SECRET

30 APR 1982

F/R 2922

ZZ WASHINGTON
OO UKMIS NEW YORK
GRS 257
SECRET
FM FCO 301100Z APR 82
TO FLASH WASHINGTON
TELEGRAM NUMBER 874 OF 30 APRIL
INFO IMMEDIATE UKMIS NEW YORK, PERSONAL FOR AMBASSADOR
YOUR TELS NOS 1525 AND 1527

(51)

L. PLEASE TELL HAIG THAT I AM MOST GRATEFUL FOR HIS EFFORTS AND HIS INTENDED EXPRESSION OF SUPPORT FOR BRITAIN. WE SHALL SHORTLY TELEGRAPH PROPOSALS ABOUT NEXT STEPS AND A STATEMENT I SHALL MAKE HERE THIS EVENING.

2. ON THE TEXT OF HAIG'S PROPOSED STATEMENT IN YOUR TELEGRAM NO 1525, WE ACCEPT THE REASONS FOR NOT CONTESTING THE REMARK THAT THE US HAD REASON TO HOPE THAT THE UK WOULD CONSIDER A SETTLEMENT ON THE LINES OF OUR PROPOSAL ALTHOUGH AS YOU REALISE IT WILL CREAT DIFFICULTIES HERE AND WILL REQUIRE CAREFUL HANDLING.

BUT THERE ARE TWO POINTS WHICH YOU SHOULD IMMEDIATELY PUT TO HAIG

A) THE FIRST CONCERNS THE PASSAGE ''ARGENTINA'S POSITION REMAINS THAT IT MUST RECEIVE AN ASSURANCE NOW OF EVENTUAL SOVEREIGNTY, OR AN EXPANDING DE FACTO ROLE IN GOVERNING THE ISLANDS''. WE REALISE THAT THIS IS BASED ON COSTA MENDEZ'S LETTER TO HAIG IN YOUR TELNO 1517. BUT IT COULD GIVE THE WHOLLY FALSE IMPRESSION THAT ARGENTINA WAS WILLING TO COMPROMISE ON THE PRINCIPLE OF SOVEREIGNTY IN RETURN FOR A SHARE IN ADMINISTRATION. THAT IS NOT THE CASE, AS COSTA MENDEZ'S PUBLIC STATEMENTS HAVE MADE CLEAR. I HOPE THAT HAIG MIGHT BE WILLING TO REFER TO THOSE STATEMENTS RATHER THAN REFLECTING THE WAY COSTA MENDEZ PUT IT IN HIS LETTER.

B) THE REFERENCE A FEW SENTENCES LATER TO CONCRETE US STEPS TO SHOW THAT THE US WILL NOT CONDONE THE USE OF FORCE IS AMBIGUOUS BECAUSE IT MIGHT BE SEEN AS APPLYING TO ANY USE OF FORCE BY BRITAIN. I VERY MUCH HOPE THAT HAIG WILL INSERT ''UNLAWFUL'' BEFORE ''USE OF FORCE'' OR MAKE SOME EQUIVALENT AMENDMENT.

PYM

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