

FALKLAND ISLANDS GENERAL

PS
 PS/LADY YOUNG
 PS/MR WHITNEY
 PS/MR RIFKIND
 PS/PUS
 MR DEREK THOMAS
 SIR J FREELAND
 SIR W HARDING
 MR GOODALL
 MR O'NEILL
 SIR C TICKELL
 MR D C THOMAS
 MR WESTON
 MR BAZZINGTON
 HD/PUSD
 HD/SAMD
 HD/FID
 HD/NEWS DEPT
 HD/EED
 HD/ECD (E)
 HD/UND

PS/NO 10 DOWNING ST
 PS/S OF S FOR DEFENCE
 MR ~~RE~~ NICHOLLS, AUSD STAFF, MOD
 NH

PS/CHANCELLOR }
 MISS M E CUND } TREASURY
 MR LITTLER }

SIR R ARMSTRONG }
 MR ~~A D S GOODALL~~ } CABINET
 DIO *Carledge* } OFFICE

MR POWER, SAD, ODA

MR A FORTNAM IAT/D. TRANSPORT

RESIDENT CLERK

(2)

GRS550

UNCLASSIFIED

(FM BERNE 141300Z)

FM BISBA

TO IMMEDIATE FCO

TELNO 610 OF 13 SEPTEMBER 1984

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 IMMEDIATE

INFO PRIORITY MOD (SIC A3A), CBFFI BANK OF ENGLAND ASUNCION BRASILIA
 CARACAS MEXICO CITY MONTEVIDEO SANTIAGO UKMIS NEW YORK
 WASHINGTON PORT STANLEY

PRESS SUMMARY

1. IN A MIXED BAG OF HEADLINES RENEWED SPECULATION ABOUT THE IMMINENCE OF AN AGREEMENT WITH THE IMF FIGURES PROMINENTLY. ECONOMY MINISTRY SOURCES ARE CITED AS CLAIMING THAT DETAILS OF A 15 MONTHS PROGRAMME HAVE BEEN VIRTUALLY FINALIZED IN CONSULTATION WITH THE FUND, AND THAT TALKS ARE TAKING PLACE IN NEW YORK TO HAVE ARGENTINA'S INTERNATIONAL CREDITOR BANKS EXTEND THE DEADLINE ON THE 750 MILLION DOLLARS OF THE BRIDGING LOAN WHICH FALLS DUE TOMORROW.
2. HENRY KISSINGER, WHO IS CURRENTLY VISITING BUENOS AIRES, HAS REPORTEDLY DECLARED THAT QUOTE ARGENTINA SEEKS A CONFRONTATION BETWEEN DEBTOR AND CREDITOR NATIONS INSTEAD OF A CONSTRUCTIVE DIALOGUE UNQUOTE. ECONOMY MINISTER GRINSPUN HAS CONFIRMED TO JOURNALISTS THAT HE AND KISSINGER DIFFER IN THEIR VIEWS OF THE FOREIGN DEBT PROBLEM.
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3. MOST PAPERS ALSO HIGHLIGHT THE MAR DEL PLATA MEETING OF THE CARTAGENA CONSENSUS COUNTRIES WHICH WILL BE INAUGURATED TODAY BY PRESIDENT ALFONSIN. PRESS COMMENTATORS EXPECT THE CONFERENCE TO FORMULATE DEMANDS THAT THE IMF BE MORE FLEXIBLE IN ITS GUIDELINES FOR THE FISCAL DEFICITS, INTERNATIONAL RESERVES AND MONETARY TARGETS OF LATIN AMERICAN DEBTOR COUNTRIES.

4. THE PARALLEL DOLLAR RATE CONTINUED ITS CLIMB YESTERDAY, INCREASING BY 2.7 PER CENT AND BRINGING THE GAP BETWEEN THE BLACK MARKET AND OFFICIAL RATES TO 39.8 PER CENT .

5. THE PRICE OF CATTLE ON THE HOOF HAS RISEN BY 32 PER CENT DURING THE PAST FEW DAYS AND BY 50 PER CENT SO FAR THIS MONTH.

6. INTERIOR MINISTER ANTONIO TROCCOLI YESTERDAY CHAIRED A NEW ROUND OF SOCIAL CONTRACT TALKS WITH TRADE UNION AND BUSINESS REPRESENTATIVES. THE PRESIDENT OF THE ARGENTINE INDUSTRIAL UNION (UIA), ROBERTO FAVELEVIC, HAS CRITICIZED THE GOVERNMENT'S ECONOMIC POLICIES AS RECESSIVE BUT HAS INSISTED THAT EMPLOYERS WILL CONTINUE TO COOPERATE IN THE DISCUSSIONS. FIGURES RELEASED BY THE UIA INDICATE THAT 1984 INDUSTRIAL INVESTMENT IS LIKELY TO BE 50 PER CENT BELOW 1980 LEVELS.

7. WIDE COVERAGE IS GIVEN TO ALFONSIN'S DECISION TO VETO SEVERAL ARTICLES OF THE BANK AND INSURANCE CLERKS' JOB SECURITY BILL. BANK CLERKS MAY NOW INITIATE PROTEST ACTION.

8. ALFONSIN HAS DEFENDED THE DECISION TO OFFER SUPPLY FACILITIES AT PUERTO MADRYN TO US NAVY SHIPS PARTICIPATING IN UNITAS MANOEUVRES. HE STRESSED THAT QUOTE A COUNTRY WHICH HAS NOT BROKEN OFF RELATIONS WITH ANOTHER MUST ALLOW ITS SHIPS TO TAKE ON SUPPLIES UNQUOTE.

9. ARGENTINE ARMY OFFICERS INVOLVED IN JOINT MANOEUVRES WITH THE COUNTRY'S NAVY HAVE COMPLAINED ABOUT LACK OF HELICOPTER FUEL AND THE SHORTAGE OF INFRA-RED SIGHTS FOR NIGHT VISION. THERE IS ALLEGEDLY ALSO CONCERN ABOUT THE PROBLEMS OF KEEPING THE RANKS OF NON-COMMISSIONED OFFICERS UP TO STRENGTH.

10. A REMOTE-CONTROLLED PLASTIC EXPLOSIVE DEVICE LAST NIGHT DAMAGED THE "ENGLISH TOWER" IN CENTRAL BUENOS AIRES. HAND BILLS FOUND CLOSE TO THE SCENE AND BEARING THE TITLE "DENUNCIATION" ATTRIBUTED RESPONSIBILITY TO A GROUP CALLED QUOTE ARGENTINE MILITANT PATRIOTISM UNQUOTE. THE INCIDENT WAS DESCRIBED IN THE PAMPHLETS AS QUOTE A REPUDIATION OF THE HUMILIATING PRESENCE IN OUR COUNTRY OF ENGLISH PARLIAMENTARIANS ON AN APPARENT "GOOD WILL" MISSION UNQUOTE. THE MESSAGE ALSO PROMISED THAT QUOTE WE SHALL PERMANENTLY KEEP UP THREATS AND ACTS OF AGGRESSION AGAINST THE FORCES OF OCCUPATION ON OUR ISLANDS UNTIL THESE ARE FINALLY RECOVERED UNQUOTE.

11. "LA NACION" NOTES THAT GEORGE MEDLEY, DIRECTOR OF THE WORLD WILD LIFE FUND, HAS CALLED FOR CONSERVATION MEASURES TO PROTECT FISH STOCKS IN THE WATERS AROUND THE FALKLANDS.

JOY
UNQUOTE

POWELL-JONES

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