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ORGANIZACION DE LOS ESTADOS AMERICANOS ORGANIZAÇÃO DOS ESTADOS AMERICANOS ORGANISATION DES ETATS AMERICAINS ORGANIZATION OF AMERICAN STATES

17th Street and Constitution Avenue, N.W. Washington, D.C. 20006

August 12, 1982

FOR:

Mr. Roger Fontaine

SUBJECT:

OAS Material Concerning the Post Malvinas Crisis

At the suggestion of John W. Ford, Advisor to the Secretary General, I am sending you the attached portfolio of documents concerning the post-Malvinas-Falkland crisis which may be of interest to you.

Sincerely,

Caroline Casselman

Special Assistant to the Secretary General

Enclosures:

Washington Post article of July 28, 1982 OAS press releases of July 22 and 23, 1982

Memorandum of July 27, 1982 entitled "The Value of the OAS to Latin America" and letter of July 19, 1982

from Arthur Schlesinger, Jr.

Overview paper 'Working for the Peaceful Settlement of

Disputes in the Western Hemisphere."



The Washington Post

For the Record

From a speech by A ejandro Orftes secretary general of the Organization of American States:

After the tragedy of the Malvinas, we now possess an extraordinary oppostunity to redirect our regional association into more open and harmonious channels. This will require a recommittment of political will to the hemispheric common good rather than merely to national self-interests. Such a recommitment of political will, however, can only take place at the highest governmental levels.

For this reason, I believe it essential that we enforce and act upon the recorder mendation of Presidents Luis Herrera Campins of Venezuela and Gregorio varez of Uruguay for a meeting of OAS heads-of-state in the immediate future: ... From previous experience we know that such a meeting must be preceded first by a conference of OAS foreign ministers and other Cabinet members Their task would be to set the agenda for the presidential meeting. It is these ministers who must transform the wieldy concerns of the present into-an orderly agenda for decisions by the heads-of-state...

There is a constant ebb and flow in the growth and progress of the hemispheric association. Its formidable strength has been proved time and time again during the course of our uneven history together. But one feature stands out in our relationship: the belief of CAS nations and peoples that, despite all their differences, they need each other? At times, this conviction is weak and clouded by harsh rhetoric. But it is nonetheless always present. We are now pressed by the demands of history to infuse new life into this conviction by frank and honest and yet friendly dialogue at the highest levels of our society. *•

ORGANIZATION OF AMERICAN STATES

GENERAL SECRETARIAT WASHINGTON, D.C.



PUBLIC INFORMATION DEPARTMENT

E-77/82

July 22, 1982

ORFILA CALLS NEW SUMMIT MEETING

IN THE AMERICAS ESSENTIAL STEP

TO DEAL WITH URGENT CHALLENGES

(FOR RELEASE AT 5:30 PM EDT, THURSDAY, JULY 22)

WASHINGTON, D.C., July 22 (OAS) -- Alejandro Orfila, Secretary General of the Organization of American States (OAS), today called for a summit meeting of the 31-member inter-American system to deal with the after effects of the crisis over the Malvinas islands.

Speaking before the Foreign Policy Association in New York, Orfila questioned whether anything less than a meeting at the level of heads-of-state will be adequate, given the insistent challenges standing before the American community of nations at this moment."

Underscoring the urgency of the meeting to be held in the near future,
Orfila said tragic events in the Malvinas 'have severely compounded the stresses
and strains already unsettling the traditional regional relationship,' adding
that "this serious situation compels us to re-examine where we go from here."

In endorsing original proposals for a summit meeting made by Presidents
Luis Herrera Campins of Venezuela and Gregorio Alvarez of Uruguay, the OAS
Secretary General said it would have to be preceded by a conference of ministers
of foreign affairs and other cabinet members who would be charged with approving
the agenda to be dealt with by the heads-of-state.

Latin America and the United States frequently find themeselves talking past each other like two ships passing blindly in the night.

'Unless we reverse this pattern of events the strains will continue to grow in intensity and dimension," Orfila warned, adding, in an optimistic outlook, that the "Formidable" strength of the hemispheric relationship "has been proven time and again during the course of our uneven history together. But one feature stands out in our relationship: the belief of OAS nations and peoples that, despite all their differences, they need each other."

Orfila told the Foreign Policy Association that the task ahead is to infuse new life into that belief "by a frank and honest, and yet friendly dialogue at the highest levels of our societies."

"Only those without vision, then," he concluded, "believe the present is a time for doomsaying or for standing still. Have we any serious choice but to work together once more so as to transcend the problems of the present? Let us, rather, cooperate in seeking to move towards fulfilling the sterling ideals held out for us by a Bolivar, a Jefferson and a San Martin: an America that is and remains the last, best hope for a mankind searching for universal peace and for a genuine international path leading to cooperation among the peoples of this planet."

ORGANIZATION OF AMERICAN STATES

GENERAL SECRETARIAT WASHINGTON, D.C.



PUBLIC INFORMATION DEPARTMENT

E-81/82

July 23, 1982

OAS SECRETARY GENERAL URGES

SUPPORT FOR CBI, OUTLINES

FUTURE OF REGIONAL RELATIONS

WASHINGTON, D.C., July 25 (OAS)--- Alejandro Orfila, Secretary General of the Organization of American States (OAS), today outlined the agenda of pending issues in inter-American relations and said the Caribbean Basin Initiative (CBI) "is a plan that must be supported by all the means at our disposal."

Speaking in Nassau, Commonwealth of the Bahamas, before the Thirteenth Inter-American Scout Conference, Orfila said "we should be very happy with President Reagan's felicitous proposal for a vast plan to support the Caribbean area. Trade, cooperation and investment, public and private sectors, all unite in this initiative to contribute to the development of the subregion."

He warned, however, that "we have not yet taken the great step of unifying the North and the South of the hemisphere in a broad cooperative effort...

Economically, all the steps taken to prepare a new collective system of development cooperation must be brought to fruition, and the idea itself, which for the moment seems to have lapsed, must be reinvigorated. Promoting trade, reducing protectionism and ensuring price stability for basic products from the

"I think", Orfila concluded, "that we are in a situation that demands firmness, understanding and a spirit of dialogue. Firmness to maintain our own convictions and give force to our own arguments...Understanding is needed because the overall situation involves us and involves others...A spirit of dialogue is needed because that is the basis of our Organization, and the more critical the situation, the more that spirit should prevail."



ORGANIZACION DE LOS ESTADOS AMERICANOS ORGANIZAÇÃO DOS ESTADOS AMERICANOS ORGANISATION DES ETATS AMERICAINS ORGANIZATION OF AMERICAN STATES

17th Street and Constitution Avenue, N.W. Washington, D.C. 20006

July 27, 1982

MEMORANDUM FOR THE FILE:

SUBJECT: The Value of the OAS to Latin America

FROM:

John W. Ford & Caroline M. Casselman

The historian, Arthur Schlesinger, Jr., in his letter of July 19, 1982, observed "Obviously inter-American institutions are not going to work unless they are seen as being in the interest of Latin America as well as in the interest of the United States."

Another historian, in this instance an economic historian, Walt Rostow, in replying to questions from a Venezuelan audience last week, made the following points:

- ° In keeping extra-continental military power out of the Hemisphere, the OAS avoided making Latin America the kind of "bear-pit" that Africa, the Middle East, and Asia have become. The Latin American governments had it in their power to destroy the OAS any day they so chose; and there are Americans who would not mind. But it would open the way for chaos, with the U.S. in association with some Latin American countries, other powers in association with others. It is the OAS which permits such relatively low Latin American allocations to military expenditures.
- ° The OAS is a major check on U.S. impulses to intervene in Latin America. That impulse has waned as Latin America has matured. Nevertheless, the OAS remains important as an instrument regulating, to a degree, the behavior of the Hemispheric super power in relation to the large, medium, and small states of the region.
- ° Although rarely discussed, the OAS is also the friend and protector of the medium and small states of the region against actual or potential aggressive impulses of the larger states.
- $^{\circ}$ The OAS has been, on the whole, a remarkably successful peace-keeper.
- ° The Hemispheric system has done much more for Latin American development than is generally understood. The IDB is an important example.
- ° Before destroying the OAS, Latin Americans should pause and consider that its existence and the principles it incorporates have rendered the Hemisphere the most civilized region in the world.



The Graduate School and University Center of the City University of New York

Albert Schweitzer Chair in the Humanities Graduate Center: 33 West 42 Street, New York, N.Y. 10036 212 790-4261

July 19, 1982

Mr. John W. Ford

Special Advisor to the
Secretary General
Organization of American States
Office of the Secretary General
17th Street and Constitution Avenue, N.W.
Washington, D.C. 20006

Dear Mr. Ford:

I thank you for your letter and the enclosure. In suggesting a reexamination of the utility of the OAS and the Rio Pact, I did not
mean to imply any final judgment that these institutions have outlived their usefulness. I did have in mind Bill Rogers's proposal
some years back that the OAS might be more effective (as I recall
it) without U.S. participation, and we all remember recent occasions
(like Vina del Mar) when Latin Americans have preferred to meet by
themselves. Obviously inter-American institutions are not going to
work unless they are seen as being in the interest of Latin America
as well as in the interest of the United States. One possible result
of a process of re-examination might be to persuade Latin Americans
anew of the importance of these institutions to them.

Your paper on the contribution of the OAS to the peaceful settlement of disputes in the hemisphere is a powerful document, and I read it with great interest. Thank you for writing, and best of luck to all of you at the OAS.

Sincerely yours,

Arthur Schlesinger, jr.

WORKING FOR THE PEACEFUL SETTLEMENT OF DISPUTES IN THE WESTERN HEMISPHERE

AN OVERVIEW

Throughout its institutional history the Organization of American States has been involved in almost every facet of our Hemispheric relationships under the broad rubric of keeping vigilance over the maintenance of friendly relations among the member states and assisting them in the peaceful settlement of their disputes. The OAS Permanent or Political Council has been the principal body most consistently involved, aided and abetted by treaty instruments (a charter and a mutual defense treaty).

Beyond the formal language of its resolutions much of the work of the OAS is unknown but even a cursory review of its activities will demonstrate that in situations involving friendly relations and settlement of disputes the OAS has been called upon formally or informally no less than fifty separate times. In the process the OAS has faced many crises and is generally given high marks for its handling of the first armed conflict between two Latin American countries occurring in a generation. Its unanimous vote approving resolutions of the OAS Permanent Council in a situation involving the potential for World War III on the occasion of the presence of Russian missiles in a member state, has also been acknowledged.

It has overcome formidable stituations many of which today are forgotten but which constituted in their time serious Hemispheric problems.

It has helped prevent renewed outbreak of war, for example, when faced with a hijacking involving two combatant countries, has used its good offices successfully in situations involving potential conflict between a member state and an extra-continental power, has gone off on missions of peace including situations of riots and resulting bloodshed, has imposed sanctions on a member state on proving intentions of that state toward assassinating the President of another member country, is widely considered responsible for having brought a civil war to a close including the departure of the President of that country, and provided good offices in helping prevent bloodshed when efforts were made to restore a deposed President to office. It is credited with having made a major contribution to preventing a coup by reason of the presence of election observers selected by the Organization but acting in their individual capacities. As an institution it took an early and steadfast stand against violations of the inviolability of diplomatic staffs and premises and played a significant and humanitarian role in bringing to a close the long drawn

out and trying ordeal for hostages and their families who were the victims of terrorist takeovers, one of a diplomatic mission and the other of an OAS office. As late as 1981 it issued resolutions concerned with the cessation of military operations on the border between two larger member countries. While it has never faced a conflict of major proportions involving larger member states, member country spokesmen have acknowledged the value even in such cases of its mutual defense treaty which provide for return to status quo ante bellum under penalty of being branded an aggressor and the potential of ensuing sanctions.

While not all member countries participated in the solutions of problems which have arisen historically with a common and universal position and while all the resolutions taken prior to the crises it has faced were not ones of unanimity, over the years the OAS has built up an impressive body of precedents, experiences, and ways of doing business.

Peace-keeping or humanitarian operations in which goals, objectives and even difficulties and dangers helped provide a uniting and inspiring ingredient, have represented the OAS international effort at its best. OAS Ambassadors, Secretariat personnel and officials of member governments operating under OAS mandates have known the dangers of war, of hostile public opinion, and the difficult task of dealing with armed guerrillas holding diplomats or international servants as hostages. At least two OAS military observers have lost their lives while engaged in peacekeeping and or humanitarian mercy missions.

The Hemispheric problems the OAS will face in the future are seemingly without parallel except to those willing to dig deeply into the rich history of precedents which mark its work. The OAS has served the continent well in dealing with aggression and threats or fears of aggression as well as in providing good offices in calming disputes that might have led to even more serious consequences. The treaties and institutional relationships which are part of its heritage need to be nourished and strengthened and it behooves us to reflect on the consequences of bypassing, ignoring or disregarding these precedents and the treaty instruments.

Effective multilateral action in the future as in the past is primarily the responsibility of the member states in an Organization in which its members are juridically equal and in which there is no veto.

John W. Ford (Former Member of the OAS Permanent Council and Retired Foreign Service Officer)

FIPST DRAFT January 25, 1982

The opinions expressed in this paper reflect the views of the author and not those of the Organization of American States.

Selected
Document No. 21

The South Atlantic Crisis: Background, Consequences, Documentation

August 1982



United States Department of State Bureau of Public Affairs Washington, D.C.

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VI. Argentine Diplomatic Note to the Department of State, May 26, 1982

I. ASSISTANT SECRETARY ENDERS' PREPARED STATEMENT, AUG. 5, 1982

I was delighted to receive your invitation to review with this committee the impact of the Falklands/Malvinas Islands conflict on the inter-American system and specifically on U.S. relations with Latin America.

The clash between Argentina and the United Kingdom erupted suddenly, then as quickly disappeared from the headlines. It left in its wake some haunting questions—about how to prevent war in the hemisphere, about the future of inter-American cooperation, even about regional stability and progress.

This is not the first time that these islands have vividly illustrated the risk of massive repercussions from modest origins. These "few spots of earth which, in the desert of the ocean, had almost escaped notice" once brought "the whole system of European empire" to the point of convulsion. The remark is from Thoughts on the Late Transactions Respecting Falkland's Islands, written by Samuel Johnson in 1771.

This prepared statement addresses the disturbing consequences of the 1982 Falklands/Malvinas crisis and records something of the origins and course of the conflict itself.

Origins of the Conflict

The territory immediately at issue consists of two main islands and some 200 smaller ones located in the South Atlantic 480 miles northeast of Cape Horn.

The islands cover a total area of 4,700 square miles. Their terrain is alternately boggy and hilly, the environment windswept and virtually treeless. Samuel Johnson described it as "a bleak and barren spot in the Magellanick Ocean of which no use could be made." But Johnson never went there to see for himself. A U.S. Foreign Service officer who did so more than two centuries later in the course of her consular duties reported that "work is hard but life is simple and not uncomfortable." According to the 1980 census, the population was 1,813-down from the 1931 peak of 2,392. The predominant economic activity is the production of fine wool.

It is their relationship to the outside world rather than their marginal profitability that has made these islands a source of seemingly endless contention. Even their name reflects disagreement—though in English they are known as the Falklands, in the Spanish-speaking world they are invariably known as the Malvinas. There is even controversy over which European first sighted the islands in the 16th century.

But the central dispute has always been over sovereignty. In 1770 England, France, and Spain almost went to war over small outposts embodying competing claims to exclusive dominion on the islands. That crisis was resolved pragmatically when Spain restored to England the settlement of Port Egmont on Saunders Island off West Falkland, founded originally by English settlers in 1766, then seized by Spain. In turn.

Spain kept Port Louis, which had originally been founded by France in 1764 on East Falkland. Both Spain and England maintained their broader

sovereignty claims.

In 1774, apparently for reasons of economy, England withdrew from Port Egmont, leaving behind a leaden plaque declaring that "Falkland's Island" was the "sole right and property" of King George III. From 1774 to 1811, the islands were administered without challenge by a succession of Spanish governors under the authority of the Vice Royalty of La Plata in Buenos

In 1820 Argentina formally claimed sovereignty over the then-uninhabited islands as the successor to Spain. In one of the many ironies of this history, the Frigate Heroina, sent to enforce Argentina's control, was commanded by David Jewett, one of the many British subjects who fought in the Wars of Liberation in the service of the Argentine Republic. In 1826 Argentina established a new capital at the protected harbor of Stanley on East Falkland. In 1833, after a series of incidents over fishing rights. one of which had led to action by the U.S.S. Lexington against Argentine authorities, the corvette H.M.S. Clio reasserted Britain's claim.

For nearly a century and a half—until an Argentine naval force invaded Port Stanley last April 2—Britain administered the islands, first as a Crown Colony, then as a self-governing dependency. The royally chartered Falklands Islands Company undertook the first large-scale settlement of the islands and provided ships that made four or five round trips a year to Britain exchanging the islands' wool and hides for everything from chocolates to

building materials.

Argentina's Claims

Argentina's commitment to recover territories Argentines believe were illegally wrested from them by force is documented in countless pamphlets, articles, and books, some of them distributed widely in Latin America. For the past 40 years or so, the claim to the "Malvinas" has been an important component of Argentine nationalism, endorsed by prominent civilian and military leaders across the political spectrum.

Immediately after World War II, Argentina moved its claims beyond the bilateral exchanges that had marked its efforts to recover the islands in the 19th and early 20th centuries. At inter-American conferences in Rio in 1947, Bogota in 1948, Washington in 1953, and Caracas in 1954, Argentine delegations introduced resolutions pressing Argentina's claims within a general framework of decolonization. In the arctic summer of 1947–48, an Argentine task force of two cruisers and six destroyers conducted maneuvers off the islands but left when Britain dispatched

warships in response. Argentine diplomacy registered a significant gain in 1964. Since 1946 the United Nations had treated the United Kingdom as the administering authority under Chapter XI of the U.N. Charter. U.N. General Assembly Resolution 2065(XX) called upon Argentina and the United Kingdom to initiate talks with a view to resolving their conflicting sovereignty claims peacefully. Confidential bilateral talks began in 1966. With numerous ups and downs and occasional interruptions, Argentine-U.K. negotiations continued for 16 years. Agreements were reached providing for

Argentine facilitation of air travel and communications, postal and medical services, education, and oil supply. The two sides remained far apart, however, on the basic issue of sovereignty and such related issues as land ownership and residence by Argentines. The last precrisis round of talks took place in New York in February 1982, ending barely 6 weeks before Argentina at-

tempted to settle the matter by force. It has been said that Britain's approach reflected a stubborn colonialist reflex. The fact that over the last generation, no fewer than nine members of the Organization of American States have received their independence in peace and good will from the United Kingdom suggests that the situation was rather more complex. The resident islanders-hardy individuals predominantly of Scottish and Welsh extraction-proved to be satisfied with British rule and adamantly united in opposing Argentine claims. Throughout the negotiations, Britain stood by the proposition that the rights and views of the inhabitants must be respected in any future disposition of the islands.

The standoff became rooted in principle as well as nationality—Britain arguing for self-determination, Argentina for territorial integrity.

U.S. Position

The United States has at no time taken a legal position on the merits of the competing sovereignty claims. In the 19th century, U.S. officials made clear that—because the British claims antedated 1823—the United States did not consider the reassertion of British

control a violation of the Monroe Doctrine. The United States, however, refused to become embroiled in the sovereignty issue and took no position on Argentine and British sovereignty claims.

Thirty-five years ago, at the signing of the final act of the 1947 Rio conference which created the Rio treaty, the U.S. delegation, headed by Secretary of State George C. Marshall, made clear our view that the Rio treaty is without effect upon outstanding territorial disputes between American and European states—and explicitly refused to endorse Argentina's claims.

U.S. neutrality on the question of sovereignty has been confirmed repeatedly since then—at the Organization of American States and the United Nations, as well as during the recent fighting. I reassert it again today, before this body: The United States takes no position on the merits of the competing claims to sovereignty, nor on the legal theories on which the parties

For the record, I would like to add that although we, of course, have an interest in peace there as elsewhere, the United States has no direct interest in the islands. Because some comments abroad have suggested otherwise, I state explicitly that the United States has never had, and does not now have, any interest in establishing a military base of

any kind on these islands. The only occasion on which any U.S. military presence has ever been contemplated was in April-May 1982 as a contribution to a peaceful resolution had one been agreed to between Argentina and the United

Kingdom.

The Occupation and Response

Argentina's surprise military occupation of the islands beginning April 2 provoked dismay and apprehension throughout the international community. The next day, April 3, the U.N. Security Council adopted Resolution 502, demanding immediate cessation of hostilities and withdrawal of Argentine troops and calling on Argentina and the United Kingdom to resolve their differences diplomatically. Invoking the right of self-defense under Article 51 of the U.N. Charter, the United Kingdom dispatched a war fleet toward the islands.

The looming military confrontation put the inter-American system under great stress. Some said that because war would pit an American republic against an outside power, the Rio treaty required that all its members come to the assistance of the American republic.

Others said that the inter-American system-which protects regional order based on law and the peaceful settlement of disputes-could in no way be interpreted to support the resort to force to settle a dispute.

The U.S. position was that because the unlawful resort to force did not come from outside the hemisphere, this was not a case of extracontinental aggression against which we were-and

are-all committed to rally.

These different responses to a conflict for which the inter-American system was not designed led to heated exchanges among foreign ministers at the meeting of the Rio treaty Organ of Consultation that began April 26. Two days later, the organ adopted, by a vote of 17-0-4 (the United States abstaining), a resolution that urged an immediate truce, recognition of the "rights of sovereignty of the Republic of Argentina over the Malvinas (Falkland) Islands and the interests of the islanders," and called for "negotiation aimed at a peaceful settlement of the conflict."

Negotiation of a peaceful settlement of the conflict had, in fact, been the central objective of the U.S. response to the

crisis.

U.S. efforts to encourage a negotiated settlement began even before the initial use of force. In late March, we offered to the two sides our good offices to help find a peaceful solution to an incident on South Georgia Island on March 19 when an Argentine salvage team was threatened with expulsion for operating without British permission. On April 1, learning that Argentine military action appeared imminent, President Reagan called President Galtieri to urge that Argentina desist from the use of

After Argentina forcibly occupied the islands, both President Galtieri and Prime Minister Thatcher encouraged the United States to see whether it could be of assistance in finding a solution. At President Reagan's direction, Secretary Haig undertook two rounds of intense

discussions in each capital.

On April 27, as prospects for more intense hostilities increased, the United States put forward a proposal of its own. It represented our best estimate of what the two parties could reasonably be expected to accept. It was founded squarely on U.N. Security Council Resolution 502, which both sides asserted they accepted.

The U.S. proposal called for negotiations to remove the islands from the list of non-self-governing territories under Chapter XI of the U.N. Charter. It

specified that the definitive status of the islands must be mutually agreed, with due regard for the rights of the inhabitants and for the principle of territorial integrity. And it referred both to the purposes and principles of the U.N. Charter and to the relevant resolutions of the U.N. General Assembly.

Those negotiations were to be completed by the end of the year. Pending their conclusion, an interim authority composed of Argentina, Britain, and the United States was to oversee the traditional local administration to be sure that no decision was taken contrary to the agreement. Argentine residents of the islands were to participate in local councils for this purpose. During the interim period travel, transportation, and movement of persons between the islands and the mainland were to be promoted and facilitated without prejudice to the rights and guarantees of the inhabitants.

The proposed interim authority of the three countries was to make proposals to facilitate the negotiations, including recommendations on how to take into account the wishes and interests of the inhabitants and on what the role of the Falkland Islands Company should be. Should the negotiations not have been completed by year's end, the United States was to be asked to engage in a formal mediation/conciliation effort in order to resolve the dispute within 6 months.

The British Government indicated that our proposal presented certain real difficulties but that it would seriously consider it. However, the proposal was not acceptable to the Argentine Government, which continued to insist that any solution must have a predetermined out-

On April 30, in light of Argentina's continued unwillingness to compromise, we took concrete measures to underscore that the United States could not and would not condone the unlawful use of force to resolve disputes. The President ordered limited economic and military measures affecting Argentina and directed that we would respond positively to requests for materiel support for British forces but without any direct U.S. military involvement. Secretary Haig's statement announcing these measures emphasized our belief that no strictly military outcome could endure, that a negotiated settlement would be necessary in the end, and that the United States remained ready to assist the parties in finding that settlement.

On May 5 President Belaunde of Peru took the initiative to put forward a new peace plan, drawing also on the

fundamental elements of Resolution 502. We worked closely with him. The simplified text forwarded by Peru to Buenos Aires and London called for an immediate cease-fire, concurrent withdrawal and nonreintroduction of forces, administration of the islands by a contact group pending definitive settlement in consultation with the elected representatives of the islanders. acknowledgement of conflicting claims. acknowledgement in the final settlement of the aspirations and interests of the islanders, and an undertaking by the contact group to insure that the two parties reached a definitive agreement by April 30, 1983.

Britain made clear that it could seriously consider the proposal. Argentina asked instead for the U.N. Secretary General to use his good offices as, of course, it was its full privilege to

By this time, however, the military tempo was rapidly overtaking the negotiators. On May 2 two torpedoes from a British submarine sank the General Belgrano, Argentina's only cruiser. On May 4 a sea-skimming missile from an Argentine jet devastated the H.M.S. Sheffield, a modern British destroyer. Despite intense new efforts by the U.N. Secretary General, the war we had worked so hard to avoid had come in earnest.

By June 14, when the Union Jack was again raised over Port Stanley, what Horace Walpole had in 1770 called "a morsel of rock that lies somewhere at the very bottom of America" had become the improbable scenario of bitter fighting. More than 1,000 men and women were dead. Billions of dollars had been expended. Emotions had surfaced in both countries that promise to make this issue and others even harder to resolve in the future.

The Future

I said at the onset that the South Atlantic war faces us with several haunting questions.

Perhaps the most fundamental is how better to prevent war in the future

in this hemisphere.

Many of us feared as soon as Argentina acted April 2 that the fighting would escalate. Argentina, it is true, did not cause casualties in its takeover. But that did little to diminish the shock. Any use of force invites further use of force. The shock in this case was increased because the two countries were both linked in friendship to us and to each other. It grew when brave men on both sides began to risk and lose their lives.

But perhaps the deepest shock came because war between states had been virtually unknown in the Americas in our time.

In the world as a whole, some 4 million persons have lost their lives in armed action between states since the Second World War. Including the toll in the South Atlantic, fewer than 4,000 of them have died in the Western Hemisphere. The countries of Latin America spend less of their national resources for arms than any other area in the world. Their military expenditures come to only 1.4% of GNP-a quarter of the average in the Third World as a whole.

The South Atlantic war—the fact of major fighting and the clear advantages demonstrated by modern weaponsmeans that military institutions, throughout the hemisphere but especially in South America, have powerful new claims to resources. Because Latin America's military institutions and arsenals are relatively modest in size. demands for advanced weapons systems and for the expertise to maintain and employ them are likely to increase. Governments will also look for selfsufficiency in defense industries, for bigger stocks of weapons.

Budgetary limitations will, of course, constrain purchases, but we would be mistaken to expect arms modernization to be deferred as a result of the South Atlantic conflict. On the contrary. The duration and intensity of the fighting called into question the assumption that the inter-American system guarantees that interstate conflicts in this hemisphere would be limited to a few days of actual fighting.

A new emphasis on military preparedness in a region long plagued by territorial disputes and military involvement in politics would undeniably challenge every member of the inter-American system.

The hemisphere is laced with territorial questionmarks. The prevalence of territorial tensions (e.g., among Argentina-Chile-Peru-Bolivia-Ecuador, Colombia-Venezuela-Guyana, Nicaragua-Colombia, Guatemala-Belize) puts a premium on the peaceful settlement of disputes. To take just one example, tensions between Guatemala and Belizethe only place in the hemisphere other than the Falklands where the United Kingdom stations combat troops—will continue to fester if unresolved.

The challenge to regional peacekeeping is far from hopeless, however. The U.S. response to the crisis may serve to deter others from resorting to force. Moreover, the inter-American system equips the New World with the means

to prevent or control the conflicts that have kept other continents from realiz-

ing their potential.

Machinery exists to anticipate disputes and permit their peaceful and definitive settlement-various inter-American arbitration and conciliation agreements, OAS peacekeeping mechanisms, the International Court of Justice, even the treaty of Tlatelolco, which established the world's first nuclear-free zone in a populated area. What appears lacking is the will to use this machinery to prevent and resolve contentious problems. The United States and other countries of the area have at one time or another been involved in calming or negotiating most of them. But this is a branch of hemispheric diplomacy that deserves fresh attention.

The interest of American states is clearly to avoid arms races. Even where competitive procurement cannot be avoided altogether, they will want to see that existing disputes are not needlessly exacerbated. U.S. arms sales as a proportion of South American purchases fell from 75% in 1960 to 25% in 1970 and 7% percent in 1980. The reduction in training and in-depth contacts between the United States and most South American militaries has been equally

precipitous.

These patterns raise a question worth pondering in the wake of the Falklands/Malvinas episode. Can the United States maintain a degree of military access and communication with the states of South America so as to help maintain the regional balance of power with such limited personnel, doctrinal, and materiel relationships?

A related challenge is to prevent regional conflicts from having strategic consequences, changing the East-West balance. This is a real problem, for history shows the Soviet Union and its proxies are ready and eager to take advantage of instability. Should Moscow be willing to provide arms at bargain prices as it did to Peru in the 1970s, economic constraints on Latin American purchases of military equipment from traditional Western sources could give the Soviets a unique opportunity to forge closer links with established governments in South America. Cuba-and Nicaragua-rushed forward to exploit the Falklands crisis. In Argentina some talked of playing the Cuban card. We do not believe Argentina will turn to the country that harbors in its capital the extremely violent Argentine terrorist organization-the Montoneros. But Cuba will be working hard to use the crisis to lessen its current isolation within the hemisphere.

Overcoming Resentments

A second legacy of the conflict is the need to overcome resentments of the United States that were triggered by the crisis.

Although the immediate emotional strains of the crisis are already receding, the perception of the United States as a reliable ally to Latin American nations in times of crisis will take time to restore.

The commitment of the United States to the hemisphere and its institutions has been called into question. I have already noted the importance we attach to the OAS, that we have taken no position on the question of sovereignty, and that in our view no Rio treaty action could apply to this particular contingency. Nonetheless, U.S. support for what on May 29 the second meeting of the Rio treaty Organ of Consulation condemned as an "unjustified and disproportionate" U.K. military response was taken by some to mean that the U.S. commitment to the inter-American system was superficial at best.

The fact that the conflict remained localized and ended relatively rapidly helped mitigate damage to U.S. interests. Nonetheless, our bilateral relationships with certain countries have unquestionably been affected adversely. The most severe impact is obviously on relations with Argentina. But Venezuela. Panama, and Peru were also highly critical of our support for the United Kingdom's military response and will be watching closely the future evolution of the sovereignty issue. In contrast, U.S. relations with most other South American countries, Mexico, and the Caribbean Basin appear less affected.

The lasting effects of this mood, which varies from country to country, will depend on how the postcrisis situation evolves and what posture we adopt. Reactions may change as the position taken by the United States is better understood. But the widespread view that the United States does not take Latin America seriously could increase North-South and nonaligned rhetoric and inhibit cooperation in support of U.S. interests. The argument that the United States and United Kingdom acted as industrialized powers cooperating to keep a developing country "in its place" makes us once again a target for anticolonialist and antiimperialist emotions that will make it harder for us to accomplish our objec-

It would be wrong to conclude from such reactions that the United States should not have acted as it did. There can be no position for the United States other than to oppose the unlawful use of

force to settle disputes.

The first lesson for U.S. policy is that this is a time for steadiness of purpose rather than for grandiose gestures, statements, or proposals. During the coming months, it will be especially important that we meet our commitments, protect our interests, and respond to those of our neighbors in a meaningful and resourceful manner.

The Caribbean Basin initiative is vitally important in this regard. Many basin countries now wonder whether our contribution to the initiative will ever materialize. If Congress were not to act, the concerns these countries now express about their future and our commitment to them would deepen, widening opportunities for Soviet and Cuban adventurism. It is now up to the United States to deliver.

We must maintain our commitment in Central America, where democratic processes are vulnerable and where fragile government institutions face a major challenge from Cuban-supported guerrilla movements. Our political, economic, and security assistance are essential to help them meet this challenge and make progress toward democracy, economic development, and the effective protection of human rights.

While we must continue to seek innovative solutions to the problems of our immediate neighborhood, we must understand what is happening in South America is also important to us. This was evident in the midst of the Falklands conflict-for example, in the visit of President Figueiredo to Washington. The conflict between Argentina and the United Kingdom was a major topic of discussion. The exchange made clear that the positions of the United States and Brazil differed but that our basic interests and objectives were similar. For several years now, we have simply not given South America the attention its place in the world and our interests warrant.

U.S.-Argentine Relations

This brings me to a third challenge—the conundrum of our relations with Argentina. Despite our many similarities, U.S.-Argentine relations have seldom been close.

The President's vision of region-wide cooperation had led us to make efforts to improve ties to South America, including Argentina. In the case of Argentina, however, those efforts had not yet borne fruit by the time of the crisis. We

must continue to seek a dialogue that can develop the bilateral and multilateral framework for more fully cooperative

During the South Atlantic crisis, our ties with Argentina proved too weak to promote effective cooperation in support of common interests. Repeated efforts were made by us and by others-before the Argentine landing on the islands, again when the British fleet was approaching, and again when the U.S. and Peruvian and U.N. peace plans were advanced in turn-to explain to Argentine leaders what would happen if they did what they proposed to do. Although our predictions consistently proved accurate, they were not believed. Communication failed utterly.

Our objectives with Argentina today include encouraging economic recovery, peaceful resolution of the dispute between the United Kingdom and Argentina, and, of course, political comity. Yet our ties to the government in Buenos Aires are now more limited than previously. How long this will last depends on several factors. But the fundamental point is that we all share a compelling interest in an Argentina that is true to hemispheric traditions and free of foreign Communist influence. We do not want the Soviets to be their only alternative. Neither do they. We all should be prepared to help Argentina maintain conditions in which its people can realize their free world vocation.

So we must begin, in orderly fashion, to build the solid, realistic relationship so evidently lacking until now.

Hemispheric Relationships

Finally, the South Atlantic crisis has highlighted economic problems in South America and throughout the hemisphere.

Even before the crisis, many of the region's countries were feeling the effects of the world recession on their development. The problems vary. Virtually all depend heavily on international trade and on access to international financial markets. Some have contracted substantial debt. The South Atlantic crisis could crystallize doubts about stability and creditworthiness on a region-wide level, particularly if arms procurement were to divert resources from development priorities.

The major lesson here is the need for cooperation in economic management-not merely with Argentina but with Brazil, Venezuela, and

Many of the problems now associated with the South Atlantic crisis have been developing for some time. The growing assertiveness and needs of major developing countries are not new. Let us hope that the crisis will strengthen our ability to work more realistically together.

Before the crisis erupted in the South Atlantic, we had already begun to develop more sustained hemispheric

relationships.

 We had started to achieve with Mexico a relationship that reflects its exceptional importance to the United States and its role in world affairs. Now comes the harshest test of that new relationship, as the economic slowdown in both countries threatens to aggravate all our joint accounts-trade, finance, immigration. We must be steadfast.

 We had committed ourselves to help countries of the Caribbean Basin protect themselves against outside intervention, strengthen or develop democratic institutions, and overcome economic disasters. Now we must

deliver.

· We were beginning to respond to new realities in South America, rebuilding close bilateral relations with each country after a decade of drift, when the shadow of the South Atlantic crisis fell across our efforts. Now we must relaunch those efforts, joining others to maintain the network of constructive relationships that is essential

What this crisis may ultimately mean for the United States is not that our recent decisions were wrong-they were right-but that the accumulation from our past decisions reveals a flaw in our outlook. We have pursued an a la carte approach, ignoring our friends when it suited us, yet demanding their help or agreement when it served our interest. We took too much for granted and invested too little. When we needed close and effective dialogue on April 2, we didn't have it.

When a fight in distant islands reverberates around the world, the fundamental lesson is not how little we need each other but how closely connected we are. Our task is to make interdependence work, not against us but for us. This requires long-term commitments that will enhance our ability to influence events and protect our interests.

ANNEX-LEGAL ASPECTS OF THE FALKLANDS/MALVINAS CRISIS NEGOTIATIONS

This paper addresses three aspects of the negotiations which occurred during April and May of 1982 to avert the war in the South Atlantic—the U.S. posture on the underlying dispute over sovereignty of the islands; the content of the three most intensive settlement efforts, focusing on the two in which the United States was most closely involved; and the consideration given to use of the International Court of Justice (ICJ).

U.S. Position on Claims to the Islands

Throughout the more than 200-year history of this dispute, the United States has maintained a legal neutrality on the competing U.K. and Argentine claims to the Falklands/Malvinas, urging that their dispute be resolved through peaceful means in accordance with international law. In the post-World War II era, the United States has abstained on U.N. or Organization of American States (OAS) resolutions that implied a position on the merits.

U.S. neutrality is also reflected in the U.S. position on the nonapplicability of the Monroe Doctrine. Because the dispute over the islands predated the Monroe Doctrine, and because the United States took no position on the dispute over sovereignty, the Department of State long ago expressed the view that the reinsertion of a British presence on the islands in 1833 was not a new attempt at colonization and that the doctrine is, thus, inapplicable.

In addition to declining to take a position on the merits, the United States has not taken a position on the underlying legal theories on which the parties rely. Specifically, the United States has taken no view on the relative weight to be given to Britain's position on selfdetermination for the islanders and Argentina's emphasis on the principle of territorial integrity with the mainland. The application of the principle of selfdetermination to the Falklands has raised a number of legal questions in view of the size and origin of the population, the existence of other legal principles which may be applicable given the history and nature of the dispute, and, in particular, the interpretation placed by Argentina on the principle of territorial integrity contained in U.N. General Assembly decolonization resolutions, such as Resolution 1514 (XV).

This U.S. position of neutrality was maintained throughout and facilitated our attempts to mediate the crisis.

While remaining neutral on the merits of the dispute, the United States has acknowledged the fact of longstanding U.K. administration of the islands. The United States has, accordingly, dealt with the United Kingdom on matters related to the islands and has, on occasion, acquiesced in U.K. accession to bilateral agreements and international conventions on behalf of them. The U.S. position in such instances has been consistent with acknowledgment of the United Kingdom's de facto responsibility for the islands' foreign relations as the administering authority in peaceful possession. This pragmatic policy of dealing with the administrator in de facto control is also that of the United Nations, which has accepted from the United Kingdom, as the administering authority, annual reports under Chapter XI of the U.N. Charter regarding nonself-governing territories.

April-May 1982 Negotiations

There were three intensive efforts after the Argentine occupation of the islands to avert the coming military confrontation; each resulted in textual elaborations of the positions of both sides on acceptable outcomes on the range of issues involved in a package to promote a peaceful settlement. All of these efforts addressed four common elements:

• A cease-fire, linked to a mutual withdrawal of forces within a short period, and a commitment on nonreintroduction of forces, subject to third-party verification (this element was consistent with U.N. Security Council Resolution 502, operative paragraphs 1 and 2 of which called for an immediate cessation of hostilities and withdrawal of Argentine forces from the islands);

Interim administrative arrangements for the islands, based on some form of third-party supervision of local government, including provision for Argentine access to the islands during this period;

 The composition and definition of the functions of the third-party mechanism to assist the parties in implementation of an agreement; and

 A framework for negotiations to reach a definitive settlement, including a deadline or target date, and the role in such negotiations for third-party assistance.

Each side, of course, approached these common elements from a different perspective, which in some cases shifted as the diplomatic and military situation changed over time. The United Kingdom was willing to consider variations on the form of administration of the islands, subject to certain basic guarantees in respect of local rights and institutions. It was prepared to accept third-party assistance in implementation of an agreement, subject to inclusion of some role for the United States. U.K. insistence on a cease-fire coupled with immediate withdrawal of Argentine forces from the islands remained firm, consistent with its legal position based on Article 51 of the U.N. Charter relating to self-defense and U.N. Security Council Resolution 502. The United Kingdom also insisted that nothing in an agreement prejudice the final outcome of the negotiations. This insistence focused in particular on the drafting of a formula on future negotiations that was neutral on the issue of sovereignty and on provisions to control Argentine intercourse with the islands at prewar levels, consistent with a 1971 agreement between the two countries.

Argentina, in turn, sought either effective interim control of the islands' administration, including freedom of access to the islands, or assurance that the formula on a definitive settlement would automatically result in confirmation of Argentine sovereignty over the islands at some fixed future time. While accepting the concept of a cease-fire linked to mutual withdrawal of forces, Argentina sought an immediate U.K. withdrawal of its units to home bases; the United Kingdom viewed such a formula for the withdrawal period as imbalanced (since Argentine forces would remain within close range of the islands) and as removing a necessary deterrent to Argentine violation of the terms of an agreement. Argentina sought drafting of the negotiation mandate to emphasize decolonization and the principle of territorial integrity with the mainland and resisted references to a right of selfdetermination on the part of the islanders which were desired by the United Kingdom. Argentina, in light of the long history of prior talks with the United Kingdom, took the position that the mandate had to be placed under a firm and short deadline date.

Both sides shared an evaluation that provisions on interim arrangements and the framework for reaching a definitive settlement were interlinked elements of the negotiation, each prepared to be flexible in one area for gains in the other.

The three principle initiatives are discussed below, and the resulting texts follow.

U.S. Proposal of April 27. The first effort, that of Secretary Haig, culminated in a fairly detailed set of proposals

to the two parties on April 27. It was based on the 3 strenuous weeks of consultations he had held in London, Buenos Aires, and Washington and our best perception of what might ultimately prove acceptable to each side. Its approach, and many of its elements, reappeared in subsequent proposals to and

by the two parties.

The U.S. draft memorandum of agreement provided for an integral cease-fire and withdrawal linkage. The formula for providing for balanced withdrawals proved troublesome in each of the three negotiations, given the vastly different geographic perspectives of each side. The U.S. proposal resolved the problem by a formula based on parity in reinsertion time, rather than on conventional but more difficult geographic withdrawal distances. These commitments, and that of nonreintroduction of forces into the islands and defined surrounding areas, were to be verified by the United States.

The proposal called for immediate steps to terminate simultaneously the various economic and financial measures each party had adopted and for the United Kingdom to request termination of similar measures taken by its allies.

Local self-government on the islands was to be restored. The office of governor was to remain vacant, and its powers exercised by the next-ranking official, appointed by the United Kingdom. The local Executive and Legislative Councils were to be retained but augmented by representation of the small local Argentine resident population by means of at least one representative in each council and by inclusion of two Argentine Government representatives in the upper, Executive Council. A Special Interim Authority was to be created, composed of a representative of each side and of the United States. The flags of each constituent country were to be flown at its headquarters. The authority was to have supervision over island administration, exercised by means of a veto power in the event the authority, by majority vote, deemed an act of the local government to be inconsistent with the agreement. In all other cases, the authority was called upon to ratify expeditiously all local decisions, laws, and regulations.

The proposal called for decolonization of the islands as the negotiation objective. This was framed in terms of removing the islands from the list of nonself-governing territories under Chapter XI of the U.N. Charter. The potential means were not limited, but the conditions for their definitive status had to be mutually agreed. The negotiation mandate maintained neutrality on the competing legal positions of the two sides, noting that of each by short-hand references to due regard for the rights of the inhabitants and the principle of territorial integrity. Reference was made to relevant U.N. General Assembly resolutions (which would include general decolonization resolutions and specific resolutions on the subject of the Falklands/Malvinas).

Foreshadowing the contact group concept utilized in later proposals, the U.S. formulation provided a role for the Special Interim Authority to catalyze the negotiations with recommendations to the two sides, in particular on the sensitive issues of how to take into account the wishes of the islanders and the role of the Falkland Islands Company. If the negotiations did not prosper by the deadline date (December 31, 1982), a second phase of negotiations, under a new 6-month target date, was to occur in which the United States would act as a mediator/conciliator to press for an agreement.

With respect to contacts with the mainland, the draft agreement stated a principle of promotion and facilitation of nondiscriminatory travel, commercial, communications, and other links. The proposal provided for recommendation by the authority to the two governments of specific measures on such matters and for securing the views of the local councils on the recommendations. These provisions were balanced by an obligation to respect the traditional rights and guarantees of the islanders.

The United Kingdom, which had not yet landed on the Falklands/Malvinas or suffered any serious combat losses, found the proposal difficult but was willing to give it "serious consideration." This was the only time the United Kingdom considered a proposal to cover the South Georgia and South Sandwich dependencies, as well as the Falklands/Malvinas (sensitivity to the implications of use of the English and Spanish names for the islands resulted in the U.S. proposal defining the island groups by coordinates).

Despite many attractive features for the Argentines, the Argentine Foreign Minister replied on April 29 that the Government of Argentina could not accept the formulation since it gave them neither effective interim control nor assurances of obtaining sovereignty as a result of the negotiation process.

Peru-U.S. Proposal. At the initiative of the President of Peru, and with our cooperation, another effort was launched, culminating on May 5 with a

more skeletal proposal, limited in geographic scope to the Falklands/Malvinas. A cease-fire and withdrawal of forces were inseparably linked, but all implementing detail was to be deferred for decision by a contact group composed of representatives of Brazil, Peru, the Federal Republic of Germany, and the United States.

The contact group was to verify the military provisions of an agreement. It would assume administration of the government of the islands in consultation with the elected representatives of the islanders and insure that no actions were taken inconsistent with the agreement. All details on implementation of administration-financial questions, applicable law, administrative, legal and appointive links to Britain, the role of the councils, the exercise of powers of the office of governor-were to be deferred for later decision by the contact group. The result conceivably might have paralleled the U.S. proposal once elaborated, but the door was open to other variations of third-party administration and the role to be played thereunder by the existing local institutions.

The existence of the parties' differing legal positions was noted; the proposal also included an acknowledgment that the "aspirations and interests" of the islanders were to be "included" in a

definitive settlement.

Finally, the contact group assumed a responsibility to attempt to insure that the two governments reached a negotiated agreement on the future of the islands by April 30, 1983. Again, the detail of modalities for the negotiation, and the role and procedures of the contact group in facilitating a result, were deferred for later decision. The negotiation formula was neutral but included a deadline date as Argentina desired.

The United Kingdom indicated that it was willing to give this proposal serious consideration; Argentina, after the initiation of talks under the auspices of the U.N. Secretary General, preferred to shift the focus of negotiations to New

York.

U.N. Negotiations. With continued change in the military situation and, from the United Kingdom's perspective, in the wake of failure to secure agreement on the basis of substantial concessions reflected in the U.S. and Peruvian proposals, the positions of both sides hardened in a number of respects as evidenced by the texts each side publicly released at the breakdown of these talks in late May.

Both sides accepted the concept of a U.N. administration with generally defined authority. This formulation re-

flected a substantial concession by the United Kingdom on maintenance of administrative links to Britain in favor of local self-rule under U.N. supervision. Again, critical details would have had to be defined in implementing agreements or by U.N. Security Council resolution. U.N. verification of military disengagement provisions was also accepted by both sides in principle, as well as the auspices of the U.N. Secretary General to conduct the negotiations.

The publicly released positions permitted identification of very limited other common ground. The United Kingdom sought to subject a U.N. administration to local law and practices "in consultation with" the islands' representative institutions, which Argentina resisted. Argentina sought immediate, expanded access to the islands, which the United Kingdom would not accept for fear that the population and character of the islands might be unilaterally altered during the interim period. Argentina desired a firm deadline for negotiation to be followed, if necessary, by reference of the dispute to the U.N. General Assembly for decision; the United Kingdom rejected recourse to the General Assembly and continued to consider a rigid timetable unrealistic. On these and other points (e.g., extent of geographical coverage, military withdrawal details, self-determination references), the two sides ended far apart.

The Secretary General made lastminute proposals to the two sides before the talks unraveled. Prime Minister Thatcher, as events overtook these suggestions, simply noted that Argentina could not possibly have accepted them. We are unaware of any formal Argentine response. To our knowledge, the content of these suggestions was not publicly released.

Subsequent Developments. The United Kingdom and Argentine texts tabled at the conclusion of the Secretary General's first round of negotiations remain the final textual elaboration of their views on settlement issues. There followed efforts in the Security Council to negotiate a resolution that would substitute for an agreement, notably involving a useful Brazilian draft text. None was the subject of intensive substantive negotiation. These efforts culminated in the Security Council's adoption on May 26 of Resolution 505, which asked the Secretary General to renew his good offices to secure a cease-fire; and in the U.K.-U.S. veto on June 4 of a Spanish/ Panamanian draft resolution that sought a cease-fire and implementation of the previous Security Council resolutions, under verification of the Secretary

General but with inadequate detail on withdrawal procedures and other elements to serve as a mutually agreeable vehicle for settlement of the conflict.

Possible Role for the International Court of Justice

The focus of U.N. General Assembly resolutions on the subject, the efforts of both countries over 16 years, and of the peacemaking efforts in the spring was on a negotiated settlement of the dispute.

The U.S. Government is committed to the use of the International Court of Justice to resolve legal disputes, consistent with Article 36(3) of the U.N. Charter. The submission to a Chamber of the Court of our differences with Canada over delimitation of a maritime boundary in the Gulf of Maine is a concrete example. The dispute on sovereignty over the Falklands/Malvinas is an issue which the Court could appropriately decide. U.S. negotiators this spring raised this matter with both sides. Neither has ever indicated a willingness to have recourse to the Court over the Falklands/Malvinas. The case does not fall within the compulsory jurisdiction of the Court, and the agreement of both parties is thus necessary to submit the case for binding decision.

The United Kingdom on two occasions since World War II sought to submit to the Court the related dispute on sovereignty over the South Georgia and South Sandwich Island dependencies, but Argentina did not agree to do so.

The United States continues to believe that a peaceful solution to this longstanding controversy is required, consistent with the U.N. Charter obligations of both parties, and it may be that possible use of the Court will be reconsidered among the other possible settlement options, including renewed negotiations, that would be consistent with Article 33 of the Charter.

II. U.S. PROPOSALS, APRIL 27, 1982

His Excellency
Estanislao Valdes Otero
President of the Twentieth Meeting
of Consultation of Ministers of
Foreign Affairs
Washington, D.C.

Excellency:

In light of interest expressed by proposals made to the Government of Argentina and Great Britain on April 27, 1982, by the United States Government, I would like to ask that you circulate the enclosed document

containing those proposals among the delegations accredited to the Twentieth Meeting of Consultation of Ministers of Foreign Affairs. Both English and Spanish texts are included.

Accept, Excellency, the assurances of my highest consideration.

J. WILLIAM MIDDENDORF Ambassador Special Delegate

MEMORANDUM OF AGREEMENT

Preamble:

On the basis of United Nations Security Council Resolution 502, and the will of the Argentine Republic and of the United Kingdom to resolve the controversy which has arisen between them, renouncing the use of force, both Governments agree on the following steps, which form an integrated whole:

PARAGRAPH 1

 Effective on the signature of this Agreement by both Governments, there shall be an immediate cessation of hostilities.

PARAGRAPH 2

- 2. Beginning at 0000 hours local time of the day after the day on which this Agreement is signed, and pending a definitive settlement, the Republic of Argentina and the United Kingdom shall not introduce or deploy forces into the zones (hereinafter, "zones"), defined by circles of 150 nautical miles' radius from the following coordinate points (hereinafter, "coordinate points"):
 - A) LAT. 51°40' S LONG. 59°30' W
 - B) LAT. 54°20' S LONG. 36°40' W
 - C) LAT. 57°40' S LONG. 26°30' W
- 2.1. Within 24 hours of the date of this Agreement, the United Kingdom will suspend enforcement of its "zone of exclusion" and Argentina will suspend operations in the same area.
- 2.2. Within 24 hours of the date of this Agreement, Argentina and the United Kingdom will commence the withdrawal of their forces in accordance with the following details:
- 2.2.1. Within seven days from the date of this Agreement, Argentina and the United Kingdom shall each have withdrawn one-half of their military and security forces present in the zones on the date of this Agreement, including related equipment and armaments. Within the same time period, the United Kingdom naval task force will stand off at a distance equivalent to seven days' sailing time (at 12 knots) from any of the coordinate points, and Argentine forces that have been withdrawn shall be placed in a condition such that they could not be reinserted with their equipment and armament in less than seven days.

- 2.2.2. Within fifteen days from the date of this Agreement, Argentina shall remove all of its remaining forces from the zones and redeploy them to their usual operating areas or normal duties. Within the same period, the United Kingdom shall likewise remove all of its remaining forces from the zones and shall redeploy such forces and the naval task force and submarines to their usual operating areas or normal duties.
- 2.3. In accordance with its letter of acceptance of even date, the United States shall verify compliance with the provisions of this paragraph, and the two Governments agree to cooperate fully with the United States in facilitating this verification.

PARAGRAPH 3

3. From the date of this Agreement, the two Governments will initiate the necessary procedures to terminate simultaneously, and without delay, the economic and financial measures adopted in connection with the current controversy, including restrictions relating to travel, transportation, communications, and transfers of funds between the two countries. The United Kingdom at the same time shall request the European Community and third countries that have adopted similar measures to terminate them.

PARAGRAPH 4

4. The United Kingdom and Argentina shall each appoint and the United States has indicated its agreement to appoint, a representative to constitute a Special Interim Authority (hereinafter "the Authority") which shall verify compliance with the obligations in this Agreement (with the exception of paragraph 2), and undertake such other responsibilities as are assigned to it under this Agreement or the separate Protocol regarding the Authority signed this date. Each representative may be supported by a staff of not more than ten persons on the islands.

PARAGRAPH 5

5.1. Pending a definitive settlement, all decisions, laws and regulations hereafter adopted by the local administration on the islands shall be submitted to and expeditiously ratified by the Authority, except in the event that the Authority deems such decisions, laws or regulations to be inconsistent with the purposes and provisions of this agreement or its implementation. The traditional local administration shall continue, except that the Executive and Legislative Councils shall be enlarged to include:

(A) two representatives appointed by the Argentine Government to serve in the Executive Council; and

(B) representatives in each Council of the Argentine population whose period of residence on the islands is equal to that required of others entitled to representation, in proportion to their population, subject to there being at least one such representative in each Council. Such representatives of the resident Argentine population shall be nominated by the Authority.

The flags of each of the constituent members of the Authority shall be flown at its headquarters.

5.2. Pending a definitive settlement. neither Government shall take any action that would be inconsistent with the purpose and provisions of this Agreement or its implementation.

PARAGRAPH 6

- 6.1. Pending a definitive settlement, travel, transportation, movement of persons and, as may be related thereto, residence and ownership and disposition of property, communications and commerce between the mainland and the islands shall, on a nondiscriminatory basis, be promoted and facilitated. The Authority shall propose to the two Governments for adoption appropriate measures on such matters. Such proposals shall simultaneously be transmitted to the Executive and Legislative Councils for their views. The two Governments undertake to respond promptly to such proposals. The Authority shall monitor the implementation of all such proposals adopted.
- 6.2. The provisions of paragraph 6.1 shall in no way prejudice the rights and guarantees which have heretofore been enjoyed by the inhabitants on the islands, in particular rights relating to freedom of opinion, religion, expression, teaching, movement, property, employment, family, customs, and cultural ties with countries of origin.

PARAGRAPH 7

7. December 31, 1982 will conclude the interim period during which the two Governments shall complete negotiations on removal of the islands from the list of Non-Self-Governing Territories under Chapter XI of the United Nations Charter and on mutually agreed conditions for their definitive status, including due regard for the rights of the inhabitants and for the principle of territorial integrity, in accordance with the purposes and principles of the United Nations Charter. and in light of the relevant Resolutions of the United Nations General Assembly. The negotiations hereabove referred to shall begin within fifteen days of the signature of the present Agreement.

PARAGRAPH 8

- 8. In order to assist them in bringing their negotiations to a mutually satisfactory settlement by the date stipulated in the preceding paragraph, the Authority shall, after consultation with the Executive Council, make specific proposals and recommendations as early as practicable to the two Governments, including proposals and recommendations on:
- 8.1. The manner of taking into account the wishes and interests of the islanders, insofar as islands with a settled population are concerned, based on the results of a sounding of the opinion of the inhabitants, with respect to such issues relating to the negotiations, and conducted in such manner, as the Authority may determine;

8.2. Issues relating to the development of the resources of the islands, including opportunities for joint cooperation and the role of the Falkland Islands Company; and

8.3. Such other matters as the two Governments may request, including possible arrangements for compensation of islanders, or matters on which the Authority may wish to comment in light of its experience in discharging its responsibilities under this Agreement.

8.4. The Governments have agreed on the procedure in sub-paragraph 8.1 without prejudice to their respective positions on the legal weight to be accorded such opinion in reaching a definitive settlement.

PARAGRAPH 9

9. Should the Governments nonetheless be unable to conclude the negotiations by December 31, 1982, the United States has indicated that, on the request of both Governments, it would be prepared at such time to seek to resolve the dispute within six months of the date of the request by making specific proposals for a settlement and by directly conducting negotiations between the Governments on the basis of procedures that it shall formulate. The two Governments agree to respond within one month to any formal proposals or recommendations submitted to them by the United States.

PARAGRAPH 10

10. This Agreement shall enter into force on the date of signature.

III. ARGENTINE NOTE OF **MAY 28, 1982, AND LETTER OF APRIL 29, 1982**

May 28, 1982

Mr. President of the Twentieth Meeting of Consultation of Ministers of Foreign Affairs D. ESTANISLAO VALDES OTERO

Mr. President:

I have the honor to address Your Excellency with respect to the document of this Meeting of Consultation bearing the title "Texts of the Proposals for Agreement Made by the Government of the United States to the Governments of Argentina and of the United Kingdom of Great Britain and Northern Ireland" (doc. 74/82), to present a copy of the letter that, in my capacity as Minister of Foreign Affairs and Worship of the Argentine Republic, I sent on April 29, 1982, to Secretary of State Alexander Haig, Jr., informing him of the Argentine Government's views on the proposals for agreement made by the Government of the United States.

In making known this reply, the Argentine Government wishes to state, as the attached letter shows, that at no time did it term unacceptable the proposals of the United States Secretary of State. Instead its objection was directed primarily at certain specific points, including some changes that had been made in the document compared to previous drafts, and it suggested that other formulas be sought. It added that if "Argentina's position were encompassed, agreement would be facilitated enormously and the final text of the document would not pose any insurmountable problems."

The Argentine Government wishes this important point to be made clear, in view of the statements that have been made in the sessions of the General Committee of this Meeting of Consultation, which were ratified by circulation of the document cited.

I request that this note with its attachment be distributed immediately as an official document of the Twentieth Meeting of Consultation of Ministers of Foreign Affairs.

Accept, Excellency, the renewed assurances of my highest consideration.

> NICANOR COSTA MENDEZ Minister of Foreign Affairs and Worship of the Argentine Republic

Attached: copy of the letter from the Minister of Foreign Affairs and Worship of the Argentine Republic Dr. Nicanor Costa

April 29, 1982

Dear Mr. Secretary of State: We have carefully reviewed the document you sent us and have compared it with our previous proposals and with the viewpoints we have maintained in our various meetings. From that review, significant differences have emerged, some of which give rise to difficulties that it is essential to overcome.

As my Government has already stated to you, the objective the Argentine Government has set is recognition of its sovereignty over the Malvinas Islands. This central element of our discussions is the ultimate justification of the actions taken by my country, and as I have had occasion to tell you many times, constitutes for us an unrenounceable goal.

Along with the question of sovereignty, the current crisis gives rise immediately to the need to establish a provisional regime for administration of the islands, as an essential step in the process of separating the two military forces and as a reasonable pause in the face of the logical impossibility of formalizing their final fate at this time.

The conversations we have held have been based primarily on these two questions-recognition of sovereignty and a provisional administrative regime. Solution of the remaining problems will be simpler if there is agreement on the two points that I have just

The one certain thing is that the two are intimately connected to each other. To the extent that the provisions relating to the recognition of our sovereignty are imprecise, for us it is necessary—if we do not want to return to the frustrating situation that prevailed before April 2-to establish mechanisms that give us broader powers in administration of the islands.

On the other side of the coin, if it were clear that Argentina's sovereignty would be recognized in the end, then we could be more flexible regarding the matter of temporary administration.

The document sent by the Secretary of State falls short of Argentine demands and does not satisfy its minimal aspirations for either of the two points. To the contrary, unfavorable changes have been made to both. The number of Argentine representatives involved in administration of the islands has been decreased, and the opportunity of expanding my country's control in the event that negotiations on the basic issue go on endlessly without a solution has been barred. Thus we are faced with the real possibility of establishing a predominantly British administration with no fixed expiration date.

As concerns the matter of sovereignty. the concept of territorial integrity has been stripped of all meaning. Further, the new element of a virtual referendum to determine the "wishes" of the inhabitants has been introduced in open opposition to United Nations Resolution 2065 and the unwavering position sustained by Argentina.

The Secretary knows that we cannot accept these changes. In my opinion, other formulas must be found. For this effort, we will always be at the disposal of the Secretary. These formulas should provide for the balance that I referred to above in order to weigh properly the data relating to the matter of sovereignty against the provisions regulating temporary administration of the islands. These provisions should have a fixed term and include gradually larger Argentine participation or, in lieu of this, the provisions should be made precise enough to offer security for recognition of Argentina's rights within a specific period.

If Argentina's position were encompassed, agreement would be facilitated enormously and the final text of the document would not pose any insurmountable problems.

Thank you once again for your arduous

and difficult negotiations.

Accept, Mr. Secretary, the renewed assurances of my highest consideration.

NICANOR COSTA MENDEZ

His Excellency Alexander Haig, Jr. Secretary of State Washington, D.C.

IV. PERU-U.S. PROPOSAL, MAY 5, 1982

Draft Interim Agreement on the Falkland/Malvinas Islands

- 1. An immediate ceasefire, concurrent with:
- 2. Mutual withdrawal and non-reintroduction of forces, according to a schedule to be established by the Contact Group.
- 3. The immediate introduction of a Contact Group composed of Brazil, Peru, The Federal Republic of Germany and the United States into the Falkland Islands, on a temporary basis pending agreement on a definitive settlement. The Contact Group will assume responsibility for:
 - (A) Verification of the withdrawal;

- (B) Ensuring that no actions are taken in the Islands, by the local administration, which would contravene this interim agreement; and
- (C) Ensuring that all other provisions o the agreement are respected.
- 4. Britain and Argentina acknowledge the existence of differing and conflicting views regarding the status of the Falkland Islands.
- 5. The two Governments acknowledge that the aspirations and interests of the Islanders will be included in the definitive settlement of the status of the Islands.
- 6. The Contact Group will have responsibility for ensuring that the two Governments reach a definitive agreement prior to April 30, 1983.

V. BRITISH GOVERNMENT DOCUMENT, MAY 21, 1982

FALKLAND ISLANDS: NEGOTIATIONS FOR A PEACEFUL SETTLEMENT

Argentine Aggression

- 1. It is now almost seven weeks since Argentina invaded the Falkland Islands. This unlawful use of force in unprovoked aggression threatened not only to destroy the democrati way of life freely chosen by the Falkland Islanders but also the basis on which international order rests. The invasion was also a singular act of bad faith: it took place when Britain and Argentina were engaged in negotiations in accordance with requests from the United Nations.
- 2. On 1 April the President of the United Nations Security Council had formally appealed to Argentina not to invade the Falkland Islands. Yet on 2 April Argentina invad ed. On 3 April the United Nations Security Council passed its mandatory Resolution 502 demanding a cessation of hostilities and an immediate withdrawal of all Argentine forces from the Islands. The same day, Argentina took South Georgia. In the ensuing weeks sh has shown no sign of complying with the Security Council Resolution: on the contrary she has continued a massive build up of the occupying forces on the Falkland Islands. There could hardly be a clearer demonstration of disregard for international law and for the United Nations itself.

The British Response

3. Britain need have done nothing more than rest on the mandatory Resolution of the Security Council. Indeed, Britain's inherent right of self-defence under Article 51 of the United Nations Charter would have justified the Government in adopting a purely militar policy for ending the crisis. But, in pursuit e a peaceful settlement, Britain adopted a policy, frequently explained by the Government in Parliament, of building up pressure on Argentina.

Military pressure was exerted by the rapid assembly and despatch of the British Naval Task Force. Diplomatic pressure, firs expressed in Security Council Resolution 502, was built up by the clear statements of condemnation of Argentine aggression which were made by many countries across the world. It was widely recognised that aggression could not be allowed to stand, since otherwise international peace and order would be dangerously prejudiced in many regions. The members of the European Community, Australia, New Zealand, Canada and Norway joined Britain in rapidly imposing economic measures against Argentina.

Efforts for a Negotiated Settlement

4. Britain dedicated her maximum diplomatic efforts to the search for a negotiated solution, and the Government kept Parliament as fully informed as the confidentiality of difficult negotiations would allow. Efforts for an interim agreement to end the crisis were first undertaken by the United States Secretary of State, Mr Alexander Haig. His ideas for an interim agreement were discussed repeatedly with Argentina and Britain. The Government expressed their willingness to consider Mr Haig's final proposals, although they presented certain real difficulties. Argentina rejected them. The next stage of negotiations was based on proposals originally advanced by President Belaunde of Peru and modified in consultations between him and the United States Secretary of State. As the Foreign and Commonwealth Secretary informed Parliament on 7 May, Britain was willing to accept the final version of these proposals for an interim agreement. But Argentina rejected it.

5. Since then, the Secretary-General of the United Nations, Senor Perez de Cuellar, has been conducting negotiations with Britain, represented by our Permanent Representative at the United Nations, Sir Anthony Parsons, and Argentina, represented by the Deputy Foreign Minister, Senor Ros. In these negotiations, as in earlier ones, Britain made repeated efforts to establish whether Argentina was willing to be sufficiently flexible to make a reasonable interim agreement possible. But it became increasingly clear that Argentina was not seeking an agreement but was playing for time in the negotiation in the hope of holding on to the fruits of aggression, with all that this would imply for the international rule of law. There was an important meeting of British Ministers, attended by Sir Anthony Parsons and the British Ambassador in Washington, Sir Nicholas Henderson on Sunday 16 May. On the following day, Sir Anthony Parsons returned to New York and handed to the United Nations Secretary-General two documents:

 A draft interim agreement between Britain and Argentina which set out the British position in full.

A letter to the Secretary-General making clear the British position that the Falkland Islands dependencies were not covered by the draft interim agreement.

6. Sir Anthony Parsons made clear to the Secretary-General that the draft agreement represented the furthest that Britain could go in the negotiations. He requested that the Secretary-General should give the draft to the Argentine Deputy Foreign Minister. The Secretary-General did this, and asked for a response within two days. Argentina's first response to the Secretary-General, late on 18 May, was equivocal and contained points known to be unacceptable to the United Kingdom. Early on 19 May, Sir Anthony Parsons pointed this out to the Secretary-General and requested that Argentina's final position should be conveyed within the two day period originally set for a reply to the British draft agreement.

7. Argentina's response, which HMG received late on 19 May, represented a hardening of the Argentine position and amounted to a rejection of the British proposals.

Britain's Fundamental Principles in Negotiations

8. The Government's approach in all the negotiations has been based on important principles, which ministers have set out repeatedly in Parliament:

A. International Law: Argentina's unlawful aggression must end and Security Council Resolution 502 must be implemented. Aggression must not be rewarded, or small countries across the world would feel threatened by neighbours with territorial ambitions.

B. Freedom: The Falkland Islanders are used to enjoying free institutions. The executive and legislative councils were established with their agreement and functioned with their participation. Britain insisted that any interim administration in the Falkland Islands must involve democratically elected representatives of the Islanders, so as to enable the latter to continue to participate in the administration of their affairs and to ensure that they could express freely their wishes about the future of the Islands, in accordance with the principle of self-determination.

C. Sovereignty: Britain has no doubt of her sovereignty over the Falkland Islands, having administered them peacefully since 1833. Nevertheless, successive British Governments have been willing, without prejudice, to include the question of sovereignty in negotiations with Argentina about the future of the Falkland Islands. In the recent negotiations, the Government have been willing that an interim agreement should provide for new negotiations about the future of the Islands, which likewise could discuss sovereignty in good faith, so long as there was no prejudgement as to the outcome of negotiations. Although Argentina seemed, at one point in the United Nations Secretary-General's negotiations, to be accepting a formula about not pre-judging the outcome of future negotiations, she continued to insist on other provisions running counter to this, thus casting grave doubt on the seriousness of this acceptance. This doubt was reinforced by repeated public statements by Argentine

 Britain upheld these principles in the draft agreement which we presented on 17 May to the United Nations Secretary-General: The agreement provided for complete Argentine withdrawal from the Falkland Islands within 14 days, thus terminating the aggression and upholding international law.

It provided that the legislative and executive councils representing the Falkland
 Islanders would continue in existence and be consulted by the UN interim administrator, thus maintaining the democratic structure of

the administration.

 It provided explicitly that the outcome of negotiations about the future of the Islands was not prejudged, thus safeguarding the British position on sovereignty. Britain, in participating in those negotiations, would have been guided by the wishes of the Islanders.

10. In the Secretary-General's negotiations, Britain has insisted that the Falkland Islands dependencies should not be covered by an interim agreement to end the crisis. South Georgia and the South Sandwich Islands are geographically distant from the Falkland Islands themselves. They have no settled population. The British title to them, of which the Government have no doubt, does not derive from the Falkland Islands, and these territories have been treated as dependencies of the Falkland Islands only for reasons of administrative convenience.

11. Throughout the negotiations, Britain has been firm on the essential principles but willing to negotiate on matters where these principles were not breached. In particular:

A. In return for Argentine withdrawal from the Falkland Islands, Britain was willing (Article 2(3)) [see following annex] to withdraw her task force to a distance of 150 nautical miles. She was also willing to have international verification (Article 6(4)) of the mutual withdrawal, in which the United Nations might have made use of surveillance aircraft from third countries.

B. Britain was willing that the exclusion zones (Article 3) declared by herself and Argentina, and the economic measures (Article 5) introduced during the present crisis, should be lifted from the moment of cease-fire, although these actions would give more comfort to Argentina than to Britain.

C. Britain was prepared to accept the appointment of a UN Administrator (Article 6(3)) to administer the government of the Falkland Islands. Britain wanted him to discharge his functions in consultation with the representative institutions in the islands-the legislative and executive councils—which have been developed in accordance with the terms of Article 73 of the UN Charter. (This makes clear that the interests of the inhabitants of non-self-governing territories are paramount and refers to the need to take due account of the political aspirations of the peoples.) It is inconceivable that Britain, or any other democratic country, could accept that her people should be deprived of their democratic rights. Britain was nevertheless willing to accept that one representative from the Argentine population of the Islands (some 30 people out of 1800) should be added to each of the councils.

Additionally, Britain was willing to accept the presence of up to 3 Argentine observers on the Islands in the interim period. D. Britain was willing (Article 7) to agree to re-establishment of communications, travel, transport, postage, etc, between the Falkland Islands and the Argentine mainland, on the basis existing before the invasion.

E. Britain was willing to enter into negotiations (Article 8) under the auspices of the UN Secretary-General for a peaceful settlement of the dispute with Argentina about the Falkland Islands and to seek the completion of these negotiations by the target date of 31 December 1982. Our position was that no outcome to the negotiations should be either excluded or predetermined.

12. Argentina's final position in the negotiations speaks for itself. In particular:

A. Argentina insisted that South Georgia and the South Sandwich Islands be covered by the interim agreement. One effect of this would be that British forces would have to withdraw from the British territory of South Georgia.

B. Argentina wanted thirty days for the completion of the withdrawal of forces. She wanted all forces to return to their normal bases and areas of operation, thus requiring British forces to be enormously further away

than Argentine ones.

C. Argentina wanted the administration of the Islands to be exclusively the responsibility of the United Nations. There would have been Argentine and British observers. The administration would have been free to appoint advisers from the population of the Islands, in equal numbers from the Argentine population and from the population of British origin. The flags of Britain and Argentina would have flown together with that of the United Nations.

D. Argentina wanted free access for her nationals to the Islands, with respect inter alia to residence, work and property. Argentina also opposed a provision in the British draft agreement (end of Article 6(3)) but the UN Administrator exercising his powers in conformity with the laws and practices traditionally observed in the Islands. It was evident that Argentina hoped to change the nature of Falklands society and its demographic make-up in the interim period, and

thus prejudge the future.

E. Argentina proposed a formula about negotiations on the future of the Islands which stated that they should be 'initiated' without prejudice to the rights and claims and positions of the two parties. Argentina would not accept an additional phrase stating also that the outcome would not be prejudged. Argentine leaders continued in public to say that Argentina insisted on having sovereignty. In the negotiations Argentina also resisted a provision in the British draft (beginning of Article 9) which would have ensured that the interim arrangements should stay in place until a definitive agreement about the future of the Islands could be implemented. Argentina's evident aim in resisting this was that, if no definitive agreement had been reached by the target date of 31 December 1982, the interim administration would cease to exist and a vacuum be created which Argentina could hope to fill.

13. The present crisis was brought about by Argentina's unlawful act of aggression. In their subsequent attitude the Argentine Government showed that they had no respect either for democratic principles or for the rule of law. Britain stands firmly for both.

ANNEX-FALKLAND ISLANDS: DRAFT INTERIM AGREEMENT

The Government of the Republic of Argentina and the Government of the United Kingdom of Great Britain and Northern Ireland, responding to Security Council Resolution 502 (1982) adopted on 3 April 1982 under Article 40 of the Charter of the United Nations,

Having entered into negotiations through the good offices of the Secretary-General of the United Nations for an interim agreement concerning the Falkland Islands (Islas Malvinas), hereinafter referred to as "The

Islands',

Having in mind the obligations with regard to non-self governing territories set out in Article 73 of the Charter of the United Nations, the text of which is annexed hereto.

Have agreed on the following:

Article 1

 No provision of this Interim Agreement shall in any way prejudice the rights, claims and positions of either party in the ultimate peaceful settlement of their dispute over the Islands.

2. No acts or activities taking place whilst this Interim Agreement is in force shall constitute a basis for asserting, supporting or denying a claim to territorial sovereignty over the Islands or create any rights of sovereignty over them.

Article 2

1. With effect from a specified time, 24 hours after signature of this Agreement (hereinafter referred to as Time T), each party undertakes to cease and thereafter to refrain from all firing and other hostile actions.

2. Argentina undertakes:

 (A) To commence withdrawal of its armed forces from the Islands with effect from Time T;

(B) To withdraw half of its armed forces to at least 150 nautical miles away from any point in the Islands by Time "I" plus seven days; and

(C) To complete its withdrawal to at least 150 nautical miles away by Time T plus

fourteen days.

3. The United Kingdom undertakes:

 (A) To commence withdrawal of its armed forces from the Islands with effect from Time T;

(B) To withdraw half of its armed forces to at least 150 nautical miles away from any point in the Islands by Time "T" plus seven days; and

(C) To complete its withdrawal to at least 150 nautical miles away by Time "T" plus four-teen days. **Article 3**

With effect from Time T, each party undertakes to lift the exclusion zones, warnings and similar measures which have been imposed.

Article 4

On the completion of the steps for withdrawal specified in Article 2, each party undertakes to refrain from reintroducing any armed forces into the Islands or within 150 nautical miles thereof.

Article 5

Each party undertakes to lift with effect from Time 'T' the economic measures it has taken against the other and to seek the lifting of similar measures taken by third parties.

Article 6

1. Immediately after the signature of the present Agreement, Argentina and the United Kingdom shall jointly sponsor a draft resolution in the United Nations under the terms of which the Security Council would take note of the present Agreement, acknowledge the role conferred upon the Secretary-General of the United Nations therein, and authorise him to carry out the tasks entrusted to him therein.

2. Immediately after the adoption of the resolution referred to in paragraph 1 of this Article, a United Nations administrator, being a person acceptable to Argentina and the United Kingdom, shall be appointed by the Secretary-General and will be the officer administering the government of the Islands.

- 3. The United Nations administrator shall have the authority under the direction of the Secretary-General to ensure the continuing administration of the government of the Islands. He shall discharge his functions in consultation with the representative institutions in the Islands which have been developed in accordance with the terms of Article 73 of the Charter of the United Nations, with the exception that one representative from the Argentina population normally resident on the Islands shall be appointed by the administrator to each of the two institutions. The administrator shall exercise his powers in accordance with the terms of this Agreement and in conformity with the laws and practices traditionally obtaining in the Islands.
- 4. The United Nations administrator shall verify the withdrawal of all armed forces from the Islands, and shall devise an effective method of ensuring their nonreintroduction.
- The United Nations administrator shall have such staff as may be agreed by Argentina and the United Kingdom to be necessary for the performance of his functions under this Agreement.

Each party may have no more than three observers in the Islands.

Article 7

Except as may be otherwise agreed between them, the parties shall, during the currency of this Agreement, reactivate the Exchange of Notes of 5 August 1971, together with the Joint Statement on Communications between the Islands and the Argentine mainland referred to therein. The parties shall accordingly take appropriate steps to establish a special consultative committee to carry out the functions entrusted to the Special Consultative Committee referred to in the Joint Statement

Article 8

The parties undertake to enter into negotiations in good faith under the auspices of the Secretary-General of the United Nations for the peaceful settlement of their dispute and to seek, with a sense of urgency, the completion of these negotiations by 31 December 1982. These negotiations shall be initiated without prejudice to the rights, claims or positions of the parties and without prejudgement of the outcome.

Article 9

This Interim Agreement shall enter into force on signature and shall remain in force until a definitive agreement about the future of the Islands has been reached and implemented by the parties. The Secretary-General will immediately communicate its text to the Security Council and register it in accordance with Article 102 of the Charter of the United Na-

VI. ARGENTINE DIPLOMATIC NOTE TO DEPARTMENT OF STATE, MAY 26, 1982

The Embassy of the Argentine Republic presents its compliments to the Department of State and has the honor to inform, with regard to the proposal of the United Nations Secretary General referred to the conflict over the Islas Malvinas and its dependencies, the position of the Government of the Argentine Republic was clearly stated in the Proposed Agreement submitted in the course of the negotiations held at the United Nations, which text reads as follows:

"The Government of the Argentine Republic and the Government of the United Kingdom of Great Britain and Northern Ireland, hereinafter referred to as "the

In response to the provisions of Security Council Resolution 502 (1982) of April 3, 1982, and taking into account the Charter of the United Nations, Resolution 1514 (XV) 2065 and other Resolutions of the General Assembly on the question of the Malvinas (Falkland) Islands, have accepted, in accordance with Article 40 of the Charter of the United Nations, the assistance of the Secretary General of the United Nations and have engaged in negotiations and arrived at the following provisional agreement relating to the Malvinas, South Georgia and South Sandwich Islands, hereinafter referred to as "The Islands" for the purposes of this agree-

I. 1. The geographical scope of the area within which the withdrawal of troops is to be carried out shall comprise the Malvinas, South Georgia and South Sandwich Islands.

2. The withdrawal of the forces of both parties shall be gradual and simultaneous. Within a maximum period of thirty days, all armed forces shall be in their normal bases and areas of operation.

II. With effect from the signature of this agreement, each party shall cease to apply the economic measures which it has adopted against the other and the United Kingdom shall call for the same action by those countries or groups of countries which, at its request, adopted similar measures.

III. 1. Supervision of the withdrawal of the forces of both countries shall be carried out by specialized personnel of the United Nations, whose composition shall be agreed

with the parties.

2. The interim Administration of the Islands while the negotiations for final settlement of the dispute are in progress shall conform to the following provisions:

A) The Administration shall be exclusively the responsibility of the United Nations with an appropriate presence of observers of the parties.

B) The said Administration shall perform all functions (executive, legislative, judicial and security) through officials of different nationality from that of the parties.

C) Notwithstanding the provisions of 2(A) and (B), and in order not to cause unnecessary changes in the way of life of the population during the period of the interim Administration by the United Nations, local judicial functions may be exercised in accordance with the legislation in force on April 1, 1982 to the full extent compatible with this agreement. Similarly, the United Nations interim Administration may appoint as advisers persons who are members of the population of British origin and Argentines resident in the Islands, in equal numbers.

D) The flag of the parties shall fly together with that of the United Nations.

E) During the period of interim Administration, communications shall be kept open, without discriminatory restrictions of any kind for the parties, including freedom of movement and equality of access with respect to residence, work and property.

F) Freedom of communication shall also include the maintenance of freedom of transit for the state airline (Lade) and for merchant ships and scientific vessels, in addition, telephone, telegraph and telex communications, Argentine television transmissions and the state petroleum (YPF) and gas services shall continue to operate freely.

IV. The customs, traditions and way of life of the inhabitants of the Islands, and their social and cultural links with their countries of origin, shall be respected and

V. 1. The parties undertake to enter immediately into negotiations in good faith under the auspices of the Secretary General of the United Nations for the peaceful and final settlement of the dispute and, with a sense of urgency, to complete these negotiations by December 31, 1982, with a single option to extend until June 30, 1983, in order to comply with the Charter of the United Nations, Resolutions 1514 (XV), 2065 (XX) and other relevant resolutions of the General Assembly on the question of the Malvinas

Islands. These negotiations shall be initiated without prejudice to the rights and claims or positions of the two parties and in recognition of the fact that they have divergent positions on the question of the Malvinas. South Georgia and South Sandwich Islands.

2. The negotiations shall be held in

3. The Secretary General of the United Nations may be assisted in the negotiations by a contract group composed of representatives of four States members of the United Nations. To that end, each party shall nominate two States and shall have the right to a single veto of one of the States nominated by the other.

4. The Secretary General of the United Nations shall keep the Security Council assiduously informed of the progress of the

negotiations.

VI. If the period specified in point V(1) above expires with out the attainement of a final agreement, the Secretary General shall draw up a report addressed to the General Assembly of the United Nations, in order that the latter may determine, as appropriate and with greater urgency, the lines to which the said final agreement should conform in order to achieve a speedy settlement of the question."

The Argentine Government, in the light of the position stated in the aforementioned proposed agreement, which reflects the reasonableness which has continuously inspired its negotiating behaviour, deeply regrets that the peace efforts carried out the U.N. Secretary General, in which pursuance and final success the Argentine Republic trusted, have been frustrated as a result of the unilateral decision of the British Government announced on May 20th.

The real possibilities of reaching a peaceful settlement to the conflict and of avoiding, with the responsibility that the situation demanded, further bloodshed and an imminent breaking of peace and security in the hemisphere, finally proved to be disregarded by the intransigence and stubbornness with which the Government of the United Kingdom has tried to make the use of force prevail over reason and peace.

The Government of the Argentine Republic, therefore, formally holds the Government of the United Kingdom of Great Britain and Northern Ireland responsible for the serious consequences which in the future may stem from its denial to exhaust the available means towards a peaceful settlement, and expressly reserves its rights to a legitimate defense recognized by the United Nations Charter.

The Embassy of the Argentine Republic avails itself of this opportunity to renew to the Department of State the assurances of its highest consideration.

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