

Argentin  
GRS 400

UNCLASSIFIED

(FM BERNE 251400Z)

FM BIS BUENOS AIRES

U PRIORITY FCO

ELNO 30 OF 24 JANUARY

INFO PRIORITY MONTEVIDEO BRASILIA SANTIAGO MOD WASHINGTON

UKMIS NEW YORK CIVIL COMMISSIONER PORT STANLEY

PRESS SUMMARY

1. THE FALKLANDS AGAIN FIGURED PROMINENTLY IN THE WEEK-END NEWS. A FOREIGN MINISTRY COMMUNIQUE ISSUED LATE ON 21 JANUARY STATED THAT ARGENTINA QUOTE SCRUPULOUSLY OBSERVES THE CURRENT D E F A C T O CESSATION OF HOSTILITIES UNQUOTE AND IS QUOTE FIRMLY COMMITTED TO A PEACEFUL SOLUTION UNQUOTE OF THE SOVEREIGNTY ISSUE. HER WILLINGNESS TO REOPEN TALKS IMMEDIATELY WITH THE UK WAS STRESSED AND STORIES OF POSSIBLE ARGENTINE ATTACKS ON THE ISLANDS WERE DISMISSED IN NOW CONVENTIONAL TERMS AS A BRITISH DISINFORMATION CAMPAIGN DESIGNED TO JUSTIFY THE SIZE OF THE GARRISON AND THE REFUSAL TO NEGOTIATE (TEXT AND TRANSLATION BY BAG TO FCO).

2. GENEROUS COVERAGE IS ALSO GIVEN TO DEFENCE MINISTER MARTINEZ VIVOT'S REITERATED DENUNCIATION OF SUPPOSED UK PLANS TO TURN THE FALKLANDS INTO AN ISLAND FORTRESS. WE COULD ALLEGEDLY COOPERATE IN THE VENTURE WITH ONE OF THE OUR NATO PARTNERS, BY IMPLICATION THE US. VIVOT AGAIN EMPHASISES THAT THERE WOULD BE NO FORMAL DECLARATION OF AN END TO HOSTILITIES UNTIL THE UK CAME TO THE NEGOTIATING TABLE. (TEXT AND TRANSLATION BY BAG TO FCO).

/ 3. Your

3. YOUR BBC RADIO INTERVIEW OF LAST WEEK IS WIDELY REPORTED, AS ARE THE FINDINGS OF THE FRANKS COMMISSION. BRITISH PRESS SPECULATION THAT HRH PRINCE CHARLES MAY VISIT THE FALKLANDS IS RELAYED WITHOUT FURTHER COMMENT.

4. ACCORDING TO "NOTICIAS ARGENTINAS", AN AIR FORCE SOURCE HAS CLAIMED THAT ARGENTINA MAY BUY AN UNSPECIFIED NUMBER OF FRANCE/GERMAN ALPHA JETS, IF THE PRODUCTION OF HER OWN 1-A63 FIGHTER-BOMBER IS DELAYED AND FINANCING PROBLEMS CAN BE OVERCOME. DESPITE SUPPLY DIFFICULTIES FOR CERTAIN ELECTRONIC EQUIPMENT, THE 1-A63 PROJECT IS HOWEVER, PROGRESSING ON SCHEDULE. ARGENTINA IS UNLIKELY TO PURCHVFSE ISRAELI K-FIR-II AIRCRAFT, SINCE THE ENGINES REMAIN SUBJECT TO THE AMERICAN ARMS EMBARGO, AND SHE HAS REJECTED AN OFFER OF 52 F-104 STAR FIGHTERS.

5. BRAZIL HAS ACCEPTED THE ARGENTINE EXPLANATION OF THE INCIDENT IN WHICH HER ANTARCTIC SURVEY VESSEL WAS INTERCEPTED IN THE BEAGLE CHANNEL ON 18 JANUARY, AND HAS DECLARED THE MATTER CLOSED.

6. AN UNEXPECTEDLY SHARP RISE IN FUEL AND PUBLIC UTILITIES PRICES TOOK EFFECT FROM MIDNIGHT 21 JANUARY. THE INCREASES AVERAGE 24.5 PER CENT AND 15.4 PER CENT RESPECTIVELY, WITH PRICES IN THE TRANSPORT SECTOR GOING UP BY 13 PER CENT.

7. BUS-DRIVERS MAY STRIKE THIS WEEK IF THEIR PAY DEMANDS ARE NOT SATISFIED, AND CGT-AZOPARDO IS LIKEWISE CONSIDERING STRIKE ACTION.

JACKSON-HOULSTON.

THIS TELEGRAM  
WAS NOT  
ADVANCED

POWEL-JONES

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