

CURRENT REPORTS

May 1, 1982

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By dlb, NARA, Date 5/9/02

1. FALKLAND ISLANDS DISPUTE

A. Argentine Air Force Chief of Staff Rules Out Preemptive Strike

Air Force Chief of Staff Juan Garcia told DCM Russer that:

--Argentina would not be the first to open fire.

--The Argentine military response would be graduated, depending on the nature and scale of the British attack.

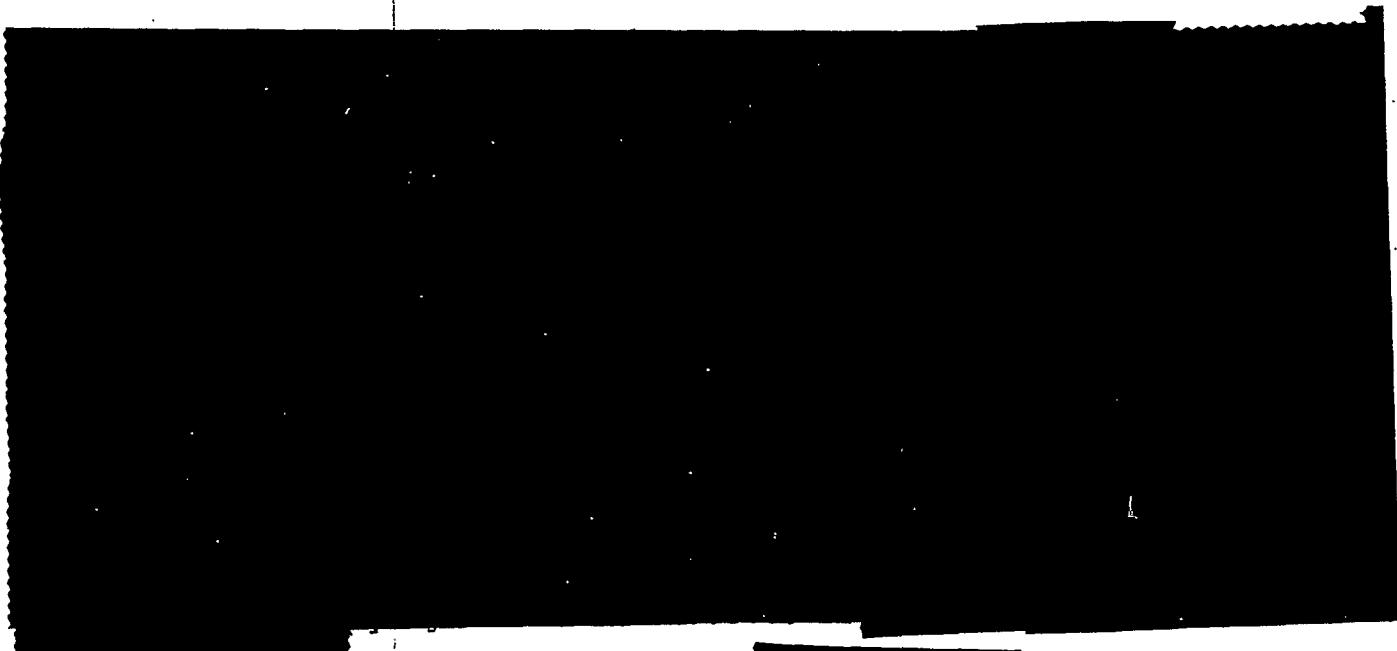
--An attack on Port Stanley airport would trigger a full-scale attack on the British fleet.

--Almost any engagement was likely to lead to rapid escalation.

Garcia seemed to rule out a major preemptive strike against the British fleet and reiterated that the Argentine Government could not present a peace plan to its people that did not assure sovereignty over the Falklands. He also said British commandos have landed on the islands and Argentine forces are attempting to locate them. If the commandos succeed in mingling with the local population, measures to control the civilians would be imposed.

Embassy Buenos Aires Comment: That Argentina will not fire the first shot is the present official line, but there is considerable pressure from the Argentine Navy to attempt a major strike before all units of the British task force have reached the scene. Furthermore, a Foreign Ministry official has stated that if British vessels come "too close" to the islands, Argentina would open fire. (CONFIDENTIAL/EXDIS)

B. Argentine Naval Moves



~~TOP SECRET/EXDIS~~



2. ARGENTINE ECONOMY WORSENS

3. ISRAEL

A. Labor Will Vote against Settlement Law

Following a meeting with Prime Minister Begin yesterday, Labor Party leader Peres said Labor would probably not go along with a government proposal forbidding evacuation of West Bank and Gaza settlements as part of a future peace agreement. Labor opposes giving the government carte blanche to draw the future map of the West Bank and Gaza which would change Israel into a binational state without the consent of the people involved. Labor will respond to the government's proposal, which will probably be included in the Prime Minister's statement of policy rather than in draft legislation, by opposing the dismantling of existing settlements and rejecting the establishment of new settlements in densely populated areas of the West Bank.

Embassy Tel Aviv Comment: A vote on the government's policy statement will probably come Monday or Tuesday. Labor Party members will probably find it easier to vote against the settlement measures since they are lumped together in the general policy statement. The government is expected to prevail however, regardless of how the opposition votes. (CONFIDENTIAL)

B. Israeli Soldier Wounded in South Lebanon

Israeli radio has reported, and Embassy Tel Aviv has confirmed, that an Israeli soldier was wounded in Southern Lebanon when his jeep struck a land mine yesterday. The Israeli newscast stated the mine was "planted by a terrorist squad", but the Israeli Defense Forces have not commented on this claim. (CONFIDENTIAL)