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TELNO 395 OF 04 OCTOBERINFO PRIORITY MONTEVIDEO SANTIAGO BRASILIA WASHINGTON  
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## PRESS SUMMARY AND COMMENT

1. SATURDAY'S PAPERS WERE DOMINATED BY REPORTS OF AGUIRRE LANARI'S PRESENTATION AT THE UN AND THE INSTALLATION OF ADMIRAL RUBEN FRANCO AS NEW NAVY COMMANDER. THE SPEECHES, BOTH AT THE UN AND AT PUERTO BELGRANO, WERE UNIFORMLY HARD-LINE. THE FORMER MINISTER'S WILL HAVE BEEN REPORTED FROM ELSEWHERE BUT BOTH ANAYA AND FRANCO PREDICTABLY STRUCK A SIMILAR TOUGH NOTE : ANAYA: QUOTE THE BRITISH GOVERNMENT'S ULTIMATUM THREATENING TO REMOVE ARGENTINES BY FORCE WAS THE SPARK STARTING THE SOUTH ATLANTIC OPERATION.... WE LOST THE BATTLE OF PUERTO ARGENTINO BUT WILL FIGHT WITHOUT TRUCE UNTIL WE RECOVER OUR TERRITORY UNQUOTE, FRANCO: QUOTE WE HAVE NOT SURRENDERED: WE HAVE ONLY BEEN MOMENTARILY BEATEN BY THE ENEMY UNQUOTE. THIS CHIMES WITH THE WMPRESSIONS OF PEOPLE CLOSE TO THE MILITARY THAT THERE IA A SUBSTANTIAL GROUP OF NATIONALISTS, IN PARTICULAR IN THE NAVY AND AIR FORCE, WHO WOULD LIKE TO HAVE ANOTHER CRACK AT THE ISLANDS. IT IS HOWEVER OUT OF HARMONY WITH POPULAR SENTIMENT IN THE CAPITAL AND PROBABLY ALSO IN THE COUNTRY, WHICH IS DECEIVED, DISILLUSIONED, AND GETTING DAILY MORE DESPERATE OVER THE ECONOMY.

2. ADVANCE INFLATION FIGURES FOR SEPTEMBER REPORTED TODAY INDICATE A RETAIL PRICE INDEX RISE OF 17 PER CENT AND A WHOLESALE OF 20 PER CENT, THE LATTER GIVING A LAST 12-MONTH WHOLESALE INFLATION FIGURE OF CLOSE ON 300 PER CENT. THE HEADLONG CAREER TO HYPER-INFLATION CONTINUES AND PROJECTS SO FAR ANNOUNCED FOR QUOTE REACTIVATING THE ECONOMY UNQUOTE - PUBLIC WORKS PROGRAMME, ETC, SEEM DESIGNED TO ACCELERATE THE PROCESS.

3. THE PRESIDENT HAD TALKS WITH THE NINTH GROUP OF POLITICANS TO VISIT THE PRESIDENTIAL RESIDENCE DURING THE PAST SIX WEEKS : THE PROGRESSIVE DEMOCRATS LED BY RAFAEL MARTINEZ RAYMONDA, RUMOURED EARLIER TO HAVE BEEN ONE OF THE PROPOSALS FOR VICE-PRESIDENT. THE GROUP DEMANDED QUOTE ELECTIONS AS SOON AS POSSIBLE BUT NOT BEFORE IT IS POSSIBLE UNQUOTE.

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4. A LEADING ARTICLE IN TODAY'S "LA NACION" BY BONIFACIO DEL CARRIL, ONE-TIME MINISTER OF FOREIGN AFFAIRS, URGES AN IMMEDIATE CONSTITUTIONAL AMENDMENT TO REDUCE THE PRESIDENTIAL PERIOD OF OFFICE FROM SIX TO FOUR YEARS WITH THE POSSIBILITY OF A SECOND TERM IF RE-ELECTED (COPYING THE US). ARGENTINE IMPATIENCE WITH BAD GOVERNMENTS CANNOT STAND A SIX-YEAR PERIOD, HE CLAIMS : FOUR YEARS WOULD ENCOURAGE CONSTITUTIONAL RATHER THAN VIOLENT CHANGE.

5. THE MAIN WORRYING NEWS OF THE WEEK-END WAS THE DISAPPEARANCE OF A SURPRISE WITNESS IN THE ELENA HOLMBERG MURDER CASE. MARCELO DUPONT DISAPPEARED LAST THURSDAY EVENING ON HIS WAY TO VISIT HIS LAWYER. A POLICE INVESTIGATION HAS BEEN OPENED BUT THERE IS NO INDICATION SO FAR OF HIS WHEREABOUTS. THE FIRST POST-FALKLANDS DISAPPEARANCE.

JOY

LEE

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