



*Scary A Plan*

SECRET

PS

cc: PS/LPS  
 PS/Mr Luce  
 PS/PUS  
 Mr Giffard  
 Mr Ure  
 Hd Defence Dept  
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 News Dept

*ALQ/050/304/1*

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INDEX	PA	Action Taken

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*A Plan*

FALKLAND ISLANDS: SCOPE FOR FURTHER US ASSISTANCE

1. In reporting the rejection of President Reagan's intervention with President Galtieri, the State Department have asked if there were any other ways in which we thought they could help in putting further pressure on the Argentines at this stage.

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2. I have given thought to this and consulted our Ambassador in Buenos Aires. Given the weight of political muscle which the Administration at the highest level have already exerted, there is no obvious way in which we can immediately take advantage of this offer.

- a) there are no US naval ships nearer than the Caribbean (MOD)
- b) US is a substantial trading partner of Argentina; a trade sanction would hurt. But these would take time to arrange.
- c) Argentina is heavily indebted to US banks. But the same timing considerations apply.

3. The MOD are considering possible need for US facilities related to Task Force deployments.

4. Our Ambassador in Washington spoke to Mr Haig (telephone report from Washington - 0545 hours) to thank him for offer of help but saying we had no specific requests to make at this stage.

*P. R. Fearn*

2 April 1982

P R Fearn  
South America Department