

ADVANCE COPIES: FALKLAND ISLANDS

(90) +

PS +6
PS/MR HUED
PS/MR ONSLOW
PS/PUS
MR GIFFARD
MR WRIGHT
MR ADAMS
MR URE
MR GILLMORE

ED/S AK D (FCO DIST + A/D F/I)
ED/DEF D
ED/NEWS D
ED/UND
ED/PLANNING STAFF
MR ANTHONY WILLIAMS W60
RESIDENT CLERK

Hd of NAB

PS NO 10 DOWNING ST
PS/S OF S POP DEFENCE
PS/CHANCELLOR)
SIR K COUZENS)
MR LITTLER)
MR HAVTIN)
MR PERETZ) TREASURY
MR ILETT)
MR MCINTYRE)

MISS DICKSON (EIP DIV) D/ES
DIO CABINET OFFICE
MR WADSWORTH GERY CABINET OFFICE
MR FULLER SAPU/DIO " "

SIR M PALLISER CABINET OFFICE
SIR R ARMSTRONG " "

(Copy passed to Emergency Staff)

GRS 490

~~UNCLASSIFIED~~ *Reclassified*

FM WASHINGTON 011655Z APR 82

TO IMMEDIATE P80

TELEGRAM NUMBER 1557 OF 1 APRIL MAY

INFO UKHIS NEW YORK, BIS NEW YORK

FALKLAND ISLANDS: U S PRESS

1. THE ONE BIG STORY, DOMINATING THE WASHINGTON POST AND THE NEW YORK TIMES, IS SUMMARIZED IN THE TIMES HEADLINE: U S SIDES WITH BRITAIN IN FALKLAND CRISIS AND IN STORIES HEADED QUOTE BRITAIN HAILS U S SUPPORT UNQUOTE, REPORTING YOUR PRESS CONFERENCE AND YOUR VISIT HERE THIS WEEKEND. THERE ARE GOOD EDITORIALS (TEXTS IN MIFT).

2. BOTH PAPERS CARRY THE STATEMENTS MADE YESTERDAY BY THE PRESIDENT AND BY HAIG AND REPORT A SUBSEQUENT PRESS BRIEFING BY HAIG, ATTRIBUTED AS USUAL TO A SENIOR ADMINISTRATION OFFICIAL.

3. THE QUOTE OFFICIAL UNQUOTE IS SAID TO HAVE ACKNOWLEDGED THAT THE STEPS ORDERED BY REAGAN WILL HAVE LIMITED PRACTICAL IMPACT ON ARGENTINA'S MILITARY OR ECONOMIC SITUATION IN THE SHORT TERM BUT WERE INTENDED AS AN ESSENTIALLY POLITICAL SIGNAL THAT MIGHT JOLT ARGENTINA'S MILITARY GOVERNMENT INTO TAKING A MORE FLEXIBLE ATTITUDE THAT WOULD PROMOTE RESUMPTION OF NEGOTIATIONS.

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4. IN THE UNATTRIBUTABLE BRIEFING HAIG TOOK EXCEPTION TO COSTA MENDEZ CLAIM THAT ARGENTINA HAD NOT REJECTED THE U S PEACE PROPOSALS, COMMENTING THAT ARGENTINA'S WRITTEN REPLY HAD CONSTITUTED A VERY CLEAR REJECTION. HAIG WENT ON TO DESCRIBE THE STICKING POINTS IN NEGOTIATIONS AS BRITAIN'S INSISTENCE THAT THE WISHES OF THE FALKLAND ISLANDERS BE GIVEN HIGH PRECEDENCE AND ARGENTINA'S REFUSAL TO CONSIDER ANY OUTCOME THAT DID NOT ENTAIL ACKNOWLEDGEMENT OF ITS SOVEREIGNTY. HAIG DESCRIBED A REPEATED PATTERN OF ARRIVING IN BUENOS AIRES BEARING WHAT HE THOUGHT HAD BEEN AN AGREED FRAMEWORK FOR NEGOTIATION ONLY TO FIND THE ARGENTINES REITERATING THAT THEY DID NOT CONSIDER SOVEREIGNTY NEGOTIABLE. HAIG TOLD REPORTERS THAT, WITH HINDSIGHT, A FAIR ASSESSMENT MUST SAY THAT THE UNITED KINGDOM HAD BEEN REASONABLE AND FORTHCOMING THROUGHOUT THE DISCUSSIONS AND THAT ARGENTINA HAD BEEN LESS SO. WHILE THE U S HAD NOT BROKEN WITH ARGENTINA, THE TIME HAD ARRIVED WHEN IT WAS IMPORTANT THAT THE U S PUBLIC AND THE WORLD COMMUNITY SHOULD KNOW WHERE THE U S STOOD AND WHY. HAIG WAS STILL HOPEFUL THAT A PEACEFUL RESOLUTION COULD BE FOUND AND THOUGHT THAT MILITARY ACTION MIGHT CONSTITUTE A BENCHMARK FOR RECONSIDERATION IN BOTH CAPITALS.

5. ON THE SUBJECT OF U S ASSISTANCE TO THE BRITISH, HAIG DECLINED TO DISCUSS SPECIFICS BUT SAID THAT ANY U S HELP WOULD BE IN THE CONTEXT OF HISTORIC, ON-GOING RELATIONSHIPS WITH BRITAIN AND SPECIFIC AGREEMENTS.

6. THE NEW YORK TIMES QUOTES PENTAGON OFFICIALS AS SAYING THAT COMMUNICATION CHANNELS, INCLUDING SATELLITE COMMUNICATIONS, HAD ALREADY BEEN MADE AVAILABLE TO BRITAIN. THE PENTAGON THOUGHT THAT THE BRITISH MIGHT WISH TO BUY MILITARY SPARE PARTS OR NEW EQUIPMENT IN THE U S AND PAY TO HAVE IT FLOWN BY C5 OR C141 TRANSPORTS TO ASCENSION ISLAND. OFFICIALS ALSO SAID THAT, SO FAR, TWO AMERICAN TANKERS HAD FILLED UP THE FUEL TANKS ON ASCENSION, AND THAT U S FLEET OILERS AND CARGO SHIPS MIGHT BE ASKED TO HELP RE-SUPPLY BRITISH SHIPS.

HENDERSON

PSE AMEND DATE IN PREAMBLE TO READ 3 MAY

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