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[ Passed to E.R.]

UNCLASS IF IED FM WASHINGTON 291633Z MAY 82 TO IMMEDIATE F C O TELEGRAM NUMBER 1867 OF 23 MAY INFO IMMEDIATE UKMIS NEW YORK, BIS NEW YORK AND MODUK

FALKLANDS: US PRESS FOR 23 MAY

AMID CONTINUING MASSIVE COVERAGE OF MILITARY ACTION ON THE FALKLANDS A NUMBER OF ARTICLES REFLECT ON THE IMPLICATIONS OF THE DISPUTE FOR US INTERESTS.

2. GWERTZMAN, IN THE NEW YORK TIMES, IN TWO ARTICLES REFLECTING ADMINISTRATION BRIEFING, NOTES US FEARS THAT ITS RELATIONS WITH LATIN AMERICA HAVE BEEN SERIOUSLY AND ADVERSELY AFFECTED: ARGENTINA'S NOW MORE LIKELY THAN EVER TO DEVELOP AN ATOMIC BOMB AND BRAZIL MAY DO THE SAME: US EFFORTS TO LIMIT CONVENTIONAL ARMS SALES IN THE REGION WILL BE FRUITLESS: US LEADERSHIP IN THE REGION HAS BEEN DEALT A SERIOUS BLOW, AFFECTING ATTEMPTS TO CURB CUBAN INFLUENCE: THE SOVIET UNION WILL INCREASE ITS INFLUENCE AS A TRADING PARTNER AND ARMS SUPPLIER IN THE REGION. GWERTZMAN ARGUES THAT, PRIVATELY, HAIG DOES NOT VIEW A BRITISH MILITARY VICTORY AS NECESSARILY THE BEST OUTCOME OF THE CRISIS. HAIG IS SAID TO FEAR AN OUTCOME WHICH

HAIG DOES NOT VIEW A BRITISH MILITARY VICTORY AS NECESSARILY THE BEST OUTCOME OF THE CRISIS. HAIG IS SAID TO FEAR AN OUTCOME WHICH WOULD COMMIT BRITAIN TO MAINTAINING A LARGE MILITARY PRESENCE IN AND AROUND THE ISLANDS INDEFINITELY, WHICH WOULD ENCOURAGE REVANCHIST SENTIMENT, A MASSIVE PROGRAMME OF REARMAMENT IN ARGENTINA AND PROVIDE A MASSIVE OPENING FOR THE SOVIET UNION AND CUBA. NEXT SATURDAY'S NONALIGNED MEETING IN HAVANA HAD BEEN SEEN BY WASHINGTON AS AN OPPORTUNITY FOR MEMBERS TO QUESTION SOVIET AND CUBAN MILITARY ADVENTURISM. NOW, THE US GOVERNMENT FEARS THAT THE ONE TOPIC WILL BE THE FALKLANDS AND CRITICAL DISCUSSION OF THE US ROLE. ACCORDING TO GWERTZMAN ALL THESE FEARS HELP EXPLAIN WHY THE US HAS BEEN WILLING TO HELP BRITAIN PRIVATELY BUT NOT TO CHEER HER ON PUBLICLY.

- 3. AN EDITORIAL IN THE NEW YORK TIMES SAYS THAT THE PRINCIPLES AT ISSUE JUSTIFIED SUPPORT FOR BRITAIN BY DEMOCRATIC NATIONS BUT NOW THE POINT HAS BEEN MADE, THE AGGRESSOR HAS BEEN PUNISHED AND IF THE CONFLICT EVEN JUSTIFIED THE LOSS OF LIFE, IT NO LONGER DOES.
- 4. OTHER COMMENTATORS IN THE NEW YORK TIMES TAKE A DIFFERENT VIEW.

  JOHN OAKES WRITES THAT THE VENEMOUS FURY DIRECTED AGAINST THE UNITED

  STATES BY LATIN AMERICA DEMONSTRATES, NOT THAT AMERICA WAS WRONG

  TO SUPPORT BRITAIN, BUT THAT THE ADMINISTRATION'S LATIN AMERICAN

  POLICY HAS BEEN PERVERSELY WRONG.
- 5. JAMES RESTON REGRETS THAT THE ADMINISTRATION HAVE NOT MADE IT ABSOLUTELY CLEAR TO ARGENTINA THAT IT WILL DO WHATEVER IS NECESSARY TO DELIVER MILITARY SERVICES AND WEAPONS TO THE BRITISH. RESTON REMINDS PRESIDENT REAGAN, ON THE EVE OF HIS VISIT TO EUROPE, THAT IF HE DOES NOT MAKE CLEAR THAT THE US WILL OPPOSE THE USE OF FORCE AND DEFEND HIS CLOSEST ALLY IN BRITAIN, HE WILL SOON BE IN AS MUCH TROUBLE ABROAD AS HE IS WITH HIS ECONOMIC POLICY AT HOME.
- 6. JACK ANDERSON IN THE WASHINGTON POST WRITES THAT US SUPPORT FOR BRITAIN HAS CAUSED DAMAGE TO US INTERESTS IN LATIN AMERICA THAT HAVE BEEN DISASTROUS BEYOND THE WILDEST IMAGININGS OF THE STATE DEPARTMENT. KRAFT ALSO IN THE POST, SAYS THAT DAMAGE TO US RELATIONS IN LATIN AMERICA WILL NOT BE MATCHED BY IMPROVED TIES WITH BRITAIN. ON THE CONTRARY, AMERICA'S IMPARTIAL STANCE DURING ITS MEDIATION EFFORTS WAS SEEN IN LONDON AS A VIOLATION OF THE SPECIAL RELATION—SHIP.