEK. (SURPRISINGLY, THE SCRAP PARTY THAT STARTED ALL THIS IS STILL ON THE ISLAND ALONG WITH A CONTINGENT OF ARGENTINE MARINES -- 350 ACCORDING TO THE NAVY, 140 IN ONE PRESS ACCOUNT. THESE MEN NOW HAVE A GOOD STOCK OF PROVISIONS BUT PRESUMABLY CANNOT BE RE-SUPPLIED IN THE FORESEEABLE FUTURE). IN THE OTHER SERVICES, AIR FORCE CINC LAMI DOZO CONTINUES TO MAKE OPTIMISTIC NOISES, WHILE THE ARMY REMAINS LARGELY SILENT -- AND

[REDACTED]

UNWILLING FOR THE MOMENT TO TALK TO OUR PEOPLE ABOUT THE CRISIS.

7. ON EVERY SIDE WE HEAR EXPRESSIONS OF RESPECT AND ADMIRATION FOR THE SECRETARY AND THE EXTRAORDINARY EFFORT HE IS MAKING. OUTSIDE OF THE MILITARY SERVICES AND THE GOVERNMENT, THE PRESTIGE OF THE UNITED STATES HAS NEVER BEEN HIGHER. THERE IS NO QUESTION THAT THE PUBLIC WANTS PEACE. BUT WHETHER THE ARGENTINES CAN ACCEPT THE PRICE IN TERMS OF THE DEFERRAL OF THEIR ASPIRATIONS IS OPEN TO QUESTION. WITH EVERY DAY THAT PASSES WITHOUT A CLEAR-CUT VICTORY, GALTIERI IS IN EVER DEEPER TROUBLE.

8. IN THESE CIRCUMSTANCES THERE IS REAL DANGER IN ANY RELAXATION OF PRESSURE. IF GALTIERI AND HIS CROWD GET THE IMPRESSION THAT BRITISH RESOLVE HAS WEAKENED -- THAT A SHOOTING WAR CAN BE EVADED WITHOUT A SETTLEMENT -- THEY WILL SCUTTLE RAPIDLY AWAY FROM THE CONCESSION THEY HAVE ALREADY MADE. THE PRESS HERE IS REPORTING THAT THE BRITISH FLEET HAS SLOWED TO EIGHT KNOTS. SHLAUDEMAN

[REDACTED]

NNN