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BRITISH EMBASSY,
BUENOS AIRES.

11 February, 1982

The Right Honourable
The Lord Carrington PC KC MG MC MF
etc etc etc

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INDEX	FILE	ACTION TAKEN

My Lord

THE ARGENTINE ARMED FORCES IN 1981

The enclosed succinct report on the Argentine Armed Forces in 1981 by my Defence, Military and Air Attaché, Colonel Stephen Love, with appropriate contributions by my Naval Attaché, Captain Julian Mitchell RN, leads me to make three points:

- a. the Argentine Armed Forces provide a significant military capability within their own area. They are neither purely decorative nor designed primarily for the enrichment of their commanders. As our own capabilities outside the NATO area become more restricted, the potential challenge of a force of this kind requires increasingly careful consideration;
- b. in the senior ranks of the Argentine Navy and Air Force, though less in the Argentine Army, there has been a tradition of working with - and linking - British equipment and resulting British

/contacts,



contacts, both civilian and military. Partly from political reluctance, but more from our lack of capacity to supply competitively, we are unlikely to maintain this tradition into the next generation of senior officers. The concomitant decrease in contact will be of significance to the extent that senior officers in this country have a voice both in political decisions affecting the United Kingdom and in hemispheric defence concepts which we consider of concern to us;

c. there is a growing disparity between the care and attention being given to the Argentine Armed Forces by the Armed Forces of the United States and of the United Kingdom. Insofar as the Americans can be considered our friendly surrogates in the New World, this has a certain neatness of economy. But clearly there are risks, where US priorities differ from our own.

I am

My Lord

Yours faithfully

Anthony Williams

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DEFENCE ATTACHE'S REPORT - ARGENTINA DECEMBER 1981

The Internal Scene

1. The Government of Ex President Roberto Viola. President Viola and his new 13 strong Cabinet, larger by three than its predecessor and appointed with great deliberation at the start of the year, finally took office on 29 March and with a marked lack of occasion the Videla administration left the stage. Over the next eight months the effects of the country's rapidly deepening economic crisis made themselves felt and the peso was devalued three times ending the year worth only a fifth of its January 81 dollar value. The indecisiveness of the Government attracted a growing storm of public criticism, and considerable dissatisfaction within the Armed Services themselves, and stories of disagreement between Junta and President persisted. When the ailing Viola was ordered to rest by his doctors on 21 November the Junta appointed the Minister of the Interior General Liendo as "Presidente Interino". Following intense activity within Military and governmental circles (which coincided with the annual reshuffle in the Armed Forces) the Junta finally announced that "for reasons of state" General Galtieri would assume the Presidency from 22 December whilst retaining his post as Army C in C till his due date in September 82. To give time for the selection of the new team Admiral Lacoste was appointed as the new Presidente Interino in place of Liendo who resigned on 11 December. The General public demonstrated a rather remarkable indifference to all of this and an impressive resilience in the face of a rate of inflation of 150%, a recession which has caused considerable unemployment (officially admitted to be 5% of the "capable of working" but claimed by Union sources to be double) and many bankruptcies. Although there have been some worker demonstrations and the crime rate has understandably increased somewhat there has been no sign of any large scale civil unrest nor certainly any hint of a general breakdown of law and order.
2. The Government of President Leopoldo Fortunato Galtieri. The second new Cabinet of the year announced just before Christmas is once again smaller, and especially in the key ministries of Economy (Dr Roberto Alemann), Interior (General Saint Jean) and Foreign Affairs (Dr Nicanor Costa Méndez) brings to office men of proven reputation. The new President's inaugural speech was notably forthright and avoided the loud rhetoric for which to date he has been noted. He takes office with not only a new Cabinet but also with two new Junta members : Admiral Jorge Anaya (new C in C Navy) and Brigadier Basilio Lami Dozo (new C in C Air Force). As the former is said to be an ex classmate and particular friend of the President we can perhaps look for an increase in Navy influence in the conduct of affairs (and possibly less in-fighting between the two major Services?). Politically therefore although the "Proceso" and its military authors, have taken much punishment over the year Argentina ends it on a note of hope. Although the economy (say some) is in worse trouble than ever, and of course no progress whatever has been made towards restoring the democratic political system, despite most old

problems being no nearer solution in foreign affairs (see below), some firm measures are now expected from a respected team. It will probably be the cohesion between its members upon which the immediate future will depend : despite his resolute and unflappable image the new President has not always himself displayed the best judgment - (e.g. selection procedure of Ex President Viola in late 1980 - see my 1980 Report - and the Chilean border closure in June 1981 - see below).

3. Subversive Activity. Although the level of activity has again been very low there has been evidence of efforts by the Montoneros to stage a modest comeback. We have had reports of illegal entry of known terrorists from Bolivia and some TV programmes have again been interrupted by Montonero broadcasts. However the pattern has been sporadic and no impetus seems to have been maintained. Student and worker demonstrations have been few and non violent and have been met by markedly low-key law enforcement particularly in the Capital.
4. Human Rights. Despite an official denial in Buenos Aires a rumour circulated that as a result of American pressure during Galtieri's second visit to the USA in November, the Military were preparing a list of the "desaparecidos". The speculation was that its publishing would form part of a wider deal involving the repeal of the Humphrey/Kennedy amendment on arms sales. However the Amendment was repealed on 17 November and since, as recorded, Galtieri assumed office on 22 December, nothing more has been heard. The weekly silent marches of the Mothers of the Plaza de Mayo continue.

Foreign Relations

5. With the USA. Radically affecting the course of domestic as well as foreign affairs has been the year long flirtation between the USA and Argentina. The initiative appeared to be taken by Washington at the start of the year and was maintained throughout its course by a succession of senior US visitors. As things have turned out the most significant of these was the visit of Army CoS General Meyer who, whilst in Argentina in April, invited Galtieri, himself a one time Engineer officer student at Fort Belvoir, to go to the USA in August. The US Embassy say that the two men genuinely took a liking to one another and the link was further strengthened during a second visit to Washington at the end of October when Galtieri attended the Inter American Army C's in C Conference. Considerably helped it seems by the Argentine Military Attaché (Gil an ex West Point roommate of Meyer) he met many of the influential in Washington and received an exceptionally good press over which the US Embassy here privately admit to some embarrassment. To date it is hard to detect any great advantage gained through this courtship by Washington : certainly Galtieri's inaugural speech included the commitment of Argentina to the Western World : it is also said that a further coup in Bolivia which would have been unpopular in the US was averted as a result of the good offices of Argentina (Chief of Staff Vaquero, ex Attaché in Bolivia, visited La Paz in

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April) but might we yet see some Argentines in Sinai, some public reference to Argentine advisers in San Salvador or some more formal agreement in the policing of the South Atlantic?

6. With Chile. It is known that the US have tried to encourage the two sides to reach a settlement over the Beagle Channel dispute. In Buenos Aires work has continued in camera over the year on Argentina's reply to the Pope's mediation proposal (probably dealing mainly with arrangements for the control of the "Sea of Peace") and this was finally delivered on 7 December. We do not know its contents but suspect its terms might be softer than the original reaction might have led us to expect. Despite this, tension was raised when Chile captured two Argentine officers and their wives for alleged spying on 28 April and without hesitation (or consultation) in the early hours of the following day the Argentine Army C in C Galtieri closed the International land frontier, deploying troops to each border crossing to prevent movement. The situation was returned to normal after both sides finally responded to the Vatican's proposal for the exchange of all prisoners held by each country and the frontier was reopened on 11 June. Meanwhile claims and counter claims of air and sea infringements in the south continue and the military focus remains firmly on Chile as "the enemy" in all plans and training for war. The main danger continues to be the kind of unilateral action of a frustrated (Army or Navy?) Commander such as that described above.
7. With the United Kingdom. The Argentine press reports of the September meeting of the Argentine and British Foreign Ministers in New York on the Falkland Islands claimed that the UK had agreed the status quo could not be maintained. This was hailed as a diplomatic breakthrough and much optimism was encouraged. However as we understand no significant change in approach is likely to follow the recent Islanders' elections and as the new President is a known hard-liner on sovereignty issues there seems to be no tangible reasons for optimism. It would, however, be quite wrong to suggest that any hostility is apparent in our day to day dealings with the Argentines. Impatience over the fundamental issue of the Islands is often expressed by the media and in military speeches, but, particularly amongst the Armed Forces, the present firm policies of HMG in the face of what are seen here as some very familiar sounding problems in UK bring us nothing but cudos.
8. Visits. It is appropriate to record in this Section the more important defence orientated visits to and from Argentina during 1981:

To Argentina

US "Roving Ambassador" General (R) Vernon Walters	Feb
US Army CoS General Meyer,	Apr
Brazilian Army Minister General Walter Pires	Apr
C in C Peruvian Army	May
CINSLANT. Admiral Train	May

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US General (R) Westmoreland	Aug
C in C Venezuelan Air Force	Sep
US Special Advisor on Latin America General (R) Summer	Sep
Commander US Southern Region General Nutting	Oct
Assistant Chinese Chief of Army Staff Chi Haotian	Oct
US Security Advisor Vice Admiral Sigley	Nov
US ex Foreign Minister Dr Kissinger	Dec

From Argentina

Army CoS Vaquero to Guatemala and Bolivia	Apr
Air Force C in C Graffigna to USA (Inter American C's in C Conference)	May
Army C in C Galtieri to USA (Guest of US Counterpart)	Aug
Army ACoS Ops Menendez to Brazil	Aug
Army C in C Galtieri to Brazil	Sep
Army C in C Galtieri to USA (Inter American C's in C Conference)	Oct

The Professional Military Scene

9. The Money. The published budget for the Armed Forces for 1981 was as follows:

Service	<u>US\$ m</u>	<u>% of National Budget</u>	<u>% increase on 1980</u>
Army	2,083	7.1	+ 0.3
Navy	1,235	4.2	
Air Force	1,243	4.2	+ 0.3
Defence			
General	<u>541</u>	<u>1.8</u>	<u>+ 0.1</u>
Total			
Defence	<u>5,102</u>	<u>17.3</u>	<u>+ 0.7</u>

These figures must, of course, be interpreted with extreme caution as they were arrived at by applying the dollar exchange rate for March - the date of publication. Before the end of the year if kept in local currency they would have been worth about half. Possibly the only significant points to note are:

- a. The admitted high percentage of the national budget (17.3%) allocated to Defence (the actual figure will almost certainly have been higher).
- b. The relative growth of the Army and Air Force slice as compared to a constant Navy one.

The only other relevant figure we can quote is the published sum of US\$ 1,542 m spent on arms by the Argentine Armed Forces in 1980: it might therefore be possible to speculate on a figure in excess of this having been spent in 1981: newspaper reports, probably exaggerated, vary anywhere from US\$ 4,000 m to US\$ 8,000 m.

10. Equipment. Despite the severe economic situation which has prevailed, Argentina has continued to improve her armoury over the

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year. Those responsible state that the money for foreign purchases had long been voted and had been invested abroad over the years. One feels bound to comment that such forward planning is not usual (with the possible exception of the Navy) and that criticism of military extravagance resulting from an ad hoc policy is probably on the whole well justified. Notable milestones in the equipment field over the year have been:

- a. Army. The purchase of 47 Panzerjaegeres from Austria.
The purchase of prototype Seviem Armoured Reconnaissance Vehicles from France.
The achievement of an approximate total of 140 TAM tanks and 100 VGTP Armoured Personnel carriers from the domestic assembly line.
- b. Navy. The receipt of the Corvette "Granville" from France.
The receipt of 6 Super Entendard from France
The order for 36 Panhard ERC Armoured cars for the Marines from France
- c. Air Force. The receipt of 11 more Daggers (from Israel)
The acquisition of 4 more F 27's
The contract signed for 2 more Canberras
The successful test firing of a suborbital camera carrying rocket
The achievement of 65 Pucar  from F brica Militar de Aviones.

In the year ahead despite much reduced expenditure we might expect to hear the Army talking of improving its artillery capability (with particular reference to Air Defence), the Navy continuing with its modernization programme and the Air Force signing the long awaited contract for the Air Defence/ATC scheme and examining Vulcan, Tornado (they note Indian enquiries with interest) A7 and F5G to equip the Force of the future. We might also get a first sight of the IA 63 trainer taking shape at C rdoba.

11. Organization. At the end of the year the Army assigned commander and staff to the new IV Corps HQ which is to form in January 82 at Santa Rosa, La Pampa. This will be at the expense of III Corps in the North West and V Corps in the South whilst HQ V Corps moves to Tandil. A more manageable command structure will ultimately result but at a cost of operational effectiveness which is undoubtedly ~~being felt~~ during the current reorganization phase. Under the leadership of the new and professional C in C, Anaya, the Navy are cutting down the numbers of senior ranks and appointing more junior officers to command jobs. The most significant restructuring of the year however has been completed by the Air Force who have formed a new Air Brigade at Rio Gallegos from fighter/interceptor Mirage assets in VI and VIII Brigades.

12. Fitness for War. If nothing else, some winter field experience was gained in the Cordillera by III and V Corps during the frontier closure from the end of April to early June. The usual Corps exercises were held in October-November and we had reports of more damage being done to farmland than usual in the South. Nonetheless since attachés are not invited to view exercises there is little evidence from which to judge unit effectiveness: US observers were, however, impressed by an armoured Fire and Movement demonstration by a TAM Equipped unit given to visiting Chief of Army Staff Meyer in April. The Navy carried out its customary manoeuvres in particular demonstrating an ability to keep the Chileans alert in the Southern Area. The Air Force staged what for them was the first two-sided air exercise ever: they also supported both III and V Corps' ground exercises for the second year running. All told one gets a picture of a very alert national defence trying to make up in enthusiasm what it lacks in modern equipment and skill. Whilst one can only guess at its overall effectiveness if called upon to fight, it is certain that its capability will continue to increase year by year. The speed of the process will largely depend upon the money.

13. Public Relations. Apart from attending to its operational capability the Army also began to take PR seriously in 1981. From very many indications (Garrison commanders in the interior talking to farmers and businessmen: pressmen being invited to attend military PR courses: enquiries on how other armies did it) it is clear that a directive was issued, probably by the C in C, and given high priority over the year.

Nuclear

14. Argentina has continued ambitious as ever in the technical nuclear field. During the year she purchased five tons of Heavy Water from the Russians and also announced publicly that she is studying a general nuclear technology assistance agreement with the USSR. She will shortly be reprocessing nuclear fuel herself and states that she is prepared to export her knowhow to others. She boasts that she could produce a weapon within three years of a decision to proceed although, of course, an ability to produce an explosive device (what she probably means) must not be equated to the potential for manufacturing a warhead in a militarily usable form.

UK Defence Sales Record and Prospects.

15. 1981. The main achievement during the year was the signing of the contract by British Aerospace to provide two more Canberra aircraft for the Air Force (9.9 m pounds). British Aerospace are also undertaking some repair and renovation work on the existing Canberra fleet. The Air Force originally talked of purchasing up to nine, but this prospect died as they and British

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Aerospace found they could not find common ground on price and delivery dates. Hopes also ran high in April when the Army sent a delegation to visit Vickers and Lairds to discuss a possible order for the Vickers MGT and Centaur Half Track. However they finally bought the 47 Austrian Panzerjaegers (which were immediately available) instead. Many other more modest projects were pursued during the year which have been covered in periodic summaries; although some are still live subjects none has yet resulted in a contract being signed. In the Argentine military view although the UK is still a useful source of comparative information and a potential supplier to be invited to quote, she is in general regarded as slow and expensive. However we have a useful team of representatives here in Buenos Aires who have worked hard and intelligently on behalf of UK firms over the year.

16. The Future. It would be hard to be optimistic over our chances during the coming year. The new President has pledged that the Armed Forces will take their share of the necessary economies to which the Government is committed and the US say they have been told that despite the recent repeal of the Humphrey/Kennedy Amendment the Argentines do not plan to place any large orders. Galtieri has said "spares and ammunition only", but of course this is not the full story. Funds have already been set aside for the ongoing Naval Modernization programme, for the Air Force ATC/Air Defence System and for the (perhaps modified) proving range scheme. UK involvement in the first is assured and Marconi Radar and MSDS respectively are currently deeply involved in making bids for the latter two projects. We may also find ourselves getting into discussions with the Air Force over longer range plans for the equipment of their bomber fleet to which their current team of senior officers appear committed. In this connection it would be sound business to be prepared to talk about possibilities of Vulcan and Tornado - both of which they have shown an interest in discussing. Finally it is probably relevant to stress the increasingly important role of Fabricaciones Militares and Fábrica Militar de Aviones in the field of domestic production. In particular the recent series of advertisements in the "International Defence Review" and "Military Technology" magazines for small arms, recoilless rifles and the home produced L33 155 mm gun tell their own story.

Summary.

17. A year in which Argentina experienced the removal of the ineffective Viola Government and a devaluation of the Peso to a fifth of its January 81 dollar value ended on a note of expectancy as the Army C in C Galtieri assumed the Presidency. US-Argentine relations improved greatly and the ban on arms sales was finally lifted. Despite the serious economic crisis the Armed Forces have bought abroad and, with the unresolved Seagle dispute still the spur, improved their organization and domestic production and continued their training. The internal situation is stable with

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the Army seeking to improve its image but there are obvious dangers. Externally vis á vis Chile the main risk is of the escalation of the actions of a frustrated Commander as occurred in the winter when Galtieri closed the border. Although there is no room for optimism over the Falkland Island issue the UK is still held in esteem. British Aerospace concluded a 9.9 m pound contract with the Air Force but we failed to break new ground on Defence Sales. Although Argentina will probably spend far less on the Armed Forces in 1982 some funds have already been allotted to projects in which the UK has an interest. The impetus in the nuclear programme has been maintained.

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to the Annual
Report on the
Argentine Armed
Forces 1981.

THE ARGENTINE ARMY DECEMBER 1981

Politics and the Army Leadership

1. Much of the impetus which resulted in the Army C in C seizing the Presidency in December 81 came from discontent among senior Army officers at the ineffectiveness of the Viola Government. From a military standpoint Galtieri might well have wished that he could have got the Top Job earlier in the year when he could have taken the new circumstance into account in the promotions and appointments list : he might for reasons of continuity - as well as his own retirement date (Sept 82) - have wished to make it a little later on : but in the event things came to a head at the beginning of December and he had to act when the annual military reshuffle was already well under way.

2. Accordingly the lists had to be modified almost as they were being written resulting in a line-up which could hardly have been predicted a few months ago. In particular the senior C of S Vaquero now continues somewhat reluctantly to mind the shop in Army HQ for a further year whilst his Chief spends his time across the road in the Casa Rosada - but some very able soldiers such as Sussi, Villarreal and Signone rather surprisingly go out to grass. General Cristino Nicolaidis who has now moved to replace Sussi in I Corps is thus favourite to succeed to the C in C post at the end of 1982.

3. The finally approved key appointments of possible interest to the UK and compared to the 1981 list are set out at Appendix 1.

4. Galtieri did much to enhance his personal image by his contribution to the fence mending with the USA over the year. The visit of US COAS Meyer particularly found a ready response in the Argentine C in C and prompted a return visit. The much improved relations and ending of the US arms embargo apparently owe much to him personally and the close link which it seems he established with his US counterpart.

5. On the debit side must be put his decision to close the land frontier with Chile in April in retaliation for the Chileans' capture of two alleged Argentine military spies. This single Service initiative known to have angered his Junta colleagues could have had more severe consequences had not its disadvantage to Argentina made an acceptance of the Pope's formula for the reopening so attractive (particularly in the South no Chilean labour could get to work in the Rio Turbio coalmines nor any ferry operate to Tierra del Fuego).

6. The Army has meanwhile suffered the economic crisis to date with few wounds (see paragraph 9 "Equipment", below), has initiated a Public Relations campaign to improve its image within the country and has continued about its military business.

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Military Affairs

7. Threat. The Ground Threat is perceived to be posed by the Chilean Army from without and by a possible resurgence of Marxist terrorism within. Although there is no evidence of this latter regaining strength some isolated incidents continue to justify military preparedness. The visitor must also be ready to receive briefings to the point of tedium on the great lessons Argentina can teach the World on terrorist origins and methods.
8. ORBAT. The Army strength of 85,000 (plus Gendarmeria) has been maintained constant over the year although a reallocation of existing assets is taking place to fill the new IV Corps (in La Pampa) which forms in 1982. This latter is a logical step which will improve the geographical division of responsibility in the country although the speed of implementation, and with it of course operational efficiency, will probably suffer as a result of the economy measures.
9. Equipment. The main additions to the inventory have been to the Armoured units. The reequipment of some AMX 13 and Sherman M4 regiments with the home assembled Marder based TAM have continued and a further purchase of 47 Panzerjaegers represented the largest Army buy from abroad during the year. It is hard to see how these can be employed in the same role as was intended for the Vickers MBT (said to have been to fill a new Armoured Reconnaissance Unit in the South) which they turned down when they bought the Austrian system. Certainly the armoured force whilst now possessing more new equipment than ever before is light on protection. There is also still no new armoured car in service - a fact that is well realized and which is reflected in the acquisition of some French prototypes upon which up till recently it is probably their intention to buy a licence for home production (this may now have to wait a more favourable economic situation). Production of the TAM related Argentine APC (VCTP) and its associated Mortar Carrier have also continued and infantry units in Buenos Aires Province are being equipped with them. A Command Post vehicle of the same family is also in the early stages of design. Aviation, Engineer and Signals can each boast their share of modern equipment but the Artillery, particularly in Air Defence, is the poor (and aging) relation. There is also no medium range ATGW in service and efforts to rectify this through home design have not to date proved successful. The economic crisis is meanwhile causing the Leadership to take a long hard look at military reequipment programmes. In particular we can expect to see much reduced purchases abroad coupled with an aggressive search for overseas markets for the considerable output of Fabricaciones Militares.
10. Fitness for War. This is the difficult area where with such limited access and evidence one has to speculate widely. On the credit side when the Army closed the Chilean border and kept it shut for over a month troops were maintained out of barracks in

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unpleasant conditions in mid winter and did the job required of them: the Army also trained in the field extensively as ever in their annual end of year spring manoeuvres. My US colleagues were impressed with an armoured F and M demonstration laid on for their visiting COAS General Meyer. However as one meets and talks with officers and soldiers in their offices and barracks both in the Capital and the interior one feels that in addition to the equipment problems mentioned above their weakness would probably lie in the almost total lack of initiative allowed to subordinates and - in a slightly different vein - in the increasingly important field of unit maintenance.

Links with UK

11. Adventurous Training Exercise Cerro Galan. It is worth recording that the logistic support for this joint Anglo-Argentine Scientific Expedition to the 4,500 m extinct Andean Cerro Galan Volcano was provided half by a 10 strong team from REME and half by the Argentine Army. Running from October 81 to January 82 this exercise was the first occasion that members of the two Armies have worked together.

12. An Argentine Army Major attended the 1901 Camberley Staff Course. Mayor Buitrago has returned to the post of MA to Chief of Staff.

Summary

13. The part played by the Army in the end of year change of Government inevitably caused turbulence and some surprises in the list of new senior military appointments. C in C Galtieri played a direct role in the field of foreign relations vis a vis the USA and (perhaps less successfully) in the Chilean border closures. Professionally the Army has continued to increase its potential, particularly in armour, and demonstrated an ability to deploy on the Chilean border at short notice. The lack of a modern Armoured car, AD artillery and ATGW - as well as some other less tangible factors - would probably affect their fitness for war. British Troops took part in an adventurous training exercise in Argentina and an Argentine officer attended Camberley.

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Appendix 1 to
Annex A.ARGENTINE ARMY SENIOR OFFICER APPOINTMENTS, PROMOTIONS AND RETIREMENTS DECEMBER 81 OF POSSIBLE
INTEREST TO UKWithin the Army Chain of Command:

<u>POST</u>	<u>RANK</u>	<u>1981</u>	<u>1982</u>	<u>REMARKS</u>
C in C	Tte. Gral	Galtieri	Galtieri	
C of S	Gral. de Div.	Vaquero	Vaquero	
Secretary General	Gral. de Div.	Saint Jean	(no appointment)	Saint Jean moves to Interior
A CoS G 2	Gral. de Brig	Valin +	Sotera	Ex Asst. Sec.Gen.
G 3	Gral. de Brig	Menéndez	Menéndez	Iglesias moves to Casa Rosada as Sec Gen to Presidency
G 4	Gral. de Brig	Guañabens Perelló*	Espósito	together with C in C
Comd. Artillery	Gral. de Brig	Meli	Meli	New appointee
" Engineers	Gral. de Brig	Espósito	Castelli	replaces Iglesias
" Signals	Gral. de Brig	Sánchez Avalos (as Colonel)	Sánchez Avalos *	as Asst Sec. Gen.
" Aviation	Colonel	del Valle Arce	del Valle Arce	
" Arsenales	Gral. de Brig	Chillo	Chillo	
" Ordnance	Gral. de Brig	Nuñez	Nuñez	
" Institutos Militares (DGMI)	Gral. de Div	Bignone +	Calvi*	
" I Corps	Gral. de Div	Bussi +	Nicolaides	
" II Corps	Gral. de Div	Trimarco	Trimarco	
" III Corps	Gral. de Div	Nicolaides	Guañabens Perelló*	
" IV Corps	Gral. de Div.	-	Llamil Reston	New Command
" V Corps	Gral. de Div.	Villarreal +	García *	

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ARGENTINE ARMY SENIOR OFFICER APPOINTMENTS, PROMOTIONS AND RETIREMENTS DECEMBER 01 OF POSSIBLE
INTEREST TO UK (CONT'D)

Outside the Army Chain of Command:

<u>POST</u>	<u>RANK</u>	<u>1981</u>	<u>1982</u>	<u>REMARKS</u>
Minister of the Interior	Gral. de Div	Liendo +	Saint Jean	
Director Gral. Fabricaciones Militares	Gral. de Div	Crespi +	Varela Ortiz *	
Secretary Gen. to Presidency	Gral. de Brig	Martella *	Iglesias	
Director Gendarmeria	Gral. de Brig	Garcia *	Raúl José Ortiz	
Federal Police	Gral. de Div	Sassiañ +	Martella *	
Escuela de Defensa Nacional	Gral. de Brig	Martinez Quiroga	Martinez Quiroga	
ACOS Ops Joint Staff	Gral. de Brig	-	Teófilo Saa *	Rotational Post

(* Denotes Dec 01 Promotion)

(+ Denotes Dec 01 Retirement)

ANNEX B

To the Annual Report
on the Argentine
Armed Forces 1981.

To follow later.

to the Annual
Report on the
Argentine Armed
Forces 1981.

THE ARGENTINE AIR FORCE DECEMBER 1981

The leadership

1. Brigadier General Lami Dozo took over as C in C from Brigadier General Graffigna in December and Brigadier Mayor Mariani (the ex CoS and rival contender for the leadership) retired.

2. Basilio Lami Dozo is an extremely polished operator who has held all the key posts of Training, Secretary General (involving him in the Papal Mediation over the Beagle Channel issue) and most recently Air Operations - although we understand he may have made some enemies on the way. He is the first "home produced" Air Force Academy officer to be appointed C in C.

3. His predecessor who was in the chair up to and including the time of the relief of the Viola Government was thus a member of the Junta responsible for removing the ex President from office. Regarded as a sensible, clever and exceptionally hardworking man his counsel will be missed and I should guess we will see him resurface in some capacity before long.

4. In general in their top echelons now serve capable and pleasant men (see Appendix 1 for appointments list), markedly free of the unattractive Argentine arrogance which often characterizes their Army counterparts.

Links with UK.

5. The current team of Star officers will be amongst the last to have had experience with the British equipment (Meteor, Mosquito, Lincoln, Valletta, Bristol Freighter etc. etc.) which currently fills their museum.

6. Although the Air Force has now turned down vacancies at Bracknell two years running "for reasons of economy" I believe a further offer for 1983 might well be accepted and, given our common interest in Antarctica, as well as theirs in our equipment, could be of mutual benefit.

The Force.

5. Organization. A new X Air Brigade has been formed at Rio Gallegos during the year and has taken under command an unknown number of Mirage aircraft from VI and VIII Brigades. This reorganization has not been announced in the Press nor does reference to it appear in new staff lists. It is a logical development, given the continued topicality of the Beagle Channel issue and although offensive air operations against the Falkland

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Islands would hardly be a realistic or necessary option for the Argentine Air Force, we should bear in mind that this is the mainland airfield nearest to the Colony. Show of force, ship harassment or reconnaissance sorties could all be flown by the new Brigade at very short notice.

6. Equipment, The following foreign purchases have been made during the year:

11 Daggers from Israel (Total now 37)
4 F 20

A contract has also been signed with British Aerospace for 2 more (replacement) Canberras - to be delivered in 1983 - and for some refurbishing to be completed on the existing fleet. The Argentine Fábrica Militar de Aviones in Córdoba has achieved its 65th IA 58 Pucará, has sold 4 to Uruguay and is still actively pursuing other market outlets. The factory is also busy with the design of IA 63 - the new jet trainer venture being undertaken with Dornier of Germany. A sub orbital camera carrying rocket said to have been based on an old British "Skylark" design has also been successfully test fired, although no mention has been made of this by any of the media. Finally tenders have been invited through the project managers, Systems Development Corporation (SDC), of California for the proposed new ATC/AD System in which Marconi are interested : decisions are expected in early 82.

7. The Future. The lifting of the US Arms Embargo in November will mean that badly needed spares will now be available for the A 4 fleet and budget economies which will probably be necessary next year may also cause them to take longer over the phasing out than they had wished. If a recent request for a proposal for an A 4 Simulator from Radiffusion is anything to go by this aging fighter may still be around for a long time yet. The Americans say the A7 and F5G are being studied as long term replacements : we know that the planners are watching Tornado's fortunes and we would expect the Air Attaché in London to show interest in visiting Cottesmore. We have also received enquiries on Vulcan whose range and payload are attractive to the Argentines given the geography of their Western neighbour and what they see as a definite future role - the protection of Antarctica 3,000 miles from Buenos Aires.

8. Fitness For War. For the first time ever in October the Air Force carried out a two-sided exercise in which the two forces vied with one another to attain air supremacy over a given area. Little is known of the control or umpiring methods used or the validity of the results obtained. They nonetheless demonstrated an ability to deploy to and operate from a total of 16 airfields concurrently. Likewise little data is available on hours or equipment reliability. Their LADE Service (Air Force

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operated civil airline serving unprofitable routes) has kept its good record : their accident figures have seemingly been low : and in the long overflight by KC 130 over the Falklands, South Georgia and Sandwich Islands in April they demonstrated their capability of planning and executing a flag showing trip far away from home in difficult conditions. They also kept up their Antarctic experience with C 130 and C 47 helicopters which are maintained at their bases there. Flying with the Argentine Air Force one generally finds a high degree of pilot skill overcoming chronic equipment weakness and a lack of modern aids. Their younger officers are especially highly motivated and military in bearing. Despite their technical problems they would make dangerous enemies.

Summary.

9. Lami Dozo inherits a generally well led Air Force, the top echelons of which still recall RAF equipment. A new Air Bde has formed in the South handy for the Beagle channel and opposite the Falklands. They have bought some new Daggers and F 28 and ordered 2 replacement Canberras : there is interest in A 7, F 4 G, Vulcan and Tornado. Their performance, despite equipment weakness, indicates that they would make dangerous enemies.

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Appendix 1 to
Annex C.

ARGENTINE AIR FORCE SENIOR OFFICER APPOINTMENTS AND PROMOTIONS DECEMBER 81 OF POSSIBLE INTEREST
TO UK

Within the Air Force Chain of Command:

<u>POST</u>	<u>RANK</u>	<u>1981</u>	<u>1982</u>	<u>REMARKS</u>
C in C	Brig. Gral	Graffigna +	Lami Dozo *	
C of S	Brig. Maj.	Mariani +	Garcia	
Secretary General	Brig.	Guerra	Guerra *	Post upgraded to 2 star Ex Attaché London
Chief of Air Ops.	Brig. Maj.	Lami Dozo *	Weber *	
Chief of Air Regions	Brig. Maj.	Salinas +	Bañon *	
Chief of Air Defence	Brig. Maj.	Crosetto +	Hughes *	
Chief of Materiel	Brig. Maj.	Diaz	Diaz	
Chief of Instruction	Brig. Maj.	García	Plessl *	
Materiel Comd - Córdoba	Brig.	Marotta	Alvarisqueta *	
II Air Bde.	Brig.	Gutierrez	Gutierrez	Ex Attaché London

Outside the Air Force Chain of Command:

CITEFA	Brig.	(Army Post)	Marotta	
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(* Denotes December 81 promotion)

(+ " " " retirement)

THE ARGENTINE NAVY

1. 1981 has been a year in which the Navy has seen steady progress with its modernisation programme and a change of Commanders-in-Chief.
2. On the 11th September, Admiral Lambruschini stepped down from office and was replaced by Admiral Jorge I Anaya. Prior to his retirement Lambruschini indicated that he did not intend to seek a high political post but would continue the 'fight' as he put it, at a lower level, possibly working with the political party formed by his predecessor Admiral Massera.
3. Admiral Anaya is a different person to Admiral Lambruschini, more direct and quieter but no less a strong character, who has declared that the job of the Navy is to manage ships and not to be politicians. It can therefore be expected that we will see a gradual withdrawal of senior Naval officers from political posts.
4. At the same time, there can be no doubt that Anaya has very clear and straightforward ideas on how the country should be run and on his current record, I believe, one can expect to see firm action being taken in the areas such as the Beagle Channel and Malvinas which may well mean a more active and aggressive role by the Navy during the next 3 years.
5. The general economic and political scene described in the general report will place before the Navy some difficult and painful decisions which will require much heart searching if they are to produce a balanced and fully modernised fleet by the 1980's. There must therefore be a danger that the Navy may try to escalate the situation in the Beagle Channel or Malvinas, to bring pressure for a greater part of the national financial cake.

Modernisation Programme

6. During 1981 the ARA Granville, a type A 69 Corvette was delivered from France and the first of five of an order of 16 super Etendard aircraft arrived from France in November. Progress on the remaining ships on order is as follows:-

EQUIPMENT

PROGRESS

4 - MEKO 360 Frigates	2 in number launched during 1981. All building with Blom & Vgs in Germany.
6 - MEKO 140 Diesel ASW Corvettes	2 keels laid in AFNE shipyard at Rio Santiago (La Plata) where all 6 will be built.

8 - 2

- | | |
|-------------------------|---|
| 2 - 1700 ton submarines | To be built by Thyssens in Germany. One building. |
| 4 - 1400 ton submarines | To be built in the Argentine to Thyssens design in a new shipyard now finishing construction in Buenos Aires. First keel likely to be laid in 1982. |
| 6 - 900 ton CPV's | Building in Spain. |

Completion of the above programme in the mid 1980's will still leave the Navy with some notable and extremely expensive deficiencies, the main ones being:

- | | |
|---------------------|---|
| '25 de Mayo' | This ex British Aircraft carrier is now 36 years old and will need to be replaced by the end of the 1980's. |
| 'Cándido de Lasala' | This ex US landing ship is also some 36 years old and needs early replacement. |
| 'Mine sweepers' | A programme for their modernisation has been deferred but in the longer term if they are to remain effective modernisation/replacement will be necessary. |
| 'Punta Delgada' | A replacement for this ex US 1945 support ship is required. |

THE FLEET

7. The disposition of the fleet has remained the same with its 'standing forces' based in Ushuaia in the south, maintaining active and aggressive attitude and although unpublished in the press appears to take every opportunity to harass the Chilean Navy and transit disputed areas.

8. The remainder of the surface fleet, based at Puerto Belgrano, took part in the annual USN Exercise 'UNITAS' and appears to have conducted itself creditably according to reports received from the US Naval Attaché.

9. The Fleet is however subject very much to routine procedures and it was particularly noted in UNITAS that during a successful

bombardment exercise, it was necessary to break off at 1200 to allow the Argentine Navy to take their 2 hour lunch break.

10. During this year the Argentine Type 42 'Santísima Trinidad' has been in the UK undergoing sea trials and returned here at the end of the year to join her sister ship the 'Hercules'.

11. An area of weakness in the fleet is undoubtedly the current custom of changing commanding officers and a large proportion of the ship's company at the end of each year.

12. Admiral Anaya has decreed that in future commanding officers are to serve two years on board and in the bigger destroyers has reduced the level of command from Capitán de Navío to Capitán de Fragata, at the same time appointing additional squadron commanders at the Capitán de Navío level. Whether he can also manage to limit the high annual changeover of ships company at the end of the year remains to be seen.

SHIPS AND VISITORS

13. 1981 continued to see the South Atlantic as a 'poor relation' as far as RN ship visits and the only RN ship in these southern waters was HMS ENDURANCE who paid routine visits to Mar del Plata and Bahía Blanca.

14. If the forecast withdrawal of HMS ENDURANCE materialises in 1982, it is hoped that it will be possible to arrange some RN ships at an early date, since it is considered important to demonstrate to the Argentines that we have the capability to maintain an RN presence in the South Atlantic.

15. Apart from HMS Endurance, there have been visits by Russian and Spanish sailing training ships, oceanographic vessels from the Soviet Union and units of the American Fleet.

16. As far as personnel were concerned there were no visits by UK personnel and the Argentine Navy declined to send anyone to the RN Equipment Exhibition, mainly due to Admiral Anaya's policy of restricting foreign travel and attitude that it is the job of the Naval Mission to attend such functions.

17. There is, however a small but steady flow of UK sales' representatives passing through.

DEFENCE SALES

18. With the main orders now placed for the immediate modernisation of the Argentine Navy, the prospect for further UK sales could look very bleak, particularly when one takes into account the economic outlook and the shadow cast by the dispute over the Falkland Islands.

19. There are however still many opportunities for major sales and the main ones as listed in paragraph 6. Albeit, most are very much dependent on Foreign Office clearance which to date has not been forthcoming.

20. In addition there is a considerable UK involvement with 'In Service' equipments.

21. On top of this, it would appear that there are as yet untapped opportunities in the support field. Areas such as maintenance systems, trials systems etc seem obvious areas for our involvement, in the new generation of ships being acquired and a visit by International Military Services in the coming year is awaited with interest.

22. Against this optimism one must offset the possibilities of increasing competition from the USA with the removal of the Arms sale embargo imposed by the Humphrey Kennedy Act. Fortunately the Navy is now heavily committed to European purchases and the USA opportunities appear limited. It is understood that training in the USA will be one area of strong attack.

The major sales prospects are as follows:-

(a) Sea Skua for Helicopters. ARA will not place an order until system formally accepted at service by the Royal Navy.

(b) 6 in No 26M Training Launches. La Escuela Naval (Dartmouth equivalent) require 6 No 26 M training boats for navigational training. Bids are submitted by British Shipbuilders (Brooke Marine) and Cheverton.

(c) Replacement LPH/Assault ship. An early sale of HMS Intrepid or Fearless could be concluded subject to FCO clearance. *forget it*

(d) Replacement Logistic Support Ship. A sale is possible if subject to FCO clearance. "

(e) New Aircraft Carrier. A replacement will be required by the end of 1980's. The Navy have not yet started to formally study this problem but are expected to form a team this year for this purpose and a UK presentation would appear to be in order this year.

(f) Harrier. Although the Super Etendards will meet the Navy's immediate requirements, the possibilities of a Harrier sale in the mid to late 1980's should be strongly pursued.

PROMOTIONS AND RETIREMENTS.

23. The promotions and retirements of Vice and Rear Admirals are shown at Appendix A and Appendix B shows the Argentine Navy Organisation and the names of the key post holders.

24. The promotions of this year caused a minor stir in the Navy, since they were announced a month early, before Christmas and only

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9 Captains were promoted against the 15 Admirals retired.

25. This reduced number of promotions reflects Admiral Anaya's policy to reduce the size of his headquarters staff and push the decision making process down to a lower level.

26. It should however be noted that the Capitanes de Navío promoted were all from the top of the list, so that there were no retirements of Capitanes de Navío this year. (The principle being that all Capitanes de Navío senior to the most junior Contraalmirante promoted are automatically retired).

27. The following Rear Admirals were promoted to Vice Admiral at the end of 1981:-

Leopoldo Suarez del Cerro
Rodolfo Antonio Ramotti

28. The following were promoted to Rear Admiral:-

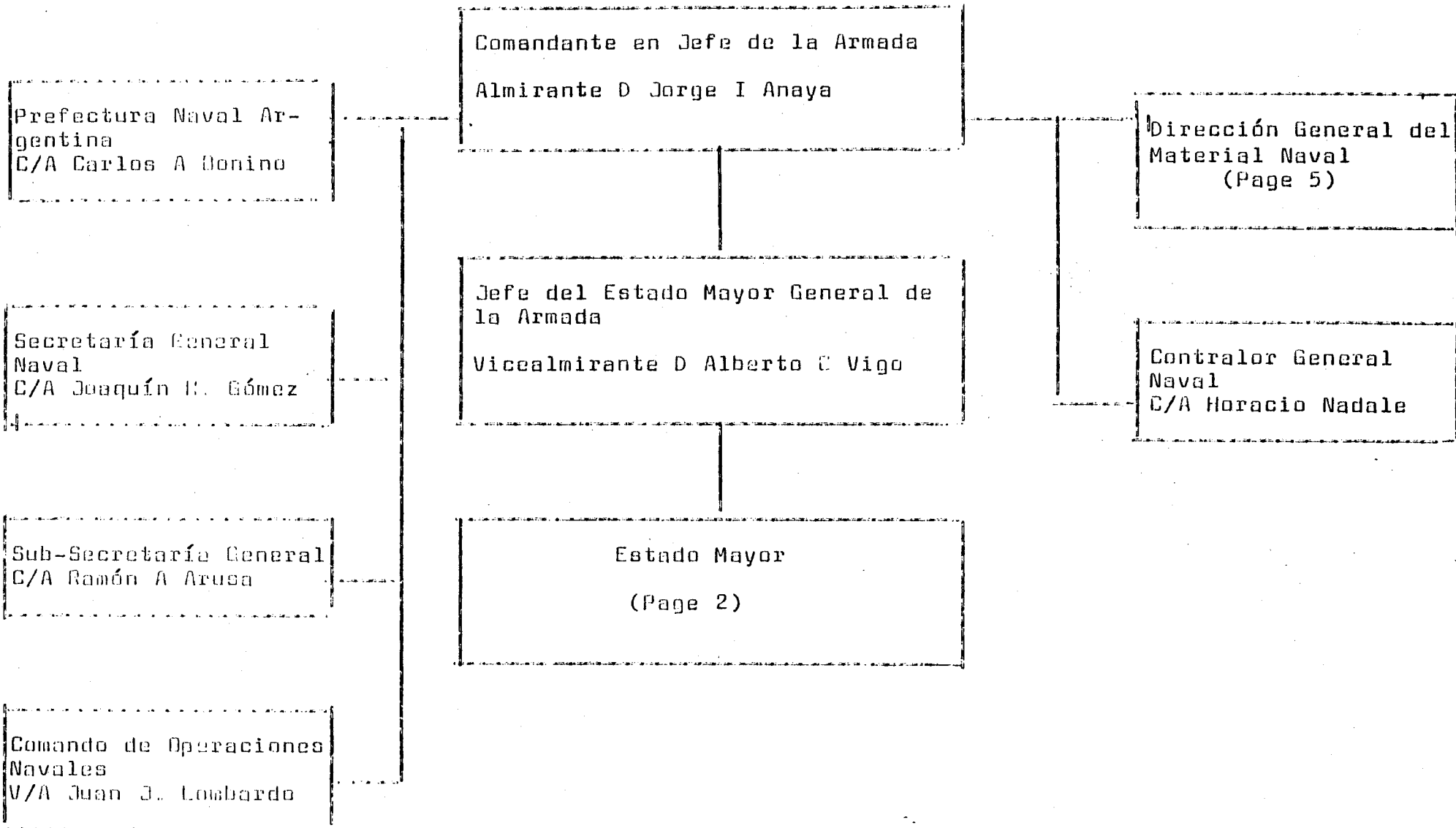
Santiago Vignale
Horacio Zaraticgui
Horacio Rodríguez
Mario Pablo Palet
Salvio Cincario Menéndez
Alberto Pedilla
Luis Enrique Tártara
Ramón Antonio Arosa
Carlos Alberto Vaihinger
Ciro García

29. The following Admirals are believed to have retired:

Vicealmirante Jorge Demetrio Casas
Vicealmirante Julio Delfor Arias
Contraalmirante Nicolás Piccaluga
Contraalmirante Juan Mario Zabalet
Contraalmirante Carlos Noé Guevara
Contraalmirante Hugo G Montagnani
Contraalmirante Luis R Collado
Contraalmirante Alberto C Barbich
Contraalmirante James Mac Donald Whomond
Contraalmirante José Antonio Supplich
Contraalmirante Héctor Antonio Terranova
Contraalmirante Jorge A Coulu
Contraalmirante Alfredo J M Fernández
Contraalmirante Manuel Enrique Valentini
Contraalmirante Eduardo César Valotta

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ARGENTINE NAVY ORGANISATION TREE



ESTADO MAYOR

Jefe del Estado Mayor General de la Armada
Vicealmirante Alberto Gabriel Vigo

Dirección General del
Personal Naval

Vicealmirante Rodolfo
Antonio Remotti

(Page 4)

Jefatura de Operaciones

Contraalmirante Eduardo
Otero

Jefatura de Logística

Vicealmirante Carlos
Alberto Carpintero

Jefatura de Inteligencia

Contraalmirante Eduardo
Morris Girling

Jefatura de Aviación
Naval

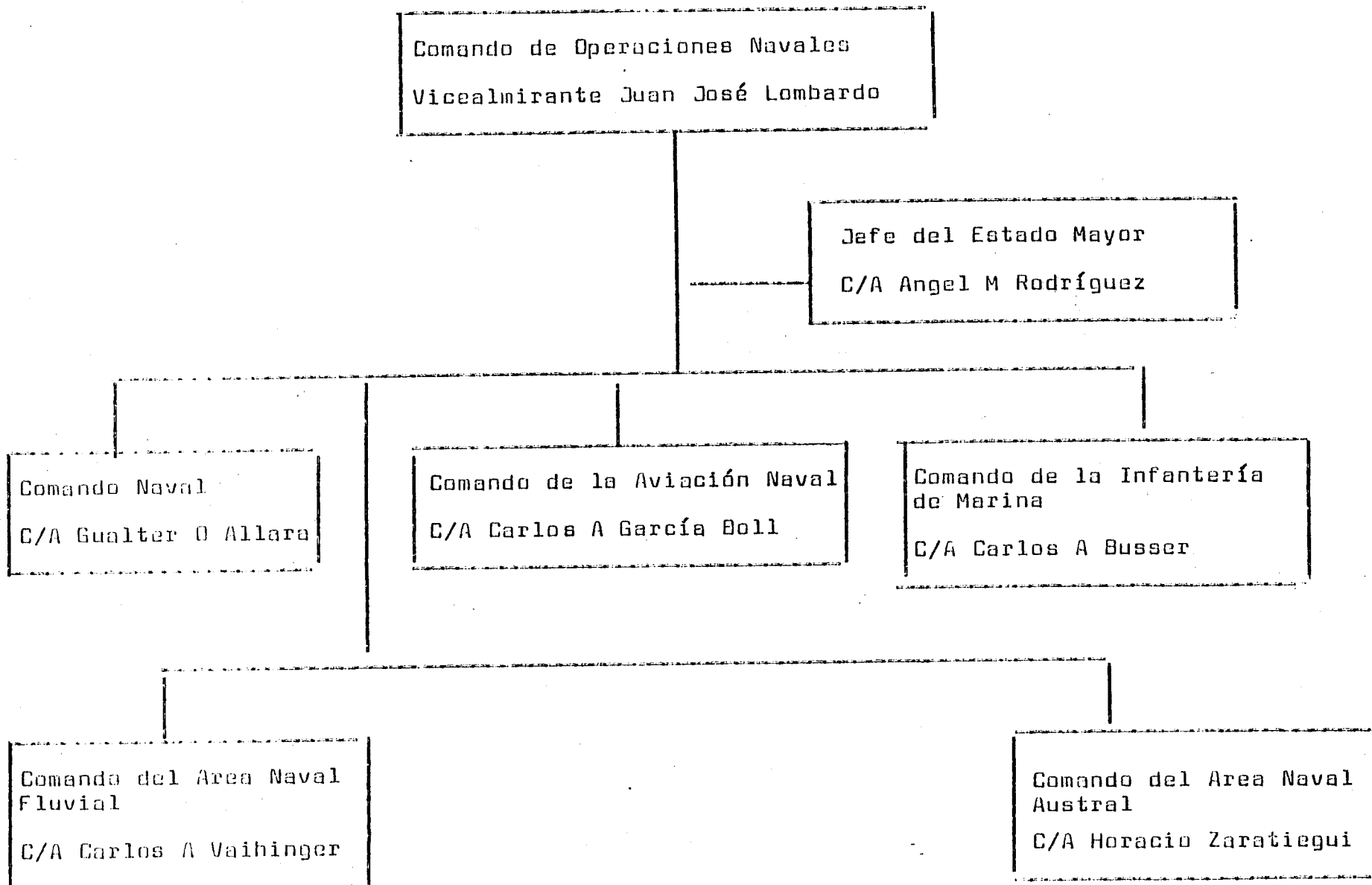
Capitán de Navío Máximo
E Rivero Kelly

Jefatura de Infantería
de Marina

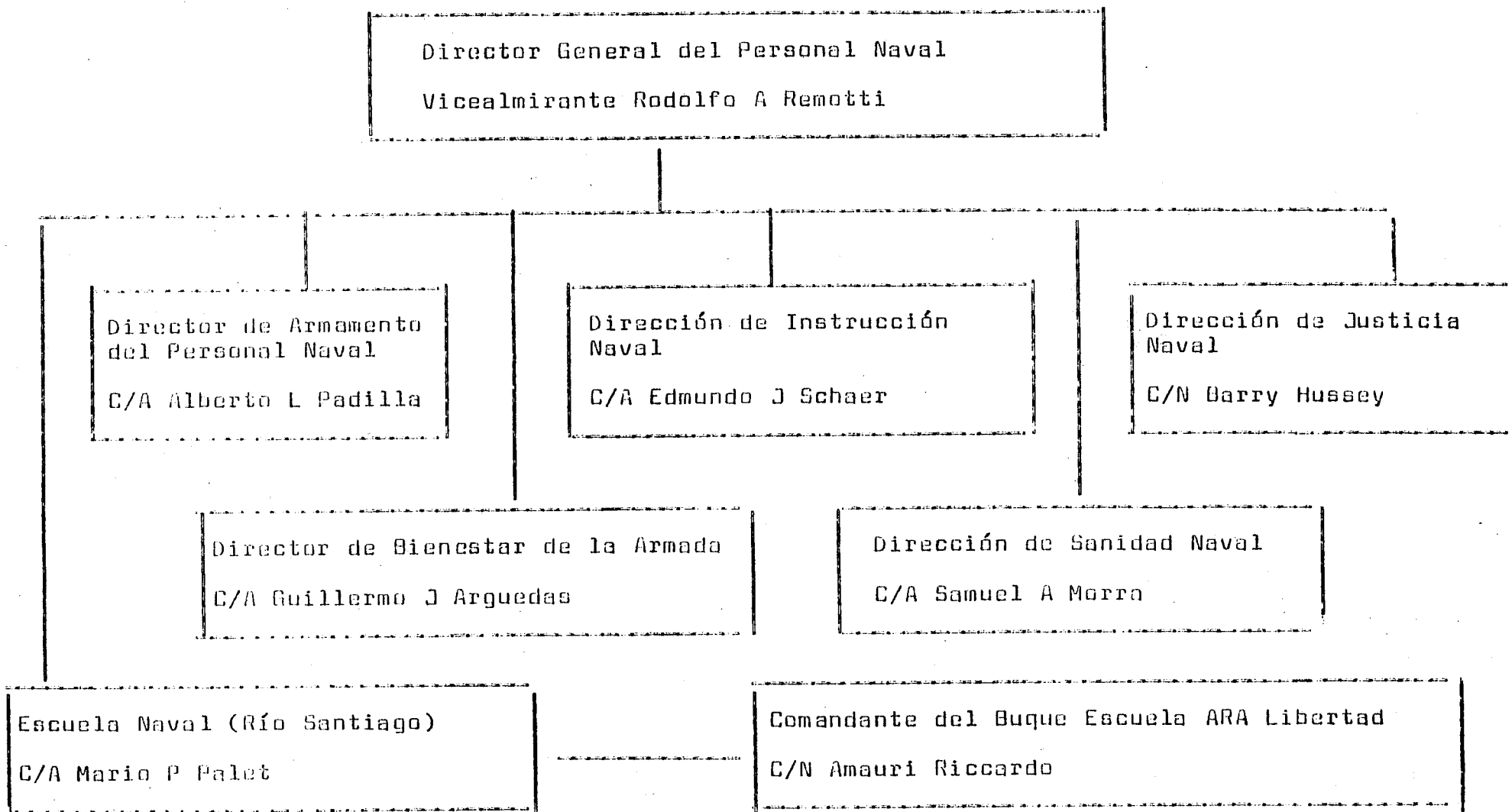
Contraalmirante Luis
E. Tártara

FLEET ORGANISATION BASED AT PUERTO BELGRANO

3.



NAVAL PERSONNEL ORGANISATION



NAVAL ENGINEERING ORGANISATION

