CONFIDENTIAL



MEMORANDUM OF CONVERSATION

DATE:

December 5, 1978

PARTICIPANTS.

Carlos Fernandez of Conviccion and

APAO John Corr

SUBJECT:

The Beagle Situation, Timerman,

USSR Influence in Argentina

PLACE:

American Club, Buenos Aires

Fernandez said.

There would be no major Army command changes (and probably no major Air Force or Navy command changes) until the Beagle situation has been settled.

The Government has "suggested" to the press that the Beagle situation be downplayed until the Argentine and Chilean foreign ministers meet December 12. There are rumors that the Argentines will seize one of the disputed islands the day before the December 12 meeting.

General Bignone has said that there is nothing to the reports that Timerman will be released. (Comment: there is some doubt as to whether Timerman wants to be released now. La Opinion, for all practical purposes, is being run by Timerman's long-time aide there, the newspaper's principal accountant. The Army apparently has decided that an interventor is not needed at La Opinion.

An export firm headed by a pro-Soviet Argentine by the name of Monzon is exporting "strategic material" acid manufactured by Fabricaciones Militares to East Germany.

There is a rumor that munitions shipment recently arrived from Hungary.

The local Tass man frequently visits Ricardo Camara of Conviccion.

AMB DCM POL DAO

INR RAR

POL R SY ARA ECA USICA AR INR OIL Approved for Release: 2018/10/01 C06626848

- Copy of letter written to the following senators and congressmen:

Jacob Javits; Abraham Ribicoff; Dante Fascell; Lago Marino; Gus Yaton; Ben Gilman; Silvio Conde.