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 TELEGRAM NUMBER 1281 OF 14 APRIL
 INFO BIS AND UKMIS NEW YORK

FALKLANDS: US PRESS

1. REPORTS IN TODAY'S AND YESTERDAY'S PRESS HAVE REFLECTED UNCERTAINTY ABOUT HAIG'S MISSION BUT BOTH THE WASHINGTON POST AND NEW YORK TIMES THIS MORNING MAKE IT CLEAR THAT THE PRIME RESPONSIBILITY FOR CURRENT DIFFICULTIES LIES WITH ARGENTINA. GWERTZMAN IN THE NEW YORK TIMES SAYS THAT THE HAIG MISSION CAME CLOSE TO COLLAPSE ON MONDAY NIGHT WHEN THE ARGENTINE GOVERNMENT APPARENTLY RENEGED ON AN UNDERSTANDING WITH HAIG. IN A REPORT FROM BUENOS AIRES, THE POST SAYS THAT ARGENTINA HAS REJECTED BRITISH PARTICIPATION IN A MULTI-NATIONAL ADMINISTRATION IN THE FALKLANDS, WHILE INSISTING ON AN ARGENTINE REPRESENTATIVE.

2. PUBLIC OPINION, AS MEASURED BY PRESS COMMENT ROUND THE COUNTRY, REMAINS FAVOURABLE TO US, WITH STRONG UNDERCURRENTS OF CONCERN THAT IF THE DISPUTE WERE TO LEAD TO FURTHER CONFLICT, IT COULD HAVE WIDER AND DAMAGING IMPLICATIONS. YESTERDAY'S WASHINGTON POST, WHILE DEPLORING MRS KIRKPATRICK'S ATTENDANCE AT THE ARGENTINE GALA IN HER HONOUR, DEFENDED THE ADMINISTRATION'S ATTEMPTS TO REMAIN ON TERMS WITH BOTH SIDES: QUOTE THERE IS A PURPOSE TO WORKING WITH GOVERNMENTS AS THEY ARE. IN THIS CASE IT IS TO RESOLVE A NASTY DISPUTE THAT THREATENS TO GET BADLY OUR OF HAND UNQUOTE.

3. RESTON IN TODAY'S NEW YORK TIMES ARGUES THAT THE ISSUE SHOULD BE SETTLED, IF NOT BY DIPLOMACY BETWEEN LONDON AND BUENOS AIRES, THEN BY MEDIATION OR ARBITRATION RATHER THAN BY WAR. IF ARGENTINA DEMANDS SOVEREIGNTY, WE WILL CLEARLY REFUSE AND THERE WILL BE WAR: BUT IF ARGENTINA ACCEPTS A PAUSE FOR REFLEXION, INTERNATIONAL ADMINISTRATION OF THE ISLANDS, WITH THE HOPE THAT BUENOS AIRES WILL EVENTUALLY TAKE OVER SOVEREIGNTY, THAT MIGHT RESOLVE THE CRISIS.

4. NEW YORK POST CARRIES AN EDITORIAL CRITICAL OF MRS KIRKPATRICK'S ATTITUDE. THE ARGENTINE AMBASSADOR, APPEARING ON CBS TELEVISION THIS MORNING, DENIED THAT ARGENTINA WAS RECEIVING INTELLIGENCE MATERIAL FROM THE SOVIET UNION. HIS COMMENTS HAVE BEEN OVERTAKEN BY PRESIDENT REAGAN'S REMARKS THIS MORNING WHEN ASKED ABOUT SOVIET INTELLIGENCE GATHERING: QUOTE THAT HAS BEEN REPORTED AND EVIDENTLY IS ESTABLISHED AND I THINK I'D LIKE TO SEE THEM BUTT OUT UNQUOTE (SIC).

15.

5. THE PRESS HAVE REPORTED FULLY MY STATEMENT YESTERDAY THAT SOVIET-
ARGENTINE RELATIONS HAVE BEEN GROWING CLOSER FOR SOMETIME.

HENDERSON

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