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(53)

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MR HAWTIN MR PERETZ

MR ILETT

MR MCINTYRE

H.M. TSY

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CONFIDENTIAL

FM BONN 191600Z APR 82

TO IMMEDIATE FCO

TELEGRAM NUMBER 348 OF 19 APRIL

INFO ROUTINE PARIS AND ROME

YOUR TELNO 176 TO PARIS: FALKLANDS: GERMAN REPORTING ON ARGENTINA

1. EDERER (MFA) HAS PROMISED US ACCESS TO DETAILED GERMAN REPORTING TOMORROW, AND REGULARLY THEREAFTER. IN THE MEANTIME HE SUMMARISED THE ASSESSMENT OF THE GERMAN EMBASSY IN BUENOS AIRES &S FOLLOWS: (A) ARGENTINE PUBLIC OPINION IS AT PRESENT SOLIDLY BEHIND GALTIER! ACROSS THE WHOLE SOCIAL AND POLITICAL SPECTRUM. GALTIER! HAS HOWEVER PLAYED HIS HAND IN SUCH A WAY THAT HE HAS VIRTUALLY NO ROOM FOR MANOEUVRE. IF HIS POLICY FAILS HE WILL BE RUINED. THE TWO ENSUING POSSIBILITIES OF A TAKEOVER BY SECOND RANK MILITARY OFFICERS OR A RETURN OF POWER TO THE CIVILIAN POLITICAL PARTIES WOULD BOTH BE DISASTROUS FOR ARGENTINA:

(B) THE STATE OF THE ARGENTINE ECONOMY WAS ALREADY SO PRECARIOUS BEFORE THE CRISIS THAT IT WILL BE EXTREMELY DIFFICULT TO ASSESS

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BEFORE THE CRISIS THAT IT WILL BE EXTREMELY DIFFICULT TO ASSESS THE EXACT IMPACT OF ECONOMIC AND FINANCIAL MEASURES TAKEN AGAINST ARGENTINA BY BRITAIN AND HER PARTNERS. WHATEVER SOLUTUION IS EVENT-UALLY FOUND TO THE FALKLANDS CRISIS, IT IS CLEAR THAT ALEMANN'S PLANS FOR ECONOMIC RECOVERY HAVE BEEN RUINED: (C) THE ARGENTINE PRESS IS CONCENTRATING ITS CRITICISM ON THE EC AND ITS SANCTIONS. THERE IS AT PRESENT NO PUBLIC DEMONSTRATION OF ANIMOSITY AGAINST EC NATIONALS IN ARGENTINA, BUT THE MOOD COULD CHANGE RAPIDLY IF A SHOOTING WAR STARTS. THE GERMAN EMBASSY IS TAKING SECURITY MEASURES ACCORDINGLY. 2. IN A TELEGRAPHIC ROUND-UP OF THE ARGENTINE PRESS SENT TODAY THE GERMAN EMBASSY COMMENTS QUOTE WHILE POLITICAL OBSERVERS IN SPITE OF THE PRESENT DEADLOCK IN NEGOTIATIONS TEND TOWARDS CAUTIOUS OPTIM-ISM, THE MOOD OF THE ARGENTINE PRESS IS MORE PESSIMISITIC THAN OPTI-MISTIC. BUT NO DETAILS OF THE NEGOTIATIONS ARE LEAKING TO THE PRESS AT THE MOMENT UNQUOTE. TAYLOR NNNN

SENT AT 19/1640Z DW