FFFORT TO MEET YOUR CONCERNS ABOUT CARS 580 BOOK TIME BOH BRE SECRETIATROOM! TROM BUT . 2U. DESKBY UKMIS NEW YORK Ø51200Z DESKBY LIMA 051600Z FM WASHINGTON 150415Z MAY 82 TO FLASH FCO TELEGRAM NUMBER 1689 OF 5 MAY INFO IMMEDIATE UKMIS NEW YORK, LIMA (PERSONAL FOR AMBASSADORS)

MY FIRST MIPT : FALKLANDS

1. FOLLOWING IS TEXT OF LETTER HAIG IS SENDING THROUGH U S EMBASSY IN LONDON :

STO DEAR FRANCIS: MINGA GENOTE SA STOUD OF SOMERS SA

I APPRECIATE THE EFFORTS YOUR GOVERNMENT HAS MADE TO REACT QUICKLY TO THE SUGGESTION WE MADE. BUT I MUST TELL YOU WITH A CANDOR POSSIBLE ONLY BETWEEN CLOSEST ALLIES THAT THE IDEAS YOU HAVE CONVEYED CAN LEAD TO ONLY ONE OUTCOME: ARGENTINE REJECTION AND THEREFORE RESUMPTION OF HOSTILITIES AFTER THE FORTY-EIGHT-HOUR PERIOD, WITH THE PROSPECTS FOR EVENTUAL SETTLEMENT HAVING BEEN DAMAGED IN THE PROCESS. BEYOND THAT, WE HAVE NO REASON TO BELIEVE THAT THE PERUVIAN GOVERNMENT WOULD ASSOCIATE ITSELF WITH YOUR PROPOSAL. INDEED, OUR ASSESSMENT IS THAT EVEN PRESENTING IT TO THEM WOULD DRIVE PERU TO A MORE PRO-ARGENTINE POSTURE.

TRAGIC AS RECENT EVENTS HAVE BEEN, I BELIEVE WE NOW HAVE AN OPPORTUNITY TO ACHIEVE AN AGREEMENT WHICH IS CONSISTENT WITH OUR SHARED PRINCIPLES AND IMPOSSIBLE TO CONSTRUE AS A SUCCESS FOR THE AGGRESSOR. YOUR WILLINGNESS TO OFFER A 48-HOUR PAUSE MAKES THAT OPPORTUNITY ALL THE MORE REAL. WE MAY NOT HAVE ANOTHER SUCH CHANCE BEFORE MANY MORE LIVES HAVE BEEN LOST - IF THEN.

AM SENDING YOU A REVISED VERSION OF THE SEVEN POINTS WHICH ATTEMPTS TO TAKE MORE OF YOUR CONCERNS INTO ACCOUNT. AS NICKO WILL EXPLAIN, IT INCLUDES OUR BEST EFFORT TO MEET YOUR CONCERNS ABOUT A SECURITY GUARANTEE. I WILL NOT DENY THAT IT IS CLOSER TO THE IDEAS WE SENT YOU THAN TO THOSE YOU SENT US. THE MOST IMPORTANT DIFFERENCE BETWEEN YOUR IDEAS AND OURS IS NOT THAT OURS ABANDON PRINCIPLE AND REWARD AGGRESSION, FOR THEY DO NOT, BUT RATHER THAT OURS HAVE A REASONABLE CHANCE OF ACCEPTANCE PROVIDED THE ARGENTINES ARE NOW OF A MIND TO SHOW GREATER FLEXIBILITY. WHILE I REMAIN DOUBTFUL THAT THEY WOULD ACCEPT OURS, I AM CERTAIN THEY WILL BEJECT VOLUBE

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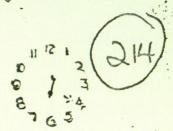
- THE ARRANGEMENTS FOR WITHDRAWAL OF FORCES DO NOT PROVIDE FOR THE PARITY THAT WAS EMBODDIED IN THE PLAN WE DISCUSSED WHEN YOU WERE IN WASHINGTON A WEEK OR SO AGO.
 - THE EXPLICIT REFERENCE TO QUOTE RESTORED ADMINISTRATION UNQUOTE IS BOTH UNNECESSARY AND, IN AND OF ITSELF, ENOUGH TO GUARANTEE REJECTION.
- THE FORMULATION ON SELF-DETERMINATION WOULD BE NO LESS DIFFICULT FOR THE ARGENTINES TO ACCEPT THAN IT WOULD BE FOR YOU OR US TO ACCEPT A FLAT ASSURANCE OF EVENTUAL ARGENTINE SOVEREIGNTY.
 - THE COMMITMENT ONLY TO MAKE EVERY POSSIBLE EFFORT TO REACH A
 DEFINITIVE SETTLEMENT WOULD BE READ IN BUENOS FIRES AS A RECIPE FOR
 STALEMATE, EVEN THOUGH I DO NOT DOUBT FOR ONE MINUTE THAT HMG WOULD
 NEGOTIATE IN GOOD FAITH.
 - I ALSO ATTACH A PROPOSED TIMETABLE FOR MOVING THIS INITIATIVE FORWARD WHICH I DISCUSSED WITH NICKO.

I HARDLY NEED TO SAY THAT WE HAVE LEFT NO DOUBT ABOUT WHERE WE STAND: THE ARGENTINES COMMITTED AGGRESSION: THEY HAVE BEEN INFLEXIBLE IN NEGOTIATIONS: AND THE U S SUPPORTS THE UK, EXPLICITLY AND CONCRETELY. WE HAVE NEVER CONTEMPLATED ASKING YOU TO AGREE TO ANYTHING THAT WOULD UNDERMINE THE RULE OF LAW, WEAKEN OUR RELATION—SHIP, OR BE SEEN AS LESS THAN A SUCCESS FOR YOUR COUNTRY AND YOUR GOVERNMENT. IT IS IN THIS SPIRIT THAT I MUST TELL YOU THAT WE ARE PREPARED TO PROCEED ON THE BASIS OF THE REVISED VERSION I AM SENDING TO YOU, BUT COULD NOT ASSOCIATE OURSELVES WITH YOUR VERSION.

RECOGNIZING THE BURDEN IT PLACES ON YOU, MAY I ASK THAT YOU GIVE ME AN INDICATION AS QUICKLY AS POSSIBLE AS TO WHETHER YOU WOULD LIKE US TO PROCEED.

EA WAI HOL

SECRET
LESKBY UKMIS NEW YORK Ø51226Z
DESKBY LIMA Ø51626Z
FM WASHINGTON 158415Z MAY 82
TO FLASH FCO
TELEGRAM NUMBER 1680 OF 5 MAY



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