

RESTRICTED

040300
MDHIAN 1835

RESTRICTED
FM BUENOS AIRES
TO FCO IMMEDIATE DESKBY 071800Z
TELNO 332
OF 071430Z SEPTEMBER 87

ARGENTINA: ELECTIONS

SUMMARY

1. UNEXPECTED MAJOR REVERSES FOR THE RADICALS WHO LOST BUENOS AIRES PROVINCE AND ALL BUT TWO OF THE REMAINING PROVINCES TO THE PERONISTS AS WELL AS LOSING LOWER HOUSE MAJORITY BY SUBSTANTIAL MARGIN. PERONIST VOTE SHARE GREATLY INCREASED. CENTRE/RIGHT PARTIES ALSO REGISTERED GAINS. GOVERNMENT IN SERIOUS DIFFICULTIES AND CABINET RESIGNATIONS POSSIBLE.

DETAIL

2. WITH ALL GUBERNATORIAL RESULTS NOW IN AND WITH ALL BUT A SMALL PERCENTAGE OF THE NATIONAL VOTE COUNTED IT IS CLEAR THAT THE RADICALS HAVE SUFFERED A MAJOR REVERSE. THEY LOST THE CRUCIAL PROVINCE OF BUENOS AIRES BY A MARGIN OF 7 PER CENT (PERONISTS 46.6 PER CENT, RADICALS 39.3 PER CENT). OF THE REMAINING 21 PROVINCES THE RADICALS RETAINED ONLY TWO & CORDOBA AND RIO NEGRO. THEY SUFFERED MAJOR DEFEATS IN FORMER RADICAL STRONG-HOLDS SUCH AS MISIONES, MENDOZA AND ENTRE RIOS AND FAILED EVEN TO TAKE PROVINCES SUCH AS CHACO AND FORMOSA, WHERE A COMBINATION OF WEAK PERONIST ADMINISTRATION AND APPARENTLY ATTRACTIVE RADICAL CANDIDATES HAD LED TO FIRM FORECASTS OF A RADICAL VICTORY. AS PREDICTED THE RADICALS LOST THEIR MAJORITY IN THE LOWER HOUSE OF CONGRESS BUT BY A GREATER MARGIN THAN EXPECTED. PRELIMINARY RESULTS SUGGEST THAT THE NUMBER OF RADICAL DEPUTIES HAS FALLEN FROM 130 TO 116 WHILE THE PERONISTS HAVE INCREASED FROM 102 TO 110.

3. THE PRELIMINARY ESTIMATE OF THE NATIONAL VOTE IS AS FOLLOWS:

JUSTICIALIST (PERONIST) PARTY	41.2 PER CENT
UNION CIVICA RADICAL (UCR)	37.1 PER CENT
UNION DEL CENTRO DEMOCRATICO (UCEDE)	6.0 PER CENT
PARTIDO INTRANSIGENTE	2.0 PER CENT

THE MAJOR UNEXPECTED BENEFICIARY HAS BEEN THE RENEWALIST WING OF THE PERONIST PARTY ALTHOUGH THE CENTRE/RIGHT ALSO MADE GAINS NOTABLY IN THE FEDERAL CAPITAL AND BUENOS AIRES PROVINCE. AS EXPECTED THE LEFT CAME NOWHERE.

COMMENT

4. NONE OF THE POLLS CAME ANYWHERE NEAR TO PREDICTING SUCH A DRAMATIC RESULT. THE EXTENT OF THE PERONIST GAINS CAN ONLY BE EXPLAINED IN TERMS OF A WIDESPREAD PROTEST VOTE, PARTICULARLY AGAINST CURRENT ECONOMIC POLICIES. THE GOVERNMENT IS NOW FACED WITH A VERY DIFFICULT SITUATION AND THERE IS TALK OF THE CABINET RESIGNING. IT IS TOO EARLY TO PREDICT THE POSSIBILITY OF THE RADICALS ATTEMPTING TO FORM AN ALLIANCE WITH THE PERONISTS. CAFIERO, WHO AS THE VICTOR IN BUENOS AIRES IS, AT LEAST TEMPORARILY, THE UNDISPUTED LEADER OF THE RENEWALIST FACTION, HAS NOT HOWEVER RULED THIS OUT.

5. WE SHALL REPORT THE FINAL RESULTS WHEN AVAILABLE, WHICH IS EXPECTED TO BE WITHIN A FEW HOURS.

HUNT

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