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FM SANTIAGO 191555Z MAY 83
TO IMMEDIATE F C O
TELEGRAM NUMBER 551 OF 19 MAY

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TIMES STORY : PINOCHET'S RETIREMENT

1. WE HAVE HEARD CONFIDENTIALLY (PLEASE PROTECT) THAT THE TIMES' STRINGER HERE (FLORENCIA VARAS) FILED A STORY LATE LAST NIGHT CONCERNING, INTER ALIA, MOVES BY PRESIDENT PINOCHET TO ENGINEER HIS RETIREMENT.

2 THE STORY COMPRISES AN INTERVIEW WITH GENERAL GUSTAVO LEIGH

(FORMER HEAD OF THE AIR FORCE AND MEMBER OF THE JUNTA, DISMISSED

BY PINOCHET IN 1978) IN WHICH HE EVALUATES THE IMPORTANCE OF 11 MAY

AND SUBSEQUENT EVENTS. VARAS THEN SAYS THAT ACCORDING TO

"CONFIDENTIAL SOURCES", PINOCHET HAS ASKED THE CHILEAN AMBASSADOR

IN BUENOS AIRES (SERGIO ONOFRE JARPA) TO PUT OUT FEELERS TO LEADERS OF

POLITICAL PARTIES IN CHILE AND TOP-RANKING OFFICERS ABOUT THE TERMS

ON WHICH PINOCHET MIGHT RETIRE WITHOUT, ONE ASSUMES, FACING

PROSECUTION. (JARPA, A FORMER SENATOR AND MEMBER OF THE RIGHT-WING

NATIONALIST PARTY, WOULD BE A CREDIBLE INTERMEDIARY).

3. VARAS IS A FAIRLY RELIABLE AND RESPONSIBLE JOURNALIST. WE UNDERSTAND THAT HER ''CONFIDENTIAL SOURCES'' ARE LARGELY, IF NOT ENTIRELY, BASED ON HER RECENT LONG INTERVIEW WITH GENERAL LEIGH. VARAS RECHECKED WITH LEIGH BEFORE FILING HER STORY.

4. IN EARLY FEBRUARY, PINOCHET'S LONG STAY AT AN ARMY SUMMER HOUSE OCCASIONED RUMOURS THAT HE WAS ABOUT TO RETIRE. NOTHING MORE HAS BEEN HEARD OF SUCH RUMOURS UNTIL NOW. LEIGH IS UNDERSTOOD TO REMAIN POPULAR WITH THE ARMED FORCES, ESPECIALLY THE AIR FORCE, AND TO HAVE GOOD CONTACTS WITH CHRISTIAN DEMOCRATS. HIS VERSION MAY BE TRUE SEMI CLN OR IT MAY REPRESENT AN ATTEMPT BY THE AIR FORCE TO UNDERMINE PINOCHET SEMI CLN OR THERE MAY BE SOME OTHER EXPLANATION. BY A CURIOUS COINCIDENCE A MEMBER OF THE CANADIAN EMBASSY ASKED US ON 18 MAY IF WE HAD ANY VIEWS ON LEIGH'S POSITION AT THE MOMENT. IT SEEMS FAIR TO SAY THAT RUMOURS OF PINOCHET'S PREMATURE RESIGNATION OR HIS REMOVAL ARE GAINING CURRENCY SEMI CLN THEY REMAIN UNSUBSTANTIATED.

HICKMAN

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