CONFIDENTIAL DESKBY Ø612ØØZ TO UKMIS NEW YORK AND WASHINGTON FM UKDEL VERSAILLES Ø6Ø93ØZ JUN 82 TO IMMEDIATE UKMIS NEW YORK TELEGRAM NO ØØ2 OF Ø6 JUNE 1982 INFO FLASH F C O. IMMEDIATE WASHINGTON. FOLLOWING FROM PRIVATE SECRETARY. FALKLANDS: YOUR TELNOS 944 AND 945 TO FCO. 1. THE PRIME MINISTER AND SECRETARY OF STATE AGREE THAT THE SECRETARY GENERAL'S LATEST PROPOSALS ARE UNACCEPTABLE TO US FOR THE REASONS SET OUT IN YOUR TELNO 944, AND THAT YOU SHOULD PASS A MESSAGE TO HIM FROM THE PRIME MINISTER ON THE LINES YOU PROPOSE. IF YOU SEE TACTICAL ADVANTAGE IN DELAYING PASSING THE MESSAGE UNTIL THE DEADLINE OF 8 PM TONIGHT NEW YORK TIME APPROACHES, YOU HAVE DISCRETION TO DO SO. WE SHALL IF NECESSARY TELL THE AMERICANS HERE THAT THE PRIME MINISTER HAS CONSIDERED THE PROPOSALS AND HAS SENT INSTRUCTIONS TO YOU TO REJECT THEM. 2. IN ADDITION TO THE CONCLUSIVE OBJECTIONS IN YOUR T.U.R., WE SEE THE FOLLOWING MAJOR POINTS OF DIFFICULTY: WE FIND THE THREE TIMES AND DATES IN POINTS 1 AND 2 OF HIS PROPOSALS CONFUSING. IT IS UNCLEAR WHAT WOULD HAPPEN ON THE GROUND BETWEEN 11 AM ON 7 JUNE AND 11 AM ON 11 JUNE. THE PRESENCE OF A REPRESENTATIVE OF THE SECRETARY GENERAL ON THE ISLANDS WOULD MAKE IT HARDER FOR US TO ENSURE ARGENTINE WITHDRAWAL IF THEY SET OUT TO DELAY IT UNDER A VARIETY OF PRETEXTS: POINT 3 OF THE PROPOSAL DOES NOTHING TO HELP: III. IT IS PARTICULARLY IMPORTANT THAT WE BE FREE TO MAKE APPROPRIATE SECURITY ARRANGEMENTS FOR THE ISLANDS. WE COULD NOT THEREFORE ACCEPT A REDUCTION OF BRITISH FORCES AS THE SECRETARY GENERAL PROPOSES. FCO PLEASE PASS DESKBY Ø612ØØZ TO WASHINGTON AND UKMIS NEW YORK NNNN