



10 DOWNING STREET

Andrew.

On Argentina, the plot
thickens, and it's clear to me
that we shall have to send
the Pig, by tonight Delhi
time, an account of what's
going on, and what we're
doing about it.

I hope to let you have
a draft by 4.

John K.

OO FOO BEKBY 240830Z

IMMEDIATE

+3

PP UKDEL IMF/IBRD, WASHINGTON

GRS 120

SECRET

BEKBY 240830Z

FM DELHI 240600Z NOV 93

TO IMMEDIATE FOO

TELEGRAM NUMBER 927 OF 24 NOVEMBER.

AND TO PRIORITY UKDEL IMF/IBRD, WASHINGTON.

ADVANCE COPY

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RC
H/ERD
PS/CHANCELLOR, TS
~~PS~~

FOLLOWING FOR CHANCELLOR FROM FOREIGN SECRETARY

MY TELNO 924: LOAN TO ARGENTINA

1. I HAVE DISCUSSED WITH THE PRIME MINISTER, IN THE LIGHT OF WICK'S REPORT (UKDEL IMF/IBRD TELNO 380). AS WE UNDERSTAND IT, HE WAS NOT BRIEFED TO ARGUE IN WASHINGTON THAT WE HAD DOUBTS ABOUT THE DECISION ON NORMAL IMF/CONDITIONALITY GROUNDS. THIS MAY PUT US IN A SOMEWHAT WEAKER POSITION IN STATING PUBLICLY THAT WE REGARD THE BANKS DECISION AS PREMATURE AND REGRETTABLE. IF YOU NEVERTHELESS FEEL THAT SOME SUCH STATEMENT IS NECESSARY, IT IS IMPORTANT THAT IT SHOULD BE PRESENTED AND EXPLAINED STRICTLY IN TERMS OF OUR NORMAL APPROACH TO IMF CONDITIONALITY. WE WISH TO AVOID ANY SUGGESTION THAT OUR REACTION IS ON THIS OCCASION PROMPTED BY POLITICAL RATHER THAN TECHNICAL CONSIDERATIONS.

WADE-GERY

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