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ACTION ARA-16INFO OCT-01 ADS-00 AID-07 INR-10 EUR-12 SS-15 CIAE-00  
EB-08 ICA-11 DODE-00 H-01 IO-15 NSC-05 NSAE-00  
HA-06 L-03 TRSE-00 PM-09 PA-01 OMB-01 OES-09  
ACDA-12 SP-02 SPRS-02 /146 W  
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FM AMEMBASSY BUENOS AIRES  
TO SECSTATE WASHDC 1148  
INFO AMEMBASSY MONTEVIDEO  
AMEMBASSY SANTIAGO  
USCINCSO QUARRY HTS  
USCINCLANT NORFOLK VA~~LIMITED OFFICIAL USE~~ SECTION 1 OF 2 BUENOS AIRES 7165E.O. 12065: N/A  
TAGS: PDEV, PGOV, PINT, AR  
SUBJECT: VIOLA'S FIRST SIX MONTHS - HIS VERSION

1. SUMMARY: PRESIDENT VIOLA MET THE PRESS OCTOBER 1 TO RENDER AN ACCOUNTING OF HIS FIRST SIX MONTHS IN OFFICE. THERE WERE NO SURPRISES AS HE SAID HIS ADMINISTRATION WILL RESIST PRESSURES FROM EITHER SIDE OF POLITICAL SPECTRUM TO ALTER ITS MIDDLE-OF-THE-ROAD, MODERATE COURSE AND DEFENDED HIS PERFORMANCE WHICH HAS BEEN CRITICIZED AS DO-NOTHING. THE ECONOMY, HE SAID, HAS BEGUN SLOWLY TO IMPROVE. HE ASSERTED ARGENTINA HAS IMPROVED RELATIONS WITH THE U.S. AND ELSEWHERE, AND WILL REMAIN ASSOCIATED WITH THE NAM. SOME PRESS ACCOUNTS INFERRED FROM HIS REMARKS, COUTIOUS AND OBSCURE ON MANY POINTS, THAT HE HAD WEATHERED A MOVE TO REPLACE HIM. END SUMMARY.

2. IN HIS FIRST UNSTRUCTURED AND BROADCAST PRESS CONFERENCE SINCE TAKING OFFICE, VIOLA OPENED HIMSELF

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TO SPONTANEOUS QUESTIONING THAT FOCUSED MOSTLY ON HIS FREEDOM OF ACTION UNDER THE THREE-MAN GOVERNING JUNTA AND WHAT HAS BEEN GENERALLY VIEWED AS HIS PASSIVE STEWARDSHIP OF NATIONAL AFFAIRS. ANOTHER TOPIC OF HIGH INTEREST WAS THE QUESTION OF HOW HIS OWN SUCCESSOR WOULD BE CHOSEN IN 1984 AND WHAT ROLE THE POLITICAL PARTIES, WHICH HE AGAIN PROMOSSED WOULD HAVE FREER LATITUDE TO OPERATE AFTER PROMULGATION OF THE PARTY LAW THE MIDDLE OF NEXT YEAR, WOULD HAVE IN THAT PROCESS. THE PROBLEM OF THE DISAPPEARED IN THE DIRTY WAR WAS

<b>REVIEW AUTHORITY:</b> <b>Marvin Russell, Senior</b> <b>Reviewer</b>
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ANOTHER RECURRING THEME, AS WAS PUBLIC "DISINTEREST" AND "APATHY" WITH HIS UNEXCITING STYLE.

3. VIOLA WAS GUARDED AND LARGELY UNFORTHCOMING IN HIS RESPONSES DURING HIS 90 MINUTES ON THE STATE. HE OPENED WITH A BRIEF PREPARED STATEMENT ABOUT THE DIFFICULT SITUATION THAT HE CONFRONTED WHEN HE TOOK OFFICE, AND THE DECISIONS HE HAD TO TAKE WHICH CARRIED WITH THEM HIGH SOCIAL AND POLITICAL COST. THERE WERE THOSE, HE SAID, WHO CLAIMED HIS ADMINISTRATION WAS ABANDONING THE JUNTA'S PROGRAM OF GOVERNMENT, THE "PROCESO", WHILE OTHERS PRESSED FOR AN END TO IT ALTOGETHER WITH THE SCHEDULING OF ELECTIONS. " WHILE THIS WAS GOING ON, I AM SURE THERE WERE PEOPLE WHO SOUGHT TO ALTER THE PROCESS' INSTITUTIONAL MACHINERY." THIS REMARK HE REFUSED TO ELABORATE ON UNDER QUESTIONING, NOR WOULD HE BE MORE EXPLICIT ABOUT ANOTHER COMMENT IN HIS PREPARED STATEMENT, WHICH HE SAID WAS HALF IN JEST, THAT HE WAS EXPECTING "A COUNTEROFFENSIVE."

4. THIS WAS PLAYED UP IN THE POPULAR TABLOIDS THIS MORNING AS A HINT THAT AN ATTEMPTED COUP D'ETAT MAY HAVE BEEN MOUNTED AGAINST HIM. CLARIN'S POLITICAL LIMITED OFFICIAL USE

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COMMENTATOR CALLED IT A GRAVE CHARGE, THE FIRST TIME SINCE THE MILITARY TAKEOVER IN 1976 THAT SUCH HAS EMANATED FROM THE PRESIDENTIAL PALACE; ANOTHER SENSATIONALIST PAPER REPORTED IT AS VIOLA REASSURING THE COUNTRY THERE WOULD BE NO COUP. THE QUALITY PRESS CARRIED THE STATEMENT BUT DID NOT PLAY IT UP AS ANYTHING SIGNIFICANT.

5. VIOLA ALSO MADE THESE POINTS:

"PERHAPS WE HAVE COMMITTED ERRORS, AND SURELY WE WILL COMMIT OTHERS...BUT THERE IS ONE INTO WHICH WE WILL NOT FALL: NOTHING, NOTHING WILL MAKE US DEPART FROM OUR FIRM LINE OF MODERATION IN THE MANAGEMENT OF POLITICAL AND ECONOMIC AFFAIRS THAT AFFECT THE FUTURE OF ALL." NOR WILL THOSE WHO FAVOR ANY FORM OF AUTOCRACY, ON THE ONE HAND, OR THOSE WHO PUSH FOR A HURRIED DEMOCRATIC REORGANIZATION, ON THE OTHER, FIND "FERTILE LAND" IN HIS GOVERNMENT.

HE DENIED JUNTA INTERFERENCE IN THE FUNCTIONING OF HIS ADMINISTRATION, AND INSISTED THE ARMED FORCES REMAIN UNITED IN THEIR COMMITMENT TO THE OBJECTIVES OF THE NATIONAL REORGANIZATION PROCESS THEY BEGAN FIVE YEARS AGO. HE ADMITTED THERE MAY WELL EXIST DISINTEREST, APATHY AND A

PUBLIC SENSE OF STALENESS ABOUT NATIONAL AFFAIRS,  
BUT SAID THIS WAS PROBABLY NORMAL AND TO BE  
EXPECTED OF ANY REGIME THAT HAS BEEN IN POWER  
FIVE-AND-A-HALF YEARS. IT WAS IN ANY CASE  
SOMETHING WHICH CONCERNED HIM GREATLY SINCE  
IT COULD HINDER STEADY PROGRESS TOWARD A STABLE  
DEMOCRACY. IN THIS PREGRESS, AN IMPORTANT MILE-  
STONE WILL BE THE APPEARANCE IN MID-1982 OF A  
LAW LEGALIZING AND REGULATING POLITICAL PARTY ACTIVITY.  
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TO A QUESTION ABOUT "CONFUSED" STATEMENTS  
RECENTLY MADE BY THE AUTHORITIES ABOUT WHO AND  
WHAT FOLLOWS HIM WHEN HE LEAVES OFFICE, HE SAID  
THAT IS A MATTER TO BE DECIDED BY THE JUNTA,  
WHICH WILL INFORM THE NATION AT AN "OPPORTUNE  
MOMENT.

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ON FOREIGN AFFAIRS, HE SAID HE EXPECTS A RESUMPTION OF CONTACTS LOOKING TOWARD A SETTLEMENT OF THE BEAGLE CHANNEL DISPUTE WITH CHILE, PRESUMABLY IN ROME. THE IMPROVEMENT IN RELATIONS WITH THE UNITED STATES STEMS FROM THE COINCIDENCE OF INTERESTS IN SOLVING PROBLEMS THROUGH CLOSER COOPERATION. ASKED IF THE GOA POLICY TOWARD THE NON-ALIGNED WOULD CONTINUE, HE SAID THERE IS NOTHING TO INDICATE ARGENTINE WILL SEPARATE ITSELF FROM THAT GROUP, BUT NEITHER DOES THAT MEAN, HE SUGGESTED, THAT THE NAM LINE WILL BE FOLLOWED INFLEXIBLY BY ARGENTINA. WITH REGARD TO FOREIGN POLICY, GENERALLY, ARGENTINE INFLUENCE IN THE WORLD HAS ADVANCED.

WHILE THERE WAS MUCH DISCUSSION OF THE ECONOMIC "EMERGENCY," BESIDES SAYING THERE WERE SIGNS OF AN UPTURN, HE DID NOT PRODUCE SIGNIFICANT NEWS BEYOND ACKNOWLEDGING PUBLIC SPENDING HAD LIMITED OFFICIAL USE  
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NOT BEEN REDUCED. OFFSETTING THAT, HOWEVER, WAS THE FACT THAT THE GOVERNMENT, HE SAID, FOR THE FIRST TIME IN ANY SERIOUS OR ORGANIZED FASHION, IS ACTIVELY SEEKING TO TURN STATE-OWNED BUSINESS ENTERPRISES OVER TO PRIVATE HANDS.

HE RESPONDED AT LENGTH AND DEFENSIVELY TO SUGGESTIONS THAT THE JUNTA'S REQUEST THAT HE APPEAR AND DISCUSS PROPOSALS FOR CONDUCT OF THE GOVERNMENT UNTIL 1984, A MEETING NOW SCHEDULED FOR OCTOBER 12, WAS ANYTHING OUT OF THE ORDINARY. HE SAID PRESIDENT VIDELA WAS CALLED UPON FOR SUCH A PREVIEW AND ACCOUNTING, EVEN

AFTER LEAVING OFFICE LAST APRIL. HE ALSO DEFENDED HIS ADMINISTRATION FOR PERCEIVED SLOWNESS IN DECISION-MAKING AND ACTION. SIGNIFICANT ACTIONS REQUIRE CONSULTATIONS WITH THE JUNTA AND THE SECTORS AFFECTED, HE SAID.

6. IN THE SHARPEST PUBLIC QUESTIONING IN RECENT MEMORY OF A PRESIDENT ON THE TOUCHY QUESTION OF PERSONS WHO DISAPPEARED IN THE VIOLENCE OF THE 1970S, VIOLA AGAIN SEEMED DEFENSIVE. HE HAD MET SEPTEMBER 30 WITH THE WIFE OF FORMER ARGENTINE AMBASSADOR TO VENEZUELA, HIDALGO SOLA, WHO DISAPPEARED IN BUENOS AIRES IN 1977, AND IN ANSWER TO A QUESTION CONFIRMED HER CLAIM THAT HE HAD PROMISED AN INVESTIGATION OF THE MATTER. THE ESSENTIAL POINT OF THE QUESTIONING WAS WHETHER HIS ADMINISTRATION WOULD INVESTIGATE CASES OF OTHERS WHO DISAPPEARED. FIRST, VIOLA NOTED THAT HIDALGO SOLA WAS ASSOCIATED WITH THE PRESENT GOVERNMENT, AND HIS DISAPPEARANCE COULD NOT BE IMPUTED EITHER TO THE GOVERNMENT OR TO THE ARMED FORCES. REGARDING OTHER CASES, WHILE HE WAS SYMPATHETIC WITH LIMITED OFFICIAL USE LIMITED OFFICIAL USE

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FAMILIES IN SIMILAR CONDITIONS, HE INDICATED HE WOULD NOT MEET WITH THOSE WHO HE SUGGESTED LEND THEMSELVES TO POLITICAL OBJECTIVES "OPPOSED TO THE NATIONAL INTEREST."

8. COMMENT: WHILE VIOLA MADE LITTLE NEWS, HE SEEMED TO RESPOND TO QUESTIONS EASILY BEFORE CAMERAS AND MICROPHONES. HE ALSO APPEARED ON THE DEFENSIVE, PARTICULARLY WHEN PRESSED ABOUT HIS INDEPENDENCE FROM THE JUNTA AND THE APATHY OF THE PUBLIC WITH HIS GOVERNMENT'S PERFORMANCE. YET, HE HAD THE SELF-CONFIDENCE, WHICH HE HAS NOT DEMONSTRATED IN PREVIOUS CAREFULLY CONTROLLED ENCOUNTERS, TO MEET THE MEDIA ON ITS OWN TURF.

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