

SF
 VZCZCFHH211EHV602
 OO RUFHR
 DE RUEHC #1426 1540454
 ZNR UUUUU ZZH
 O 030448Z JUN 82 ZFF4
 FM SECSTATE WASHDC
 TO USDEL SECRETARY IMMEDIATE 8516
 BT
 UNCLAS STATE 151426 TOSEC 080028

Falklands 6/2/82

03 JUN 82
 TOR: 0456
 CN: 10998
 CHRG: R
 A S/S 15

PLEASE PASS DEAN FISCHER

E.C. 12065:N/A
 TAGS:SOFN
 SUBJECT: HIGHLIGHTS OF JUNE 2 ABC NIGHTLINE

(Handwritten circle)

*Argentinians
 attack on SNA
 personal*

1. THE TOPIC WAS THE FALKLANDS CRISIS.
2. AT THE MOMENT THE POSITIONS OF MRS. THATCHER AND THE U.S. ARE PERHAPS FARTHER APART THAN AT ANY TIME SINCE ARGENTINA SEIZED THE FALKLANDS 8 WEEKS AGO. THE REASON: THE PRIME MINISTER HAS EXPRESSED IRRITATION AT AMERICAN PROPOSALS TO EASE CURRENT MILITARY PRESSURE ON THE ARGENTINES. SHE HAS REACTED TESTILY TO SUGGESTIONS BY PRESIDENT REAGAN AND SECRETARY HAIG THAT BRITAIN SHOULD, IN THE PRESIDENT'S WORDS, "BE MAGNANIMOUS TOWARD THE ARGENTINES IN VICTORY." MRS. THATCHER, BERNSTEIN HAS BEEN TOLD BY OFFICIALS IN LONDON, WAS BLUNT IN HER TELEPHONE CONVERSATION WITH PRESIDENT REAGAN ON MONDAY. SHE WAS MYSTIFIED AT WHAT HE WAS ASKING. HE WAS ASKING--THE ARGENTINES BE SPARED MILITARY HUMILIATION. --HER RESPECTFUL REPLY WAS THAT HE WOULD DO BETTER TO URGE THE ARGENTINES TO WITHDRAW AND THAT THERE IS NO WAY TO HALF RE-TAKE PORT STANLEY. TONIGHT THATCHER SAID IN A TELEVISED INTERVIEW THAT IF THE ARGENTINES WITHDRAW SPEEDILY FROM THE FALKLANDS, THEN A BLOODY BATTLE COULD BE AVERTED. HAIG, BERNSTEIN IS TOLD BY OFFICIALS IN LONDON, IS STILL URGING THATCHER TO

CONSIDER NEGOTIATIONS AFTER A VICTORY THAT WOULD EVENTUALLY LEAD TO SOME MEASURE OF ARGENTINE SOVEREIGNTY. SHE IS NO FRAME OF MIND TO DO ANYTHING OF THE KIND, ONE OF HER CLOSEST ASSOCIATES SAID EARLIER THIS WEEK. THE PRIME MINISTER IS IN THE PROCESS OF MAKING CLEAR THAT ARGENTINA SHOULD NEVER BE GRANTED A MAJOR ROLE IN THE FUTURE OF THE FALKLANDS--CERTAINLY NOT THE TYPE OF ROLE THE U.S. WOULD LIKE TO SEE. ONE PERSON FAMILIAR WITH HER CONVERSATION WITH PRESIDENT REAGAN SAID THE PRESIDENT SEEMED TORN BETWEEN TWO UNDERSTANDABLY CONFLICTING LOYALTIES. HE WANTS TO SEE COMMUNISM KEPT OUT OF LATIN AMERICA, AND SEES AMERICAN POLICY BEING UNDERMINED BY THIS WAR. YET HE REALIZES BRITAIN IS DEFENDING A PRINCIPLE THAT THE U.S. BELIEVES IN. (CARL BERNSTEIN)

3. AT THE OPENING SESSION OF THE NONALIGNED CONFERENCE IN HAVANA FIDEL CASTRO DID NOT SPEAK. BUT HE LISTENED TO HIS FOREIGN MINISTER, ISADORO MALMIERCA, ATTACK THE U.S. FOR ITS SUPPORT OF BRITAIN IN THE FALKLANDS CRISIS. THE RHETORIC ON BRITAIN WAS MUTED IN COMPARISON, AN OBVIOUS

SUPPORT ON THE PART OF THE CASTRO GOVERNMENT NOT TO
DAMAGE ITS RELATIONS WITH BRITAIN WHICH HAVE BEEN
REASONABLY GOOD. THE ATTACK ON THE U.S. WAS VIRULENT,
NOT JUST ON THE FALKLANDS BUT ON U.S. POLICY WORLDWIDE.
WAYNE SMITH, HEAD OF U.S. INTEREST SECTION IN HAVANA,
WALKED OUT. LATER SMITH TOLD ABC NEWS HE LEFT THE
CONFERENCE HALL BECAUSE, "CRITICISM, DIFFERENCES OF
OPINION, WE ACCEPT. BUT WHEN THE TERMINOLOGY BECOMES
INSULTING I THINK IT'S TIME TO LEAVE." EVEN THOUGH
CUBAN NEWSPAPERS UP UNTIL NOW HAVE GIVEN FAIRLY EVENHANDED
COVERAGE OF THE FALKLANDS CRISIS, CARTOONISTS ARE NOW
PICTURING IT AS AN ACT OF ROBBERY LED BY THATCHER, SUP-
PORTED BY THE U.S. RAFAEL VASQUEZ, ARGENTINE AMBASSADOR
TO CUBA, IS BITTER ABOUT THE ROLE PLAYED BY HAIG.
(FOOTAGE OF VASQUEZ STATEMENT: "IT IS NOT MY JOB TO TALK
ABOUT PRESIDENT REAGAN, BUT I'D LIKE TO TELL YOU THAT
SECRETARY OF STATE HAIG, AS A SECRETARY OF STATE PROVED
THAT HE WOULD BE A VERY DANGEROUS SECRETARY OF STATE.")
COSTA MENDEZ IS COMING TO CUBA TO THANK IT FOR ITS SUPPORT
IN THE CRISIS. HE WILL NOT ASK FOR CUBAN ARMS, NOT AT
LEAST FOR THE MOMENT. HIS VISIT WILL ALSO BE A SIGNAL
TO THE U.S. THAT IT CAN NO LONGER COUNT ON ARGENTINIAN
SUPPORT TO COMBAT COMMUNIST AGGRESSION IN CENTRAL
AMERICA AND THE CARIBBEAN. (SANDER VANOCUR) STOESSEL
BT