

PS
 PS/MR HURD
 PS/MR ONSLOW
 PS/MR RIFKIND
 PS/PUS
 SIR J BULLARD
 SIR I SINCLAIR
 MR GIFFARD
 MR WRIGHT
 MR ADAMS
 LORD N G LENNOX
 MR EVANS
 MR URE
 MR GILLMORE



PS/NO 10 DOWNING ST (3)
 PS/S OF S FOR DEFENCE
 MR J STEWART AUSD STAFF MOD

PS/CHANCELLOR)
 MISS M E CUND) TREASURY
 MR LITTLER)

SIR R ARMSTRONG)
 MR A D S GOODALL) CABINET OFF
 DIO)

MR M A PATTISON, FID, ODA

MR A TITCHENER)
~~MR C U ROBERTS~~, IAT) DOT
 MR A FORTNAM

HD/PUSD (2)
 HD/SAMD
 HD/FID
 HD/DEFENCE DEPT
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 HD/ERD
 HD/ECD(E)
 HD/UND
 HD/PLANNING STAFF

~~RESIDENT CLERK~~

IMMEDIATE

ADVANCE COPY

UNCLASSIFIED

(FM BERNE 200940Z)

FM BIS BUENOS AIRES

TO IMMEDIATE FCO

TELNO 426 OF 19 MAY

INFO IMMEDIATE MOD

INFO PRIORITY MONTEVIDEO SANTIAGO BRASILIA CARACAS WASHINGTON

UKMIS NEW YORK CIVIL COMMISSIONER PORT STANLEY

PRESS SUMMARY

1. THE SHOOTING OF THE PERONIST MILITANT OSVALDO CAMBIASO AND MONTONERO LEADER EDUARDO ROSSI AGAIN DOMINATES THE HEADLINES. THREE POLICEMEN INVOLVED HAVE BEEN DETAINED FOR QUESTIONING BY THE JUDICIARY, BUT A POLICE SPOKESMAN HAS INSISTED THAT THIS IS ROUTINE. INTERIOR MINISTER LLAMIL RESTON HAS CONFIRMED THE OFFICIAL VERSION OF EVENTS, DESPITE A GROWING WAVE OF PROTEST FROM POLITICAL, UNION AND HUMAN RIGHTS LEADERS. THREATS HAVE BEEN MADE AGAINST PERONIST VICENTE SAADI AND HIS NEWSPAPER "LA VOZ", THE MOST OUTSPOKEN CRITICS OF THE GOVERNMENT'S ALLEGED COMPLICITY.

2., ALL PAPERS REPORT YESTERDAY'S SPEECH BY THE MFA DIRECTOR FOR INTERNATIONAL ORGANISATIONS, ATILIO MOLteni, BEFORE THE ORGANISATION FOR PROHIBITION OF NUCLEAR WEAPONS IN LATIN AMERICA (OPANAL).

FOR PROHIBITION OF NUCLEAR WEAPONS IN LATIN AMERICA (OPANAL).
MOLTENI DENOUNCED THE PRESENCE OF NUCLEAR WEAPONS ON BRITISH SHIPS
DURING THE FALKLANDS FIGHTING AS A THREAT TO THE WHOLE SUBCONTINENT
AND A CONTEMPTUOUS VIOLATION OF THE TLAHELCO TREATY.

3. WIDE COVERAGE IS ALSO GIVEN TO YOUR STATEMENT THAT THE TIME IS NOT RIGHT FOR TALKS WITH ARGENTINA, SINCE SHE HAS NOT FORMALLY DECLARED A CESSATION OF HOSTILITIES, AND THAT WHEN ANY ARE HELD THEY WILL CONCERN COMMERCIAL QUESTIONS. THE PRESS HIGHLIGHT THE PRIME MINISTER'S DECLARATION THAT THE UK WILL NOT NEGOTIATE WITH ARGENTINA ON FALKLANDS SOVEREIGNTY. FOREIGN MINISTER AGUIRRE LANARI HAS MEANWHILE COMMENTED THAT HIS COUNTRY MUST NOT DROP HER GUARD AND WILL CONTINUE TO PRESS HER CASE IN ALL INTERNATIONAL FORA.

4. A GROUP OF ARGENTINES LIVING IN THE SOUTH HAS REQUESTED FROM THE GOVERNOR OF TIERRA DEL FUEGO PERMISSION AND MEANS TO CELEBRATE NATIONAL DAY (25 MAY) ON THE DISPUTED ISLANDS IN THE BEAGLE CHANNEL. THE CHILEAN AMBASSADOR IN BUENOS AIRES HAS CLAIMED TO BE CONFIDENT THAT A PEACEFUL SETTLEMENT OF THE BEAGLE DISPUTE CAN BE ACHIEVED BY PAPAL MEDIATION. HE DISMISSED RUMOURS OF AN ALLEGED ARMS RACE BETWEEN ARGENTINA AND CHILE AND DESCRIBED THE STATIONING OF TROOPS IN THE SOUTH OF HIS COUNTRY AS QUOTE ROUTINE EXERCISES UNQUOTE.

5. TRANSPORT, FUEL AND PUBLIC UTILITIES TARIFFS ARE LIKELY TO BE INCREASED BY BETWEEN 9 AND 14 PER CENT FROM NEXT WEEKEND. THE RETAIL AND WHOLESALE PRICE INDICES ARE EXPECTED TO RISE IN MAY BY 6.5 PER CENT AND 8 PER CENT RESPECTIVELY.

6. FRANCE'S ROVING AMBASSADOR FOR LATIN AMERICA, ANTOINE BLANCA, HAS SAID THAT IMPROVEMENT IN RELATIONS BETWEEN PARIS AND BUENOS AIRES IS CONDITIONAL ON PROGRESS IN ARGENTINA'S DEMOCRATIZATION. HE REFUSED TO SAY WHETHER FRANCE WOULD MAINTAIN ARMS SUPPLIES TO ARGENTINA.

7. PRESIDENT BIGNONE WILL TODAY FLY OVER THE FLOODED NORTHERN PROVINCES, WHERE THE SITUATION CONTINUES TO DETERIORATE.

8. THERE SEEMS TO HAVE BEEN NO PROGRESS ON DEBT RENEGOTIATION: A CENTRAL BANK OFFICIAL IS REPORTED TO HAVE SAID A POLITICAL DECISION IS NEEDED, PARTICULARLY OVER EASING SANCTIONS AGAINST BRITAIN.

JOY
POWELL-JONES