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Prime Minister

You probably know that Chile & Argentina nearly went to war in the late 'seventies over a territorial dispute over the Beagle Channel.

Chile, according to their ambassador here - a friend of mine as of Alan Walters - made clear that if there were to be war, it wd. not be confined to the far south.

This, according to the ambassador, is what made the Argentinians back down & accept, eventually, arbitration; though they rejected The Queen & chose the Pope - in the hope that that might work out in their favour since there are many protestants in Chile. The Argentinian ambassador was in Rome dealing with that in March - &, of course, is still there.

Peruvian support for Argentina has some historical roots in their joint suspicion of Chile; & Peru has, of course, some boundary troubles with Ecuador. Hence they wd. want in the event of serious difficulties with the latter, the Argentinians to keep the Chileans quiet.

Hugh Thomas
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