

044

R 16028)1CZCUIVUIV

PM-FALKLANDS-MEDIATION (2 TAKES)

BY SIDNEY WEILAND

LONDON, APRIL 7, REUTER -- BRITISH OFFICIALS TODAY RULED OUT U.S. MEDIATION IN THE FALKLANDS CRISIS UNLESS ARGENTINA FIRST WITHDREW ITS TROOPS FROM THE CAPTURED ISLANDS.

THE TOUGH LINE WAS SET OUT AS GOVERNMENT SOURCES REPORTED CABINET MINISTERS WERE GLOOMY OVER THE PROSPECTS OF A POLITICAL SOLUTION TO AVERT THE GROWING RISK OF A MILITARY SHOWDOWN.

FOREIGN OFFICE OFFICIALS DESCRIBED THE GOVERNMENT'S DEMAND FOR WITHDRAWAL OF ARGENTINE FORCES AND THE RESTORATION OF BRITISH ADMINISTRATION AS 'ESSENTIAL PREREQUISITES' FOR ANY FORM OF NEGOTIATIONS.

THEY REJECTED ANY POSSIBILITY OF FREEZING THE SITUATION, WITH ARGENTINE TROOPS STILL IN PLACE, PENDING THE OUTCOME OF U.S. EFFORTS TO MEDIATE BETWEEN LONDON AND BUENOS AIRES.

"THERE MUST BE AN ARGENTINE WITHDRAWAL BEFORE WE CAN SIT DOWN AND TALK," AN OFFICIAL SAID.

OTHER WESTERN DIPLOMATS REFUSED TO SPECULATE ON THE CHANCES OF A PEACEFUL OUTCOME IN THE LIMITED TIME AVAILABLE -- ABOUT 14 DAYS -- BEFORE A STRONG BRITISH NAVAL TASK FORCE REACHES THE SOUTH ATLANTIC ARCHIPELAGO.

MORE 0647 WM

EUK  
FWG  
SIS  
S  
P  
D

045

R 16041)LCZCUIVHYD

PM-FALKLANDS-MEDIATION 2 LONDON

PRIME MINISTER MARGARET THATCHER HAS SAID BRITAIN WILL BE READY TO FIGHT TO REGAIN THE ISLANDS, SEIZED BY ARGENTINA LAST FRIDAY AFTER A 150-YEAR DISPUTE OVER SOVEREIGNTY.

WESTERN DIPLOMATS SAID BRITAIN'S INSISTENCE ON ARGENTINE WITHDRAWAL BEFORE NEGOTIATING REFLECTED STRONG NATIONAL SENTIMENT THAT BRITISH AUTHORITY MUST BE REASSERTED.

BUT THEY SAID IT WAS TOO EARLY TO SAY WHETHER THE BRITISH STAND REPRESENTED AN INITIAL POSITION, OR WHETHER IT MIGHT BE MODERATED IF THE REAGAN ADMINISTRATION PRODUCED A REALISTIC DIPLOMATIC PACKAGE WORTH NEGOTIATING.

THE BRITISH VIEW HAS BEEN PUT FORCIBLY IN CONTACTS WITH THE UNITED STATES BOTH IN WASHINGTON AND LONDON, OFFICIAL SOURCES SAID.

BRITAIN'S CASE RESTS ON A UNITED NATIONS SECURITY COUNCIL CALL LAST WEEKEND FOR ARGENTINA TO WITHDRAW AND FOR THE DISPUTE TO BE RETURNED TO THE NEGOTIATING TABLE.

MEANWHILE, BRITAIN IS MOUNTING AN EXTENSIVE DIPLOMATIC EFFORT TO GAIN SUPPORT FOR ITS DEMAND FOR AN ARGENTINE PULLOUT.  
REUTER 0649 WM

047

R 16070)3CZCUIVZSA

PM-FALKLANDS-MEDIATION 3 LONDON (R-045...PULLOUT.)

"WE ARE DOING EVERYTHING WE CAN TO ASK FRIENDLY GOVERNMENTS, PARTNERS AND ALLIES TO BRING HOME TO ARGENTINA THE SERIOUSNESS OF THEIR ACTION AND THAT THEY SHOULD FOLLOW THE SECURITY COUNCIL RESOLUTION," A BRITISH OFFICIAL SAID.

ANOTHER OFFICIAL TOLD REPORTERS: "WE ARE ALWAYS PREPARED TO TALK BUT WITHDRAWAL IS NECESSARY."

REAGAN ADMINISTRATION EFFORTS TO MEDIATE WERE UNDERSTOOD TO BE STILL IN AN EXPLORATORY STAGE, WITH NO CLEAR IDEAS YET ON HOW A POLITICAL SOLUTION MIGHT BE ACHIEVED, DIPLOMATS SAID.

BRITISH OFFICIALS SAID THE GOVERNMENT WAS OPEN TO ANY PROPOSALS PROVIDED ARGENTINA WITHDREW.

IDEAS PREVIOUSLY CANVASSED INCLUDED TRANSFERRING THE FALKLANDS TO NOMINAL ARGENTINE SOVEREIGNTY AND THEN FOR BRITAIN TO LEASE THEM BACK, OR SOME FORM OF "CONDOMINIUM" RULE BY BOTH COUNTRIES.

THE BRITISH OFFICIALS INSISTED THE WISHES OF THE 1,800 ISLANDERS WOULD BE PARAMOUNT.

THERE WAS NO IMMEDIATE GOVERNMENT REACTION TO REPORTS FROM BUENOS AIRES THAT ARGENTINA MIGHT BE READY FOR DISCUSSIONS.

NDRE 0659 WH

048

R 16077)LCZCUIVRYR

PM-FALKLANDS-MEDIATION 4 LONDON

ARGENTINE LEADERS HAVE SAID SO FAR THAT SOVEREIGNTY OVER THE ISLAND CHAIN AND A TROOP WITHDRAWAL ARE NOT NEGOTIABLE.

HOWEVER, INTERIOR MINISTER ALFREDO SAINT JEAN, IN SPEAKING TO JOURNALISTS YESTERDAY, HELD OUT THE POSSIBILITY THAT A WITHDRAWAL MIGHT BE DISCUSSED.

"IF YOU ARE THE SOVEREIGN OWNER YOU CANNOT ACCEPT A MEASURE OF THIS NATURE, BUT IT IS A PROBLEM TO BE CONSIDERED IN NEGOTIATIONS," HE SAID.

LONDON DIPLOMATS WERE INTERESTED IN THE COMMENT BUT WERE UNCERTAIN WHETHER IT MEANT A SOFTENING OF ARGENTINA'S POSITION.

ARGENTINE FOREIGN MINISTER NICANOR COSTA MENDEZ SAID AFTER A MEETING WITH SECRETARY OF STATE ALEXANDER HAIG LAST NIGHT HE WAS CONFIDENT AN "HONORABLE AND JUST PEACE" COULD BE NEGOTIATED, AND THAT HE HAD GREAT HOPES OF NEGOTIATIONS.

ALTHOUGH THIS OPTIMISM IS NOT SHARED IN LONDON, DIPLOMATS AGREED THAT ONLY THE U.S. ADMINISTRATION HAD SUFFICIENT LEVERAGE TO PRESS A DIPLOMATIC SOLUTION, EVEN IF THE OPTIONS AVAILABLE APPEARED TO BE STRICTLY LIMITED.

REUTER 0701 WH