GUPISTS ADVANCE COPY

FLASHILL SOMB 22 WONFO 18/30 WONNYK 13/30 ZZFCO PS/ Th Hund OO UKMIS NEW YORK DESKBY 300830 LOCAL PS M Onslow PS PUS M Dellard GRS 550 Mr Whigh SECRET DESKBY UKMIS NEW YORK 300830 LOCAL FM WASHINGTON 300426Z APR 82 RC TO FLASH F C O TELEGRAM NUMBER 1526 OF 30 APRIL INFO IMMEDIATE UKMIS NEW YORK (PERSONAL FOR AMBASSADOR) M I P T: FALKLANDS. FOLLOWING IS TEXT OF HAIG'S MESSAGE TO YOU: DEAR FRANCIS: I REFER TO YOUR LETTER OF APRIL 29 WHICH NICKO DELIVERED TO ME. I NOW ALSO HAVE A LETTER FROM NICANOR COSTA MENDEZ. HE STATES THE U.S. PROPOSAL DOES NOT MEET ARGENTINA'S MINIMUM REQUIREMENTS ON THE ISSUES OF ULTIMATE RECOGNITION OF ARGENTINE SOVEREIGNTY AND PROVISIONAL ADMINISTRATION OF THE ISLANDS. I AM WRITING COSTA MENDEZ THAT IT IS CLEAR THAT ARGENTINA HAS REJECTED THE U.S. PROPOSAL. WE HAVE TAKEN NOTE OF YOUR STATEMENT THAT THE BRITISH CABINET HAS FUNDAMENTAL RESERVATIONS ABOUT THE U.S. PROPOSAL. AT THE SAME TIME WE BELIEVE YOUR DECISION NOT TO REJECT IT REFLECTS THE GOOD FAITH WHICH YOU AND THE PRIME MINISTER HAVE SHOWN SINCE WE BEGAN OUR EFFORTS. NICKO HAS ALREADY INFORMED YOU THAT BECAUSE OF THE PRESIDENT'S ADDRESS TO THE NATION THIS EVENING, IT WILL NOT BE POSSIBLE FOR US TO

NICKO HAS ALREADY INFORMED YOU THAT BECAUSE OF THE PRESIDENT'S
ADDRESS TO THE NATION THIS EVENING, IT WILL NOT BE POSSIBLE FOR US TO
MAKE A PUBLIC ANNOUNCEMENT OF THE U.S. POSITION BEFORE FRIDAY.

MEANWHILE, THERE ARE CERTAIN ACTIONS WE MUST TAKE WITHIN OUR OWN
GOVERNMENT BEFORE THAT TIME. BECAUSE OF THIS REQUIREMENT, IT WOULD
GRAVELY JEOPARDIZE OUR EFFORTS IN SUPPORT OF THE UNITED KINGDOM IF
THERE SHOULD BE ANY PREMATURE DISCLOSURES OF THIS INTENTION.

THEREFORE, I KNOW WE CAN COUNT ON YOU TO ORDER AN ABSOLUTE LID IN
LONDON ON ANY COMMENTS.

THE THRUST OF OUR STATEMENT WILL BE THAT ARGENTINA DECLINED A FAIR AMERICAN PEACE PROPOSAL AND CONTINUES TO MAKE DEMANDS THAT CANNOT BE ACCEPTED. WE DO NOT INTEND TO RELEASE THE TEXT OF OUR PROPOSAL BECAUSE OF THE DIFFICULTY THAT MIGHT CAUSE YOU. BUT, WE WILL DESCRIBE IT IN GENERAL TERMS AND STATE THAT YOUR GOVERNMENT HAS ACTED IN GOOD FAITH THROUGHOUT OUR EFFORT.

FRANCIS PYM.

SECRETARY OF STATE FOR FOREIGN AND

COMMONWEALTH AFFAIRS AND OVERSEAS DEVELOPMENT,

LONDON.

WE WILL, OF COURSE, CONTINUE TO SUPPORT YOU IN THE C A S AND IN THE U N AND WILL BE PREPARED TO VETO IN THE SECURTY COUNCIL OR VOTE AGAINST IN THE GENERAL ASSEMBLY ANY RESOLUTIONS WHICH IN OUR JUDGMENT DEPART FROM SECURITY COUNCIL RESOLUTION 502.

WE ALSO PLAN TO ANNOUNCE THE FOLLOWING STEPS IN SUPPORT OF THE UNITED KINGDOM:

- -- SUSPENSION OF ALL MILITARY EXPORTS TO ARGENTINA:
- -- WITHOLDING OF CERTIFICATION OF ARGENTINE ELIGIBILITY FOR MILITARY SALES:
- -- SUSPENSION OF NEW EXPORT-IMPORT BANK CREDITS AND GUARANTEES:
- -- SUSPENSION OF COMMODITY CREDIT CORPORATION LOANS.

FINALLY, WE WILL ANNOUNCE THAT THE PRESIDENT HAS DIRECTED THAT
THE UNITED STATES WILL RESPOND POSITIVELY TO REQUESTS FOR MATERIEL
SUPPORT FOR BRITISH FORCES.

WE HAVE SHARED ALL ALONG THE PROFOUND HOPE THAT WE COULD FIND A
BASIS FOR PEACE. CONSISTENT WITH THE PRINCIPLES OF INTERNATIONAL LAW

WE HAVE SHARED ALL ALONG THE PROFOUND HOPE THAT WE COULD FIND A
BASIS FOR PEACE, CONSISTENT WITH THE PRINCIPLES OF INTERNATIONAL LAW
AND ORDER FOR WHICH OUR TWO NATIONS STAND. I KNOW YOU ARE AS
DISAPPOINTED AS WE, AND THAT WE WILL CONTINUE TO WORK TOGETHER
TOWARD A PEACEFUL SOLUTION. WE STAND READY TO ASSIST IN WHATEVER WAY
WE CAN.

SINCERELY,

AL

HENDERSON

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