

ALA 014/1

MAIL ROOM YR. 18
-7 DEC 1981

DESK OFFICER		REGISTRY
INDEX	PA	Action Taken
CONFIDENTIAL		

R. K. P. de
Miss Coombs
Grateful for
1st draft
4/12
I think that I will be right
and to put up - some
submission to the state on
the situation in Argentina
(provided events do not move
further here on Tuesday!)

4
55

BAF 19/83

TELELETTER

GRS : 65

TO

FCO

CONFIDENTIAL

FILE/REF

: 014/1

DATE : 03 DECEMBER 1981

FOLLOWING FOR

: P R FEARN ESQ, SOUTH AMERICA DEPT, FCO

FROM

: H M AMBASSADOR, BUENOS AIRES

1. BEFORE SETTING OFF, AS YOU KNOW I MUST, FOR THE BEST PART OF A WEEK'S VISIT TO THE ARGENTINE NORTH EAST (TO WHICH I HAVE BEEN LONG COMMITTED) I SHOULD GIVE YOU MY BEST ASSESSMENT OF THE POLITICAL PROSPECTS HERE IN THEIR PRESENT VERY CONFUSED CONDITION.

2. IT IS CLEAR THAT THOSE WHO HAVE BEEN TRYING TO OUST PRESIDENT VIOLA AND/OR VARIOUS ELEMENTS OF HIS MINISTERIAL TEAM OVER THE LAST SIX MONTHS OR MORE HAVE JUMPED AT THE OPPORTUNITY OFFERED BY THE EVIDENCE OF HIS GENERALLY POOR HEALTH EVINCED BY MEDICAL EXAMINATION FOLLOWING HIS RECENT HEART TROUBLE. IT IS ALSO CLEAR THAT NO-ONE WANTS A VIOLENT OR UNCIVILIZED CHANGE-OVER OF A KIND WHICH COULD SHAKE THE STILL REMARKABLY STABLE ESTABLISHED ORDER. DO NOT BE MISLED SEMI COLON THE PESO MAY HAVE LOST (YET AGAIN) SOME 8% OF ITS REAL VALUE WITHIN THE LAST NINE OR TEN MONTHS, INFLATION MAY AGAIN BE APPROACHING AN ANNUAL 15% AND A LOT OF BUSINESS MAY BE PARALYSED OR ON THE VERGE OF BANKRUPTCY. BUT THERE IS NOTHING DOOM-LADEN ABOUT THE GREAT MAJORITY OF ARGENTINES' APPROACH TO THE TRADITIONAL HOLIDAY PERIOD. THEY ARE THOROUGHLY ACCUSTOMED TO AND CAPABLE OF LIVING COMPARATIVELY COMFORTABLY THROUGH THE CATAclysms SO FREQUENTLY PREDICTED BY THE GUARDIAN.

P/4/12

THE REAL CHANCE OF PRESENT UNCERTAINTIES IS THAT GALTIERI (THE OBVIOUS MAN TO TAKE OVER, IF VIOLA GOES) IS NOT QUITE UP TO PRODUCING A CLEAN, INEVITABLE TRANSITION - NOT SO MUCH FOR LACK OF ABILITY, CHARISMA, ETC AS UNDISPUTED CLOUT WITHIN THE ARMED SERVICES OR EVEN THE ARMY. THE OPPORTUNITY COMES AT AN AWKWARD MOMENT, WHEN HE WAS JUST ABOUT TO POSITION BY PROMOTION HIS SUPPORTERS FOR A STRUGGLE FOR POWER WHICH WAS EXPECTED TO TAKE PLACE A YEAR HENCE - AND, OF COURSE, TO BAULK BY RETIREMENT THOSE WHO OWE THEIR PAST AND POSSIBLE FUTURE TO VIOLA.

4. THERE IS A CHANCE (THOUGH I THINK LESS THAN A 50% CHANCE) THAT STALEMATE COULD PRODUCE AN IMACTION WHICH ALLOWED VIOLA TO COME BACK AFTER CONVALESCENCED FOR AT LEAST A PERIOD. BUT, TO DO SO, HE WOULD ALMOST CERTAINLY HAVE TO THROW SOME OF HIS MINISTERIAL TEAM, STARTING WITH SIGAUT, TO THE WOLVES. IN THE CURRENT CONFUSED CLAMOUR OF MUTUALLY-CONTRADICTING EXPERTS IN BEHIND-THE-SCENES INFORMATION, THERE ARE SEVERAL RESPECTED VOICES SAYING THAT VIOLA'S CHANCES HAVE IMPROVED OVER THE LAST THREE DAYS. BUT I DOUBT IF THEY ARE RIGHT. GALTIERI'S STOCK HAS NOW SO PUBLICLY BEEN LINKED TO HIS TAKING OVER THE PRESIDENCY, PROBABLY BEFORE CHRISTMAS, THAT HE WOULD BE PERILOUSLY DEVALUED IF THIS DID NOT NOW HAPPEN.

5. WHAT I FIND MORE CONVINCING IS THE CONTENTION THAT, IF GALTIERI (EITHER DIRECTLY OR THROUGH A STRAW MAN) EFFECTIVELY REPLACES VIOLA AS THE GOVERNMENT MAKER AND DIRECTOR HE WILL NOT NOW BE ABLE TO MAKE SO CLEAN A SWEEP OF VIOLA'S TEAM AS AT FIRST EXPECTED. IT IS DIFFICULT TO IMAGINE SIGAUT SURVIVING BUT, WHILE MY CONVERSATIONS RECENTLY WITH ROBERTO ALEMAN SUGGESTED THAT HE WOULD NOT REFUSE THE MANTLE, THERE REMAINS SOME DOUBT HOW TALENTED AN ALTERNATIVE ECONOMIC TEAM COULD NOW BE PATCHED TOGETHER. THERE IS ALSO, I THINK, MORE CHANCE THAT CAMILION MIGHT SURVIVE, IF ONLY NOT TO CHANGE HORSES WHEN IN THE MIDDLE OF THE BEAGLE CHANNEL.

6. THERE IS MORE ROOM FOR IDLE SPECULATION THAN SOLID EVIDENCE TO BUILD CONVINCING PREDICTIONS ON. WHAT I WOULD STRESS IS THAT I DOUBT WHETHER, FROM OUR POINT OF VIEW, ANY CHANGE IS GOING TO MAKE A VAST DIFFERENCE. WE MAY WELL STAY WITH QUITE A LOT OF THE PEOPLE WE ARE NOW DEALING WITH (ROS, ESPOSTIO, BRONSTEIN, URRICARRIET) EVEN IF THE PRINCIPALS CHANGE. THERE IS, IN MY VIEW, A GROWING POSSIBILITY OF THE CHANGE IN PRINCIPALS BEING MINIMAL RATHER THAN MAXIMAL SEMI COLON AND EVEN A CHANGE OF PRESIDENT WILL BE WITHIN THE CURRENT INSTITUTIONAL FRAMEWORK RATHER THAN A SHOCK OR UPSET.

SIGNED : A J WILLIAMS