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cc: Minister
Subject: Argentine & Falklands P.M.

PRIME MINISTER'S
PERSONAL MESSAGE
SERIAL No. T89182

IMMEDIATE 291322Z APR 82

FM CABINET OFFICE

TO WHITE HOUSE

S E C R E T

MESSAGE FOR PRESIDENT REAGAN FROM THE PRIME MINISTER.

DEAR RON,

THE CABINET CONSIDERED AL HAIG'S CURRENT PROPOSALS ON THE FALKLAND ISLANDS FOR THE FIRST TIME THIS MORNING. WE WERE ALL VERY GRATEFUL FOR HIS TIRELESS EFFORTS.

I EXPLAINED TO MY COLLEAGUES THAT AL HAD PUT HIS PROPOSALS TO THE ARGENTINE GOVERNMENT ONLY ON 27 APRIL= THAT, AS HE MADE CLEAR TO FRANCIS PYM, HE HAD GIVEN THEM A DEADLINE FOR ACCEPTING THE PROPOSALS WITHOUT AMENDMENT OR REJECTING THEM= AND THAT THIS DEADLINE HAD PASSED MORE THAN 24 HOURS AGO WITH NO ARGENTINE REPLY.

IN THE CABINET'S VIEW, THE PROPOSALS MUST NOW BE REGARDED AS HAVING BEEN REJECTED BY THE ARGENTINES, WHO HAVE IGNORED THE DEADLINE AND PUBLICLY RESTATED THAT THEY ARE NOT PREPARED TO ALTER THEIR POSITION ON SOVEREIGNTY.

AL MADE CLEAR TO FRANCIS LAST WEEK THAT, IF ARGENTINA DID REJECT THE PROPOSALS, THE U.S WOULD CONSIDER ITS CURRENT PEACE-MAKING EFFORTS TO HAVE ENDED AND WOULD FROM THEN ON GIVE FULL PUBLIC SUPPORT TO BRITAIN. IN THE CABINET'S VIEW, THIS POINT HAS NOW BEEN REACHED. I CANNOT CONCEAL FROM YOU HOW DEEPLY LET DOWN I AND MY COLLEAGUES WOULD FEEL IF UNDER THESE CIRCUMSTANCES THE U.S WERE NOT NOW TO GIVE US ITS FULL SUPPORT.

YOU WILL REMEMBER THAT WHEN WE SPOKE ON THE TELEPHONE ON 17 APRIL, ABOUT THE EARLIER PROPOSALS WHICH AL AND WE WORKED OUT IN LONDON ON 12 APRIL, YOU TOLD ME THAT IN YOUR VIEW WE HAD BEEN AS ACCOMMODATING AS WE COULD HAVE BEEN AND IT WOULD NOT BE REASONABLE TO ASK US TO GO FURTHER. AGAINST THAT BACKGROUND, YOU WILL NOT BE SURPRISED TO KNOW THAT THE CABINET SAW FUNDAMENTAL DIFFICULTIES FROM BRITAIN'S POINT OF VIEW IN AL'S LATEST PROPOSALS WHICH WE REGARD ARGENTINA AS HAVING NOW REJECTED. THESE DIFFICULTIES LAY IN THE ESSENTIAL AREAS WHERE THE LATEST PROPOSALS DIFFERRED FROM THE 12 APRIL PROPOSALS. IT WAS, OF COURSE, JUST THESE AREAS WHICH FRANCIS DISCUSSED SO THOROUGHLY WITH AL IN WASHINGTON LAST WEEK.

ONE STAGE IN THE EFFORT TO SETTLE THIS CRISIS HAS NOW ENDED. IT SEEMS TO ME ESSENTIAL THAT, AS WE ENTER THE NEXT STAGE, THE U.S AND BRITAIN SHOULD BE SEEN TO BE UNEQUIVOCALLY ON THE SAME SIDE, STAUNCHLY UPHOLDING THOSE VALUES ON WHICH THE WESTERN WAY OF LIFE DEPENDS.

WARM PERSONAL REGARDS,
MARGARET

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