CONFIDENTIAL

GR 300 CONFIDENTIAL FM SINGAPORE 210240Z APR 82 TO PRIORITY FCO TELNO 90 OF 21 APRIL INFO ROUTINE KUALA LUMPUR, MANILA, BANGKOK, JAKARTA AND UKMIS NEW YORK

FALKLAND ISLANDS

- 1. LEE KUAN YEW WAS IN A RELAXED, UNBUTTONED MOOD WHEN I DINED WITH HIM AND OTHER MEMBERS OF HIS CABINET (GOH KENG SWEE AND DHANABALAN AMONG THEM) ON SUNDAY, 18 APRIL. HE RANGED WIDELY AND TRENCHANTLY OVER WORLD ISSUES AND PERSONALITIES. PAST AND PRESENT.
- 2. I TOOK THE OPPORTUNITY TO THANK HIM FOR HIS GOVERNMENT'S PUBLIC STATEMENT OF SUPPORT (MY TELNO 81). HE REPLIED THAT HE COULD NOT HAVE DONE LESS : THE ''GILBERT AND SULLIVAN ELEMENTS'' IN THE CRISIS SHOULD NOT CONCEAL THE SERIOUS ISSUES OF PRINCIPLE AT STAKE, BUT THERE WAS NOT, HE FEARED, MUCH MORE THAT HE COULD DO TO HELP. HE WISHED US WELL. AND HOPED OUR ENDEAVOURS WOULD SUCCEED IN AS SHORT A TIME AS POSSIBLE. OTHER ANXIETIES AND DANGERS WOULD ARISE IF SO MUCH OF OUR NAVAL POWER WERE DISPERSED FOR ANY EXTENDED PERIOD TO THE SOUTH ATLANTIC.
- 3. I SAID THAT WE WERE GREATLY ENCOURAGED IN OUR HOPES FOR A QUICK AND PEACEFUL OUTCOME BY THE WIDERANGING INTERNATIONAL SUPPORT WE HAD RECEIVED, AND I RECALLED THAT I HAD SPOKEN TO DHANABALAN TO URGE A PUBLIC STATEMENT ABOUT ARMS SALES AND FINANCIAL CREDITS (MY TELNO 82). LEE DID NOT ANSWER DIRECTLY BUT WENT ON TO ANATHEMATISE THE ARGENTINIANS (AND INDEED, MOST OTHER LATIN AMERICANS): A DEBASED HISPANO-CATHOLIC CULTURE, COMBINED WITH ITALIAN IMMIGRATION, HAD PRODUCED A THOROUGHLY NASTY MIX, WITHOUT ANY OF THE SENSE OF SOCIAL RESPONSIBILITY TO BE FOUND IN THE PROTESTANT ETHIC. (HE SWEPT THE PHILIPPINES UP IN THIS, SPEAKING SCATHINGLY ABOUT MARCOS AND FORECASTING A RIGHT-WING MILITARY REGIME AS THE MOST LIKELY SUCCESSOR TO HIM.)
- 4. HIS HEART IS CLEARLY WITH US, BUT HE WILL I THINK HOPE NOT TO HAVE TO MAKE ANY MORE PUBLIC STATEMENTS JUST YET: THE ONE HE HAS ALREADY MADE HAS PUT HIM OUT IN FRONT OF HIS ASEAN PARTNERS WHOSE PUBLIC REACTIONS HE DISMISSED AS "WISHY-WASHY"".
- 5. HE WAS PLEASED THAT THE CITY OF LONDON WERE ABLE TO CONFER THE FREEDOM ON HIM ON 15 JULY, AND SAID HE LOOKED FORWARD TO MEETING YOU AND THE PRIME MINISTER DURING THAT CONFIDENTIAL

CONFIDENTIAL

6. PRESS, RADIO AND TELEVISION CONTINUE TO GIVE GOOD COVERAGE ON THE CRISIS AND, ALTHOUGH THERE HAS BEEN NO FURTHER EDITORIAL COMMENT SINCE THAT REPORTED IN MY TELNO 81, SYNDICATED FEATURES AND LOCAL FEATURE WRITERS HAVE GIVEN FAR MORE EMPHASIS TO OUR POINT OF VIEW THAN TO THE ARGENTINIAN. THE ARGENTINE CONSUL-GENERAL HAS CIRCULATED A STATEMENT ON THE ARGENTINE POSITION IN PRETTY STANDARD FORM BUT THIS HAS RECEIVED NO MEDIA ACKNOWLEDGEMENT.

HENNINGS

FCO

S AM D

CABINET OFFICE

ADDITIONAL DISTRIBUTION FALKLAND ISLANDS

COPIES TO

PS/CHANCELLOR)
SIR K COUZENS)
MR LITTLER)
MR HAWTIN

TREASURY

MR HAWTIN
MR PERETZ
MR ILETT

MR FULLER DIO CABINET OFFICE MISS DICKSON (EIP DIVN) D/ENERGY

CONFIDENTIAL