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PRESS SUMMARY

1. TODAY'S MAIN NEWS IS A REPORTED ARGENTINE AIR FORCE ATTACK ON THE BRITISH FLEET WHICH SERIOUSLY DAMAGED TWO FRIGATES AND DOWNED A SEA KING HELICOPTER FOR THE LOSS OF TWO ARGENTINE AIRCRAFT. ALL THE PAPERS CARRY THIS IN HEADLINES.
2. COSTA MENDEZ IS REPORTED TO HAVE TOLD JOURNALISTS THAT NEGOTIATIONS ARE ADVANCING SLOWLY BUT MORE SIGNIFICANT ARE THE REPORTS OF A STATEMENT BY GENERAL IGLESIAS, SECRETARY GENERAL OF THE PRESIDENCY IN NEW YORK TO THE "WASHINGTON POST" THAT ARGENTINA REQUIRES THAT ANY AGREEMENT OVER A PEACEFUL SOLUTION SHOULD BE A CERTAIN AND GUARANTEED MEANS OF OBTAINING COMPLETE ARGENTINE SOVEREIGNTY QUOTE WITHIN A REASONABLE PERIOD UNQUOTE. THIS HINT OF CONCESSION WAS ECHOED HERE BY GALTIERI IN COMMENTS TO JOURNALISTS SOON AFTER MIDNIGHT LAST NIGHT WHEN, SPEAKING OF SOVEREIGNTY, HE SAID QUOTE WE SHALL NOT GIVE UP THIS OBJECTIVE: WE CAN TALK WITH A VIEW TO ACHIEVING IT IN A REASONABLE TIME SO LONG AS IT DOES NOT TAKE ANOTHER 149 YEARS UNQUOTE. THIS IS THE FIRST TIME THE LOCAL PRESS HAS CARRIED COMMENTS OF THIS KIND BY A REPRESENTATIVE OF THE JUNTA ITSELF. IT IS THE MOST CHEERING NEWS FOR A PEACEFUL SOLUTION WE HAVE YET HEARD OR SEEN IN THE ARGENTINE MEDIA AND WAS THE SUBJECT OF CONSIDERABLE DISCUSSION IN BERNARDO NEUSTADT'S "NEW DAY" RADIO PROGRAMME THIS MORNING. SEVERAL OF NEUSTADT'S EMINENT INTERLOCUTORS WERE ECHOING THE PRESIDENTIAL LINE.
3. THE BRIEF KIDNAPING AND RETURN OF ONE AMERICAN AND THREE BRITISH JOURNALISTS IS ALSO REPORTED IN DETAIL. THIS HAS CAUSED CONSIDERABLE INDIGNATION IN PRESS AND GOVERNMENT CIRCLES AND PROVOKED SPECIAL ATTENTION FROM THE MINISTER OF INTERIOR AND THE PRESIDENT HIMSELF.

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