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FALKLANDS

1. SPEAKING TO REPORTERS AFTER A MEETING WITH HAIG AT MIDDAY, PRESIDENT REAGAN SAID THAT ARGENTINE OFFICIALS HAD MADE SOME CHANGES IN WHAT THEY HAD DISCUSSED BEFORE AND THEIR REVISED PROPOSALS HAD BEEN FORWARDED TO THE BRITISH AUTHORITIES IN LONDON. YOU WOULD BE FLYING TO WASHINGTON ON THURSDAY WITH THE BRITISH GOVERNMENT'S RESPONSE. THE PRESIDENT ADDED: "I JUST HOPE THAT WE CAN KEEP THIS PROCESS GOING AND THERE WILL BE RESTRAINT ON BOTH COUNTRIES FROM TAKING ANY ACTION THAT WOULD ENDANGER IT". REAGAN NOTED THAT THE OAS VOTED TODAY TO HOLD A MEETING OF FOREIGN MINISTERS HERE ON MONDAY TO CONSIDER THE ARGENTINIAN REQUEST FOR SANCTIONS AGAINST BRITAIN. THE PRESIDENT SAID THAT IT WOULD BE ADVANTAGEOUS IF THE OAS MINISTERS DELAYED ANY ACTION THE ARGENTINE PROPOSAL WHILE HAIG'S MEDIATION CONTINUED. ASKED WHICH SIDE THE UNITED STATES WOULD FAVOUR IN THE EVENT OF A SHOOTING WAR IN THE SOUTH ATLANTIC, REAGAN SAID "THAT WOULD BE A TERRIBLE THING TO SAY IN THE MIDST OF ALL THE DELICATE NEGOTIATIONS". HAIG HAD DONE A MAGNIFICENT JOB. THE UNITED STATES WOULD HAVE LOST PRESTIGE IF IT HAD NOT BEEN WILLING TO UNDERTAKE THE JOB OF TRYING TO BROKER AN AGREEMENT BETWEEN THE PARTIES AND FORESTALL VIOLENCE.

HENDERSON

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