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COMPLOENT LAL SECTION 61 OF 63 BUENOS AIRES 16551

CINCSO AND CINCLANT ALSO FOR INTAFF

E. O. 12356: BEGL; OADR TAGS: PREL, PBTS, UK, AR SUBJECT: BRITISH FALKLANDS ANNOUNCEMENT: NOV. 5: PEACTIONS AND HOOD

2. TOL SUMMARY. IN A FORCEFUL BUT DISPASSIONATE ADDRESS TO THE NATION NOVEMBER 4, FORMIN CAPUTO EMPHASIZED THAT ARGENTINA REJECTS THE USE OF FORCE IN THE FALKLANDS/MALVINAS DISPUTE, REJECTS BRITISH EFFORTS TO USE MULTILATERAL CONSERVATION MEASURES TO INDUCE SOVEREIGHTY RECOGNITION. AND IS HOVING TO SOLVE SOUTH ATLANTIC OVER-FISHING THROUGH BILATERAL FISHING ACCORDS. THE ADDRESS IS GOOD WEWS ON THE USE OF FORCE, BUT HOLDS OUT LITTLE HOPE ON FUTURE MULTILATERAL MEGOTIATIONS. IN OTHER DEVELOPMENTS MOVEMBER 4, THE ARGENTINE NAVAL CHIEF AGAIN DOWNPLAYED POSSIBILITY OF AGGRESSIVE HAVAL ACTIVITIES, LABOR LEADER UBALDINI ENDORSED STRONGLY THE GOA'S EFFORTS, AND A PROVINCIAL GOVERNOR CLAIMED HE WAS STUDYING POSSIBLE EXPROPRIATION OF BRITISH-OWNED REAL ESTATE IN THAT PROVINCE. CANADIAN EMBASSY WERE PUT OUT A COMMUNIQUE DESCRIPING BRITISH ACTION AS "INOPPORTUNE." OUR ASSESSMENT OF THE MATIONAL HOOD IN ARGENTINA IS THAT PASSIONS HAVE COOLED. THE GOA HAS BIRECTED THE NATION'S EXPECTA-TIONS TOWARD DIPLOMATIC EFFORTS. AND THE PUBLIC IS WAITING TO SEE WHAT CONES OF THEM.

3. TSL IN CONVERSATION WITH DCH NOV 5. CHIEF OF BRITISH INTERESTS SECTION (SKARKEY) SAID GOA REACTION TO BRITISH OCTOBER 29 ANNOUNCEMENT HAD BEEN HUCH STRONGER TRAN HE HAD EXPECTED. SHARKEY ALSO SAID HHG WOULD NOT ACTUALLY PATROL PORTION OF FISHING YONE WHERE INCUDENTS WITH ARGENTINE UNITS WOULD BE HOST LIKELY. END SUHHARY.

4. DOL CAPUTO ADDRESS TO THE NATION.

FOREIGN MINISTER CAPUTO DELIVERED A MAJOR TELEVISION AND RADIO ADDRESS TO THE ARGENTINE NATION THE NIGHT OF NOVEMBER 4 ON THE FALKLANDS/MALVINAS. SPEAKING FORCEFULLY BUT DISPASSIONATELY, AND REFERRING OFTEN TO A MAP OF ARGENTINA AND THE FALKLANDS/MALVINAS, CAPUTO STRESSED THREE PAINTS:

-- ARGENTINA REJECTS THE USE OF FORCE. THE GOA WILL NOT YIELD TO "BRITISH AGGRESSION," BUT WILL RESIST PEACEFULLY, CAPUTO CRITICIZED EQUALLY THOSE ARGENTINES WHO WISH TO YIELD TO BRITISH CLAIMS AND THOSE WHO WISH TO RESORT TO FORCE. HE ASSERTED THAT ARGENTINA WOULD: PURSUE ITS INTERESTS THROUGH DIPLOMATIC INITIATIVES AT THE EC. NAM, DAS, AND UN.

-- THE BRITISH "CONSERVATION HEASURE" IS REALLY ANOTHER ATTEMPT TO FORCE INTERNATIONAL RECOGNITION OF SOVEREIGNTY OVER THE FALKLANDS/MALVINAS. CAPUTO AKALOGIZED THE BRITISH IN THE FALKLANDS/MALVINAS TO A USURPER WHO FIRST SEIZED AN ARGENTINE HOUSE (1833) AM NOW TRIES TO GRAB THE SURROUNDING ARGENTINE GARDEN AS WELL. THOSE WHO WISH TO FISH IN THE FAIRLANDS FISHING ZONE AFTER FEBRUARY 1, 1987 MUST, IN ESSENCE, RECOGNITIZE BRITISH SOVEREIGNTY OVER THE ISLANDS. CAPUTO EXPLAINED NO INSTRUMENTAL INTERPRETATION A SOFT INDICATE AND SHE TANT FISHING UNDER FAD AUSPICES WAS ALSO AN ATTEMPT TO STRENGTHEN BRITISH SOVEREIGHTY CLAIM OVER ISLANDS.

-- ARGENTINA RECOGNIZES OVER-FISHING AS A SOUTH ATLANTIC PROBLEM. BUT IS DEALING WITH THE ISSUE ON IT OWN THROUGH BILATERAL AGREEMENTS. THE GOA, CAPUTO ASSERTED, HAD SIGNED BILATERAL ACCORDS WITH THE SOVIET

UNION AND BULGARIA AND PLANNED SIMILAR ACCORDS WITH THE OTHER STATES FISHING SOUTH ATLANTIC WATERS.

S. THE NAVAL CHIEF DOWNPLAYS AGGRESSIVE ACTIVITIES.

AT A PRESS ENCOUNTER NOVEMBER & AT THE MAR DEL PLATA INTER-AMERICAN NAVAL CONFERENCE, ARGENTINE NAVAL CHIEF AROSA AGAIN DOWNPLAYED POSSIBILITIES OF AGGRESSIVE NAVAL ACTIVITIES IN THE SOUTH ATLANTIC. HE CONFIRMED THE ARGENTINE NAVY HAS NO PLANS TO VARY INFAD: INCREASE) ITS OPERATIONAL CAPABILITIES IN THE REGION.