

ADVANCE COPIES: FALKLAND ISLANDS GENERAL 42

PS
 PS/MR HURD
 PS/MR ONSLOW
 PS/MR RIFKIND
 PS/PUS
 SIR J BULLARD
 SIR I SINCLAIR
 MR GIFFARD
~~MR WRIGHT~~
 MR ADAMS
 LORD N G LENNOX
 LORD BRIDGES
 MR URE
 MR GILLMORE

~~HD/PUSD (2)~~
 HD/S AM D
 HD/FALKLANDS UNIT (2)
 HD/DEFENCE DEPT
 HD/NEWS DEPT
 HD/ERD
 HD/ECD(E)
 HD/UND
 HD/PLANNING STAFF
 RESIDENT CLERK

PS/NO 10 DOWNING ST (2)
 PS/S OF S FOR DEFENCE
 MR J STEWART AUSD STAFF MOD
 PS/CHANCELLOR)
 MR ILETT) TREASURY
 MR LITTLER)
 MISS DICKSON D/ENERGY
 SIR R ARMSTRONG)
 SIR M PALLISER)
 MR A D S GOODALL) CABINET OFFICE
~~MR FULLER SAPU/DIO~~)
 DIO)

~~ROOM 8 FOR MODUK C IN C FLEET~~

(FM BERNE 261025Z)

FM BIS BUENOS AIRES

TO IMMEDIATE FCO
 ALSO TO IMMEDIATE MONTEVIDEO, SANTIAGO, BRASILIA, WASHINGTON,
 UKMIS NEW YORK
 RESTRICTED
 FROM BISBA TELNO 184 OF 25 JUNE

PRESS SUMMARY AND POLITICAL SITUATION

1. BIGNONE'S PROMISE TO LIFT THE PROHIBITION ON POLITICAL ACTIVITY FROM THE DAY HE ASSUMES OFFICE ON 1 JULY AND TO HOLD ELECTIONS AS SOON AS POSSIBLE DOMINATES TODAY'S HEADLINES. HIS MEETING LAST NIGHT WITH THE LEADERS OF FOURTEEN POLITICAL GROUPINGS (ONLY VICENTE SOLANO LIMA, LEADER OF THE PARTIDO CONSERVADOR POPULAR DECIDED NOT TO TURN UP) WAS APPARENTLY A GREAT SUCCESS. HE CONFIRMED THAT THE COUNTRY WOULD BE RETURNED TO DEMOCRATIC LIFE IN THE EARLY MONTHS OF 1984 AND PROMISED CHANGES IN ECONOMIC POLICY,

IMMEDIATE
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DECIDED NOT TO TURN UP) WAS APPARENTLY A GREAT SUCCESS. HE CONFIRMED THAT THE COUNTRY WOULD BE RETURNED TO DEMOCRATIC LIFE IN THE EARLY MONTHS OF 1984 AND PROMISED CHANGES IN ECONOMIC POLICY, REFERRING APPROVINGLY TO THE ECONOMIC LINE PRESENTED IN THE MULTIPARTIDARIA'S PROGRAMME PUBLISHED YESTERDAY. STATEMENTS BY THE POLITICAL LEADERS AFTER THE THREE-AND-A-HALF HOUR MEETING AT WHICH EACH GROUP WAS ENCOURAGED TO EXPRESS ITS VIEWS, REFLECTED GENERAL SATISFACTION WITH THE ATTITUDE AND IDEAS OF THE PRESIDENT-DESIGNATE. THE JUSTICIALIST (PERONIST) LEADER DEOLINDO BITTEL IN PARTICULAR DEMANDED A POLITICAL TIME-TABLE FOR A GENERAL ELECTION BEGINNING NOW AND ENDING ON 30 JULY 1983. ALL POLITICAL LEADERS WERE UNANIMOUS IN THEIR DEMANDS FOR AN EARLY RETURN TO DEMOCRACY.

2. LA PRENSA TODAY ALSO REPORTS STATEMENTS BY NICOLAIDES AT A PLENARY MEETING OF GENERALS HELD ON WEDNESDAY PROMISING QUOTE TOTAL SUPPORT BY THE ARMY FOR GOVERNMENT ACTION TO ACHIEVE INSTITUTIONAL NORMALITY IN THE TIME AND ON THE CONDITIONS RECENTLY ANNOUNCED UNQUOTE.

3. CLARIN REPORTS AT SECOND HAND THAT BIGNONE TOLD THE POLITICIANS ON FOREIGN POLICY HE INTENDED TO INTENSIFY RELATIONS WITH LATIN AMERICA AND THE NON-ALIGNED, MAINTAINING PRESENT POLICIES WITH THE EASTERN BLOC AND ADJUSTING RELATIONS WITH THE US TO THE CIRCUMSTANCES. HE REJECTED THE POSSIBILITY OF ANY BILATERAL AGREEMENT WITH BRITAIN ON THE ISLANDS, INDICATING THAT ARGENTINA'S SOVEREIGNTY CLAIM WOULD CONTINUE TO BE PRESENTED IN INTERNATIONAL FORA.

4. IGLESIAS ROUCO (LA PRENSA) IS LESS PESSIMISTIC TODAY ON THE POSSIBILITIES OF AN INTERNAL ARMY COUP BUT BELIEVES BOTH WASHINGTON AND LONDON ARE IN A POSITION TO INFLUENCE ARGENTINA'S POLITICAL FUTURE BY POLITICAL AND ECONOMIC SUPPORT FOR THE QUOTE DEMOCRATISING UNQUOTE AGREEMENT WHICH MAY BE ESTABLISHED BETWEEN GOVERNMENT AND POLITICAL PARTIES, THUS INCREASING THE PROSPECT OF STABILITY. QUOTE IF BUENOS AIRES NOW DECREES A CESSATION OF HOSTILITIES WITHOUT EVEN A MINIMAL NEGOTIATING RECOMPENSE FROM LONDON, THE ARGENTINE GOVERNMENT'S FUTURE WOULD BECOME MUCH MORE UNCERTAIN STILL UNQUOTE.

5. OVERALL THE SIGNS ARE MORE HOPEFUL THAT THE FALKLANDS CONFLICT MAY HAVE SERVED AS A CATALYST TO ACCELERATE MOVES TOWARDS DEMOCRACY HERE. THE OMENS AT LEAST ARE BETTER TODAY THAN FOR

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A LONG TIME PAST. JOY.