

CONFIDENTIAL

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Foreign and Commonwealth Office

Prime Minister. London SW1A 2AH

With reading, especially
the section on the Falklands.

3 November 1983

A+C. $\frac{3}{11}$

Dear John,

Elections in Argentina

The Prime Minister might be interested
to see the enclosed preliminary assessment
of the results of the elections in
Argentina.

Yours ever,

(P F Ricketts)
Private Secretary

Peter Ricketts

A J Coles Esq
10 Downing Street

CONFIDENTIAL

ELECTIONS IN ARGENTINA : VICTORY OF SR RAUL ALFONSIN AND THE RADICAL PARTY

1. Most commentators predicted a close result to the elections held in Argentina on 30 October. They were wrong: the Radical Party of Sr Raul Alfonsin won a sweeping victory. In the vote for the Presidency, 52 per cent voted for Sr Alfonsin, against 40 per cent for the Peronists. This will give Sr Alfonsin a comfortable majority when the Electoral Colleges meet for the formal nomination of the new President later this month - probably not before 30 November.

2. The composition of the Lower House of the new Congress, already decided, also shows a clear Radical victory. The Party's vote fell to 48 per cent - confirmation of the strong personal appeal of Sr Alfonsin. But this still gives them 131 seats out of the 254 in the Lower House: this is an absolute majority of 8 over the remainder. The Peronists won 111 seats. Even in the Electoral Colleges, it will not be necessary for Sr Alfonsin to strike bargains with any of the smaller parties. The threat of a President from one Party and a Congress dominated by another has also been averted.

3. No formal announcement has yet been made about advancing the date of the transfer of power, which remains for the moment set at 30 January 1984. But the unexpectedly strong current of support for Sr Alfonsin can now be added to the factors that could influence the caretaker military rulers to announce an earlier date. President Bignone is expected to make a statement shortly.

4. Sr Alfonsin takes much personal credit for the victory. A Biographical Note on the President-elect is attached. From being the leader of only a minority wing of the Radical Party earlier this year, he emerged early as the Party's front runner for the Presidency. In internal Party elections he and his allies first overcame the more traditional members of the party hierarchy. He then set about expanding the Radicals' base, giving their campaign a more populist appeal. This enabled him to establish himself in the public mind as a credible alternative to the Peronists. Their disunity, meanwhile, was only temporarily patched up through the adoption of Sr Luder as their Presidential candidate. The Peronists paid a heavy price even for this, as Sr Luder was a colourless campaigner.

5. The original impetus towards the return to democracy in Argentina owed as much to the failure in all policy areas of the discredited military rulers as to any popular enthusiasm for civilian politicians. The electorate have also evidently judged that jaded Peronist personalities would lack the dynamism necessary to lift Argentina out of the unhappy cycle of rule by a succession of equally inadequate civil and military régimes. Sr Alfonsin's success derived from turning both these tendencies to positive use. The title of his movement within the Radical Party, "Renewal and Change", which later became the slogan of his national campaign, bears this out.

/6. Sr Alfonsin

6. Sr Alfonsin faces a range of problems:-

(a) The attitude of the Peronists

Cooperative acquiescence in defeat is not in the Peronist nature. But Sr Alfonsin's popular triumph will at least for a period forestall any attempt to make the country ungovernable. The control of the trade unions required for this must now be in doubt given the substantial numbers of trade unionists who voted for Alfonsin.

(b) Attitudes of the Military

The military have been particularly concerned at the prospect of a Radical victory, as Sr Alfonsin's undertakings to repeal the amnesty law, to cut military spending, and establish civilian control over the armed services, have all been much firmer than the Peronists'. His campaign appealed to the more moderate and more enlightened officers. But he will still face many dangerous enemies if, having carried out his pledge to repeal the amnesty, he gives the civilian courts unrestrained authority to prosecute members of the armed forces who were involved in the 'dirty war'.

(c) Economic Problems

These are very serious indeed, especially inflation. The Radicals' policy is based on a 'social contract'. The overwhelmingly Peronist trade union leadership has been routed by the election results, and Sr Alfonsin will have better prospects, and more time, to tackle the chronic problem of inflation than observers had anticipated. Internationally, Sr Alfonsin aware of the enthusiasm with which his victory has been welcomed by his fellow social democrats and others in the industrialised world, will judge that other major democracies will wish to assist the development of stable democratic rule in Argentina. He may therefore feel in a strong position to press for favourable treatment by the IMF in dealing with the economic problems he has inherited. He may even try to drive hard bargains with the Fund and in discussions of Argentina's external debts.

THE FALKLANDS

7. The Radicals are committed to "promote the recovery and final incorporation into the national territory" of the Falklands. There has been emphasis on the need for a peaceful solution, and Sr Alfonsin and his supporters set much store by the belief that, once Argentina has an elected civilian government, other democratically-governed States will rally to her support over the Falklands. The Party issued a communiqué on 14 October which drew particular attention to United Nations Resolutions as the basis of which the problem should be solved.

/8. Earlier in the

8. Earlier in the year, Sr Alfonsin took a relatively encouraging line about the desirability of an early return to normality in relations with Britain. Since September he has advocated the unacceptable linkage between the declaration of a cessation of hostilities by Argentina with readiness on our part to negotiate sovereignty. The communiqué of 14 October identified other points that, in the Radicals' view, must be considered together with the possibility of a formal cessation of hostilities: "A mutual promise to refrain from using force, the lifting of the exclusion zone, the withdrawal from the Islands of British troops and of weapons that could threaten the safety of the South Atlantic, and the promise to resume the negotiations to find a solution to the conflict in line with the United Nations Resolutions."

9. The allegation that our military presence is a 'threat' has also been accompanied by complaints that we are constructing 'a military fortress and nuclear base'. The Radicals' objections to nuclear aspects have included explicit opposition to the manufacture of nuclear weapons by Argentina.

10. With such a commanding majority, Sr Alfonsin will for some while be well placed to insist on non-violent policies towards the Falklands, and perhaps from time to time to urge the nation to concentrate instead on vital national economic priorities. The Radicals' emphasis on solving the dispute by diplomatic means, especially through the United Nations, and their confidence that Argentina's new respectability will further her cause, should, in the short term, significantly reduce the risk of even limited military action against the Islands. But if they are really thorough in carrying out their policy of bringing the military to book for excesses committed during the counter-terrorist campaign, military tolerance of the Radical Government may be short-lived.

11. In the medium to long term, increased expectation of diplomatic progress over the Falklands could cause serious frustration at the popular level, and among the military if these high hopes are not fulfilled.

12. The Radicals seem likely to follow the familiar Argentine tendency to demand a 'gesture' from us before making what should be reciprocal moves themselves, even towards the normalisation of bilateral commercial relations.

FOREIGN POLICY : GENERAL

13. Sr Alfonsin will not adopt the stridently nationalistic stance of a Peronist President. But he will speak out critically on such issues as American activities in Central America - reflecting his known belief that the problems in that region are due to 'imperialism'. We expect relations with the Soviet Union to be correct, but without much likelihood of developing: the Argentine Communists and other extreme-left groups all supported the Peronists in the elections. We must

/hope that Sr Alfonsin



hope that Sr Alfonsin's commitment to reduce military expenditure will make him immune from the temptation to try to force increased arms supplied from western countries by threatening to purchase weapons from the Soviet Union.

14. Under Sr Alfonsin, it seems certain that Argentina's close involvement in the Non-Aligned Movement and the Group of 77 will continue. This will, to a considerable extent, derive from the belief that such associations are expedient in the campaign to gain maximum international support for Argentina's claim to the Falklands. But it would not be surprising to find that Sr Alfonsin's heart genuinely lies in this direction, regardless of tactical Falklands considerations.

BIOGRAPHICAL NOTE

ALFONSIN RAUL

Argentine President-elect : 31 October 1983

Born in April 1926 in Chascomús, Buenos Aires Province. Studied at General San Martín Military College (emerging as a Second Lieutenant in the Reserves) before going on to National University of La Plata: graduated as a lawyer.

An active member of the Radical movement (UCR) from an early age, he was a town councillor of Chascomús and President of the local district party committee at the age of 24. In 1953 he became Vice-President of the Buenos Aires Provincial bloc of Radical Deputies. In 1963 he was elected Vice-President of the bloc of National Deputies.

He was the prime mover behind the reformist 'Renewal and Change' faction of the Radical Party, which was founded on 24 September 1972. In the 1973 internal party elections for Radical Presidential candidate, Alfonsín unsuccessfully stood against party President Ricardo Balbín, who in turn lost resoundingly to the Peronist nominee and, later the same year, to Perón himself.

Throughout 1983 Alfonsín worked hard to become the UCR presidential candidate, mounting a successful challenge to his rival Fernando de la Rúa, the leader of the predominant faction of the Radicals, the Balbinistas. He was adopted in July. For many years Alfonsín has been editor of the newspaper El Imparcial in Chascomús. In 1976 he also became a director of the magazine Proposal and Change. In 1977, he became a member of the Steering Committee of the Argentine Permanent Assembly for Human Rights. In 1980 he published a book La Cuestión Argentina ('The Argentine Question') in which he described his faction of the UCR as a social-democratic populist movement.

In recent years Alfonsín has travelled widely throughout Latin America and Western Europe and has made numerous contacts abroad, particularly within the Socialist International. Alfonsín is married to María Lorenza, neé Barreneche. They have six children.

The constraints on BISBA's range of contacts make it necessary for the moment to rely on our Allies' impressions of Alfonsín. These vary widely. When senior French officials met him in Paris in February, the French roving Ambassador for South America described him as a man of considerable talent and a genuine moderate; but the Head of the South America Department in the Quai was unimpressed. Some Americans fear that Alfonsín's outlook on international economic and political affairs is marred by a pronounced anti-US bias and a tendency to see conspiracies: they attribute to him the view that 'imperialism' is responsible for many of the hemisphere's economic, social and political problems and that Argentina has been victimised by speculators and bankers who have drained the nation's wealth with the connivance of the military.