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INFO PRIORITY MOD BANK OF ENGLAND ASUNCION BRASILIA CARACAS
MONTEVIDEO MEXICO CITY UKMIS NEW YORK WASHINGTON CC STANLEY
MADRID BOGOTA

PRESS SUMMARY

1. TODAY'S HEADLINES ARE DIVIDED BETWEEN THE JOINT DECLARATION SIGNED YESTERDAY IN MADRID BY ARGENTINA AND SPAIN, THE FOREIGN DEBT AND A QUOTE BATTLE PLAN UNQUOTE ANNOUNCED BY THE CGT.
2. PRESIDENT ALFONSIN AND SPANISH PRIME MINISTER FELIPE GONZALEZ SIGNED YESTERDAY A 13 POINT DECLARATION COVERING FINANCIAL, CULTURAL AND SOCIAL RELATIONS, THE FALKLANDS, GIBRALTAR, THE ARMS RACE, CENTRAL AMERICA AND SPANISH ENTRY TO THE EC. ALFONSIN LATER HELD A PRESS CONFERENCE IN WHICH HE SAID ARGENTINA WOULD STAND FIRM IN REJECTING AUSTERITY MEASURES PROPOSED BY THE IMF AS A CONDITION FOR FURTHER FINANCIAL AID. ON THE FALKLANDS ISSUE ALFONSIN SAID ARGENTINA QUOTE WILL NOT UNILATERALLY PUT AN END TO THE HOSTILITIES WITH BRITAIN UNQUOTE. HE CRITICISED BRITAIN'S DECISION TO QUOTE CONTINUE FORTIFYING AND OCCUPYING THE ISLANDS AND DENOUNCED MRS THATCHER'S QUOTE INTRANSIGENCE IN REFUSING TO SIT DOWN AT A NEGOTIATING TABLE UNQUOTE.
3. FOLLOWING THE SUBMISSION OF ARGENTINA'S LETTER OF INTENT TO THE IMF LAST MONDAY, THE FUND'S NEGOTIATING TEAM IN BUENOS AIRES LEFT FOR WASHINGTON YESTERDAY WITHOUT COMMENT TO THE PRESS, ALTHOUGH 'TIEMPO ARGENTINO' CLAIMS THEY WERE QUOTE VISIBLY IRRITATED UNQUOTE. FOREIGN MINISTER DANTE CAPUTO IS REPORTED FROM BOGOTA TO HAVE SAID IN A RADIO/TELEPHONE INTERVIEW THAT THE NINE-NATION MEETING OF LATIN AMERICAN DEBTORS SCHEDULED TO BEGIN NEXT WEEK SHOULD QUOTE LOOK FOR POLICIES TO PAY THE EXTERNAL DEBT BECAUSE WITHIN THE PRESENT PARAMETERS IT IS NOT POSSIBLE UNQUOTE. ALL PAPERS AGAIN CONTAIN MUCH SPECULATION AND COMMENT OVER ARGENTINA'S LETTER OF INTENT WITH 'AMBITO FINANCIERO' CONTINUING TO MAINTAIN THAT THERE IS NO QUOTE MAJOR CONFLICT UNQUOTE BETWEEN ARGENTINA AND THE FUND.
4. THE CGT HAVE ISSUED A STATEMENT CALLING FOR A QUOTE BATTLE PLAN UNQUOTE TO FIGHT THE GOVERNMENT'S ECONOMIC POLICY AND STATING THAT QUOTE THE TIME HAS COME TO SUPPORT WITH CONCRETE ACTIONS UNQUOTE WORKERS' WAGE DEMANDS. THE PLAN WILL BE PUT TO THE MEMBERSHIP ON 22 JUNE AT A NATIONAL ASSEMBLY OF CGT LEADERS.
5. ARMY CHIEF-OF-STAFF GENERAL JORGE ARGUINDEGUI WILL PRESIDE AT A CEREMONY TODAY TO MARK THE SECOND ANNIVERSARY OF THE ARGENTINE SURRENDER IN THE FALKLANDS CONFLICT AND WILL DECORATE SOME OF THE

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WAR WOUNDED. SEVERAL FALKLANDS VETERAN ORGANISATIONS WILL HOLD RALLIES TODAY TO MARK THE ANNIVERSARY AND THE INDEPENDENCE PARTY HAS CALLED FOR A RALLY IN FRONT OF THE BANK OF LONDON AND SOUTH AMERICA'S MAIN BRANCH TO DEMAND QUOTE THE NON PAYMENT OF THE FOREIGN DEBT TO THE ANGLO SAXON AGGRESSOR UNQUOTE.

6. 'LA NACION' CARRIES AN AFP REPORT THAT QUOTE TWO YEARS AFTER THE ARGENTINE SURRENDER IN THE MALVINAS, THE ARGENTINE ARMED FORCES ARE TODAY MORE POWERFUL THAN EVER THANKS TO THE ACCELERATED REARM-
AMENT THAT HAS PLACED TEM AHEAD OF OTHER LATIN AMERICAN COUNTRIES UNQUOTE (TEXT AND TRANSLATION BY BAG TO FCO). THE REPORT CLAIMS THIS WAS ACHIEVED THROUGH QUOTE MASSIVE PURCHASES FROM ISRAEL UNQUOTE, INCLUDING 70 DAGGER FIGHTERS AND 30 SKYHAWKS. THE NAVY IS ALSO SAID TO HAVE BEEN REINFORCED WITH FOUR 4,000 TON GERMAN FRIGATES, FIVE SPANISH PATROL BOATS AND WILL RECEIVE FIVE 1,800 TON LOCALLY MADE CORVETTES EQUIPPED WITH HELICOPTERS AND EXOCETS. THE NAVY WILL ALSO RECEIVE FOUR 2,000 TON SUBMARINES OF GERMAN DESIGN CAPABLE OF BEING POWERED WITH NUCLEAR ENGINES, ONE OF WHICH IS CURRENTLY UNDER CONSTRUCTION IN A BUENOS AIRES SHIPYARD AND ANOTHER TWO ARE TO BE LAUNCHED SHORTLY IN GERMANY.

7. ITALIAN TORPEDO MANUFACTURERS WHITEHEAD ARE REPORTED TO HAVE OFFERED TO SET UP A FACTORY IN ARGENTINA WHICH WOULD BUILD TORPEDOES FOR THE ARGENTINE NAVY AS WELL AS FOR EXPORT. ESTIMATES ARE SAID TO SUGGEST THAT THE PLANT WOULD BE ABLE TO EXPORT 500 MILLION DOLLARS-WORTH OF TORPEDOES DURING THE FIRST FIVE YEARS OF OPERATION.

8. THE CHAMBER OF DEPUTIES HAVE APPROVED THE FIVE DAY ARREST OF RETIRED REAR ADMIRAL HORACIO MAYORGA FOR SLANDER AGAINST CONGRESS. INTERIOR MINISTER TROCCOLI DENOUNCED DECLARATIONS MADE BY MAYORGA AS QUOTE A RESERVOIR OF FUTURE COUP ATTITUDES UNQUOTE. TROCCOLI ALSO CLAIMED THAT QUOTE A CAMPAIGN HAS BEEN LAUNCHED TO CREATE A CLIMATE OF DISPARAGEMENT, TO IMPAIR THE IMAGE OF THE EFFECTIVENESS OF THE GOVERNMENT UNQUOTE.

JOY

UNQUOTE

POWELL-JNES

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