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FM BUENOS AIRES  
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MY TELNO 332: ARGENTINE ELECTIONS: IMPLICATIONS FOR GOVERNMENT  
POLICY AND FOR RELATIONS WITH THE UK

SUMMARY

1. RADICALS STILL TO REACT COHERENTLY TO THEIR HEAVY DEFEAT. ARGENTINA WILL NOW BE EVEN MORE DIFFICULT TO GOVERN. IMPLICATIONS FOR RELATIONS WITH UK AT FIRST SIGHT DISCOURAGING.

DETAIL

2. WITH THE FINAL RESULTS STILL TRICKLING IN UNCERTAINTY PREVAILS ABOUT HOW THE GOVERNMENT WILL REACT TO THEIR DEFEAT. THE RADICALS ARE STILL REELING FROM ITS MAGNITUDE, WHICH NEITHER THEY NOR THE PERONISTS (NOR LEAST OF ALL THE OPINION POLLS) HAD PREDICTED. ALFONSIN HAS BEEN HOLDING A SUCCESSION OF MEETINGS WITH MEMBERS OF HIS CABINET. ALL ARE REPORTED TO HAVE OFFERED THEIR RESIGNATIONS BUT NONE HAS YET BEEN ACCEPTED. THE OFFICIAL VERSION IS THAT THE GOVERNMENT ARE ENGAGED IN A PROCESS OF REFLECTION AND ANALYSIS. IN OTHER PUBLIC COMMENT SO FAR THE RADICALS HAVE RESTRICTED THEMSELVES LARGELY TO CONGRATULATING THE PERONISTS AND TO GENERALITIES ABOUT THE SUCCESS OF THE DEMOCRATIC PROCESS ITSELF. THE LATTER IS UNDENIABLY LEGITIMATE CAUSE FOR ARGENTINE SELF-CONGRATULATION AND ALFONSIN AND HIS MEN CAN BE EXPECTED TO MAKE THE MOST OF IT.

3. NEVERTHELESS THE RESULT IS A RESOUNDING SLAP IN THE FACE FOR THE RADICALS. MANY OF THE BORROWED VOTES OF 1983 AND, TO A LESSER EXTENT, 1985 HAVE GRAVITATED BACK TO WHERE THEY HAVE HISTORICALLY BELONGED, IE WITH THE PERONISTS. CONSTITUTIONAL REFORM TO PERMIT ALFONSIN'S REELECTION NOW SEEMS UNLIKELY (SEE PARA 6 BELOW). IF (INHERENTLY UNLIKELY THOUGH THIS MAY SEEM) THE PERONISTS CAN NOW GIVE A REASONABLE IMITATION OF A LOYAL OPPOSITION WHILE THE GOVERNMENT FLOUNDERS, PARTICULARLY OVER THE ECONOMY, THE CHANCES SEEM SET FAIR FOR A PERONIST VICTORY IN THE 1989 PRESIDENTIAL ELECTIONS.

IMPLICATIONS FOR THE ARGENTINE GOVERNMENT

4. THE UNEXPECTED HAPPENS IN ARGENTINA (AS THE ELECTION RESULTS SHOW) BUT THE FOLLOWING ARE FIRST THOUGHTS ON WHAT THE IMPLICATIONS OF THE RADICAL DEFEAT MIGHT BE.

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(A) DOMESTIC: THE ECONOMY & CONSTITUTIONAL REFORM & THE ARMED FORCES  
5. IF HEADS ARE TO ROLL SOROUILLE AND HIS TEAM SEEM PRIME CANDIDATES. IF THEY DO GO THERE IS A DANGER THAT WHOEVER REPLACES THEM WILL NOT BE SO PRAGMATIC ON THE DEBT ISSUE AND MORE INCLINED TO PLACATE THE TRADES UNIONS (ALTHOUGH THIS IS NOT A FOREGONE CONCLUSION BECAUSE SOME RADICAL VOTERS CLEARLY DEFECTED TO THE RIGHT). AT BEST THERE SEEMS LIKELY TO BE PROCRASTINATION OVER DIFFICULT AND IMPORTANT ECONOMIC POLICY DECISIONS.

6. THE PROSPECTS FOR CONSTITUTIONAL REFORM INVOLVING THE REELECTION OF THE PRESIDENT NOW SEEM REMOTE UNLESS THE RENEWAL PERONISTS CAN BE PERSUADED THERE IS SOMETHING IN IT FOR THEM. THE YOUNGER ONES MIGHT JUST SEE ADVANTAGE IN PRESIDENTIAL REELECTION IN TERMS OF THEIR OWN PROSPECTIVE CANDIDACIES IN 1995. AND THE PERONIST MOVEMENT REMAINS SUFFICIENTLY DIVIDED FOR OPPORTUNISTIC ALLIANCES TO BE STRUCK WITH THE RADICALS, EG IN RETURN FOR SPECIAL FAVOURS FOR INDIVIDUAL PROVINCES. NEVERTHELESS THE RADICALS WILL HAVE THEIR WORK CUT OUT TO ACHIEVE THE NECESSARY TWO THIRDS MAJORITY IN CONGRESS. IF THE RADICALS ACCEPT THIS AND DEVOTE THEMSELVES TO THE MAJOR POLICY ISSUES IT COULD BE A BLESSING IN DISGUISE. IF NOT THE EFFORT DEDICATED TO TRYING TO ACHIEVE REFORM WILL DISTRACT THEM FROM TACKLING THE REAL PROBLEMS.

6. GOVERNMENT RELATIONS WITH THE ARMED FORCES SEEM LIKELY IF ANYTHING TO BECOME TRICKIER BY VIRTUE OF THE WEAKENING OF THE RADICAL POSITION. SOME EARLY ASSERTION OF THE MILITARY WILL HAS IN ANY CASE BEEN WIDELY FORECAST FOR SOME WHILE IRRESPECTIVE OF THE ELECTIONS RESULT. WHAT PRECISE FORM THIS WILL TAKE IS IMPOSSIBLE TO PREDICT AND WILL DEPEND IN PART ON HOW BOTH GOVERNMENT AND OPPOSITION COMPORT THEMSELVES.

(B) EXTERNAL

7. GENERAL FOREIGN POLICY, WHICH DID NOT FIGURE AT ALL IN THE ELECTION CAMPAIGN, IS UNLIKELY TO BE MARKEDLY AFFECTED.

(C) RELATIONS WITH THE UK

8. THERE ARE MORE PRESSING PROBLEMS FOR THE ARGENTINES THAN THEIR RELATIONSHIP WITH THE UK. AND ANY ARGENTINE GOVERNMENT FACES FAMILIAR DIFFICULTIES IN SEEKING AN ACCOMMODATION WITH THE UK WITHOUT ADDRESSING THE ISSUE OF SOVEREIGNTY OVER THE FALKLANDS. THE WEAKENED RADICAL GOVERNMENT IS NOW FURTHER HAMSTRUNG. THERE IS NO EVIDENCE OF A COHERENT PERONIST POLICY ON THE FALKLANDS BUT SUCH INDIC-

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ATIONS AS THERE HAVE BEEN ARE NOT ENCOURAGING. THE LIKELY PROSPECT IS THEREFORE OF AN EVEN MORE CAUTIOUS AND LEGALISTIC APPROACH THAN HITHERTO. AND AN ALLIANCE WITH THE PERONISTS, WITH ALL THE ATTENDANT COMPLICATIONS, WOULD BE AT BEST A MIXED BLESSING.

9. IN SUM, WE SEEM LESS LIKELY THAN EVER TO SEE A DRAMATIC BREAK-THROUGH IN ANGLO/ARGENTINE RELATIONS.

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