



## DEPARTMENT OF STATE

Washington, D.C. 20520

*Falklands**Tom  
Wright*HIGHLIGHTS OF APRIL 6, 1982  
CBS Morning News

Falkland Islands. There a number of reports this morning that the British Foreign Office received advance warning of the invasion of the Falkland Islands and apparently ignored the warning. One British paper reports that intelligence sources in Buenos Aires sent a copy of the actual invasion plans to London 11 days ago. Another report says that nine days ago the British received information from a U.S. spy satellite that the Argentine fleet was heading for the Falklands. These reports will certainly add to the storm of criticism Prime Minister Thatcher will face today in the House of Commons. The resignation yesterday of Mrs. Thatcher's three top foreign policy officials has not stopped the tide of criticism. Several leading Labor politicians are demanding that Mrs. Thatcher resign as well as John Nott, her Defense Minister. (Fenton, London)

As most employees of the British Embassy in Buenos Aires prepared to evacuate the premises, the BBC broadcast messages from the Foreign Office urging British citizens in Argentina to flee the country. Throughout the capital city, signs called the invasion of the Falklands a great victory. There is fear in the city as well that what started out as a rallying point for national pride may now turn into a full-scale war. In the Falklands, naval transport ships brought more Argentine marines, military supplies and armored vehicles. Argentine military officers say they have full confidence in their country's ability to defend itself from a possible British attack. Argentine military sources boast that it would take 15,000 British troops to overrun the 6,000 Argentine soldiers now defending the Falklands. Nevertheless, as a precaution, Argentina is equipping hospitals on the mainland to handle a large number of casualties. An air raid drill is also planned. (Gomez, Buenos Aires)

At a special session of the Organization of American States (OAS), requested by Argentina, the country's Foreign Minister defended the takeover. Nicanor Costa Mendez told the delegates that Argentina had tried for more than 15 years to negotiate a settlement of the dispute and, in his words, "it took us no where". Costa Mendez threatened to invoke the Treaty of Rio if Britain uses force to retake the Islands. That treaty, signed by the United States, commits all countries in the hemisphere to come to the aid of any other in case of armed attack. Later, speaking to reporters, Costa Mendez was somewhat more conciliatory. He expressed the hope that a peaceful solution will be reached. The British observer at the OAS

session said that his country wants to talk but, most important, Argentina must get out of the Falklands. Argentina is clearly hoping that its neighbors will back its position. So far there has been no call for action by the OAS. (Potter, Washington)

Diane Sawyer discussed the crisis in the Falkland Islands with Mark Folkoff, a resident fellow at the American Enterprise Institute, where he specializes in Argentine affairs. Dr. Folkoff said that Argentina's invasion of the Islands came as a surprise to him and every Argentina watcher in Washington. People have known for a long time that Argentina never recognized the British transfer of the Islands in 1833 and that this is probably the one issue that unifies Argentines across the political spectrum. However, most thought this matter would work its way out at the conference table. Asked why the Argentines finally made the decision to invade, Dr. Folkoff said they may have been trying to detract attention from their inflation problem. He does not believe that is the whole explanation. The Argentines had begun to lose faith in the British willingness to discuss the matter in a way satisfactory to them. Dr. Folkoff has no doubt in his mind that Argentina is prepared to go to war. As far as proposed alternatives, he thinks it is possible that Argentina might settle for a Hong Kong-type program where it would lease the Islands to Britain. Regarding U.S.-Argentine relations, Dr. Folkoff acknowledged that it is a very difficult time for the United States. The U.S. Government must attempt to mediate between two allies.

Jamaica. Tourists abandoned this tropical paradise after the 1980 elections there in which political violence claimed more than 800 lives. The roots of that violence were in the poverty stricken neighborhoods of Kingston. If the Caribbean Basin initiative can help these people, it could emerge as the best American idea since the Marshall Plan. The Reagan Administration has chosen Jamaica as the showcase primarily because of its cooperative, conservative government. This government has broken relations with Cuba and believes fervently in free enterprise and private investment. Jamaica's problems are staggering. It has an unemployment rate of 27 percent. Tourism has picked up but the bauxite industry, the mainstay of foreign exchange earnings, is in the doldrums. Washington broke a lot of rules for Jamaica, eliminating tariff barriers on most agricultural goods. However, Jamaica does not have the production capacity to take advantage of it. Ironically, the Administration, with Jamaican cooperation, is trying to wipe out the island's most important cash crop, marijuana. Most Jamaicans are in favor of aid from the United States, but some are worried about the strings attached to that assistance. Recent Jamaican economic statistics are somewhat encouraging -- investment is up, inflation is

down. These statistics have not yet been felt in Kingston's poor districts, and that is where the success or failure of the Caribbean initiative will be judged. (Simon, Kingston)

PA/PC/CM:MPensabene  
4/6/82 x21299