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PS/ NO. 10. DOWNING STREET.

(FM BERNE 140940Z)

FM BIS BUENOS AIRES

TO IMMEDIATE FCO

TELNO 250 OF 13 APRIL

INFO IMMEDIATE MOD UKMIS GENEVA UKMIS NEW YORK WASHINGTON

CIVIL COMMISSIONER PORT STANLEY

INFO PRIORITY MONTEVIDEO SANTIAGO BRASILJA CARACAS

PRESS SUMMARY

1. THE ARREST OF GENERAL LEOPOLDO GALTIERI DOMINATES TODAY'S HEADLINES. NO OFFICIAL STATEMENT HAS BEEN ISSUED, BUT THE PAPERS AGREE THAT HE HAS BEGUN 45-DAYS' DETENTION AND WILL IN ADDITION FACE A COURT OF HONOUR.

2. ALL PAPERS REPORT THE CONTROVERSY IN THE UK OVER A BRITISH SERGEANT'S MERCY KILLING OF AN ARGENTINE PRISONER ON THE FALKLANDS. THEY ALSO NOTE SPANISH DIPLOMATIC PROTESTS ABOUT THE VISIT TO GIBRALTAR BY BRITISH SHIPS WHICH SERVED IN THE FALKLANDS CAMPAIGN. A CLARIN ARTICLE REVIVES THE CHARGE THAT WE ARE FORTIFYING THE ISLANDS AS PART OF A WIDER NATO STRATEGY (TEXT AND TRANSLATION BY BAG TO FCO).

3. THE PRESIDENT OF THE CENTRE FOR VOLUNTEERS FOR THE FATHERLAND, OSVALDO DESTEFANIS, TOLD THE PRESS THAT HIS TALKS YESTERDAY WITH THE RUSSIAN AMBASSADOR IN BUENOS AIRES HAS BEEN CORDIAL, BUT NO DECISION HAD BEEN TAKEN ON THE POSSIBLE PROVISION OF A RUSSIAN SHIP FOR THE ARGENTINE NEXT OF KIN VISIT TO THE FALKLANDS. DIPLOMATIC SOURCES ARE SAID TO BE SKEPTICAL ABOUT THE RUSSIANS' WILLINGNESS TO HELP. APPARENTLY DISREGARDING OUR PROHIBITION OF THE USE OF AN ARGENTINE VESSEL, DESTEFANIS ALSO ANNOUNCED THAT THE STATE SHIPPING COMPANY, ELMA, WAS READY TO HIRE OUT THE 'LAGO LACAR' FROM NEXT SUNDAY. HE INDIGNANTLY ADDED THAT THE FIRM HAD DEMANDED US DOLLARS 60 THOUSAND FOR THE CHARTER AND THAT HE MIGHT SEEK DONATIONS TO COVER THE COST. HE SAID THAT IF THE UK DID NOT LIFT ITS BAN ON JOURNALISTS ACCOMPANYING THE RELATIVES, QUOTE WE SHALL GO JUST THE SAME AND LEAVE THE ENGLISH WITH THE PROBLEM UNQUOTE. A SPOKESMAN FOR ELMA HAS DENIED KNOWLEDGE OF ANY ARRANGEMENT WITH DESTEFANIS.

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4. 'LA PRENSA' CLAIMS THAT AT LEAST SOME OF THE DAGGER AIRCRAFT ALLEGEDLY JUST IMPORTED FROM ISRAEL WILL REINFORCE UNITS AT TANDIL AND VILLA REYNOLDS, AND THAT THERE ARE 12 MIRAGES STATIONED AT JOSE C. PAZ IN BUENOS AIRES PROVINCE. ACCORDING TO SUPPOSEDLY RELIABLE SOURCES, THE ACQUISITION OF THE DAGGER PLANES WAS EFFECTED UNDER A PRE-ESTABLISHED RE-EQUIPMENT PROGRAMME AND WAS NOT DIRECTLY LINKED TO THE FALKLANDS CONFLICT. THE AIR FORCE IS ALSO SAID RECENTLY TO HAVE SENT A PURCHASING MISSION TO CHICAGO, ALTHOUGH IT IS NOT KNOWN WHETHER THEY WERE ATTEMPTING TO PURCHASE ARMS OR OTHER ITEMS SUCH AS RADAR AND COMMUNICATIONS EQUIPMENT.

5. WIDE COVERAGE IS GIVEN TO ADMIRAL RUBEN FRANCO'S REAFFIRMATION THAT THE NAVY WILL NEVER AGAIN INTERFERE WITH A DEMOCRATICALLY ELECTED GOVERNMENT.

6. POLITICAL PARTIES HAVE NOW APPLIED FOR LEGAL RECOGNITION. THE JUSTICIALIST (PERONIST) AND RADICAL PARTIES AND THE MOVEMENT FOR INTEGRATION AND DEVELOPMENT WILL PUT UP CANDIDATES IN ALL OF ARGENTINE'S 24 ELECTORAL DISTRICTS. THE COMMUNIST PARTY WILL BE REPRESENTED IN 21 OF THESE, THE INTRANSIGENTS IN 19 AND THE CHRISTIAN DEMOCRATS IN 15.

7. ECONOMY MINISTER JORGE WEHBE HAS CATEGORICALLY REJECTED RUMOURS OF AN IMPENDING DEVALUATION AND MAINTAINED THAT ARGENTINA HAS SO FAR FULFILLED THE CONDITIONS ATTACHING TO HER LAST LOAN FROM THE IMF.

8. SHELL ARGENTINA HAS DENIED THAT IT IS PREPARING TO TERMINATE ITS OPERATIONS HERE BUT ADMITTED CONCERN ABOUT THE RISE IN POLITICAL GROUPS DEMANDING EXPROPRIATION OF BRITISH FIRMS.

9. FOREIGN MINISTER AGUIRRE LANARI HAS SUGGESTED THAT PRESIDENT BIGNONE MAY ATTEND THE BELGRADE UNCTAD CONFERENCE.

JOY

POWELL-JONES

(Repetition to PORT STANLEY
referred for departmental decision,
repeated as requested to other posts.)

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