ALW 049/325/1.

Dear Stephen,

Bio/3/s

/ Is the Kontandy

/ Is Pus

Sir A Parsons

Mr Half

Legal Advisers

Falkland Islands

Means 15 18/2 miles

The Prime Minister has seen and considered your (17) Au & Secretary of State's minute (PM/79/28) of 13 March about the recent exchanges with the Argentines about the Falkland Islands and the approach which Dr. Owen proposes to adopt to the next round of negotiations in New York on 21/23 March.

Subject to the views of his colleagues, the Prime Minister is content that the next round of negotiations should be handled as Dr. Owen suggests. The Prime Minister has commented that we should keep talking to the Argentines.

I am sending copies of this letter to the Private Secretaries to the other members of DOP, to Bill Burroughs (Department of Energy), Bill Beckett (Law Officers' Department) and Martin Vile (Cabinet Office).

> Yours ever, Sjærlander.

J. S. Wall, Esq., Foreign and Commonwealth Office.