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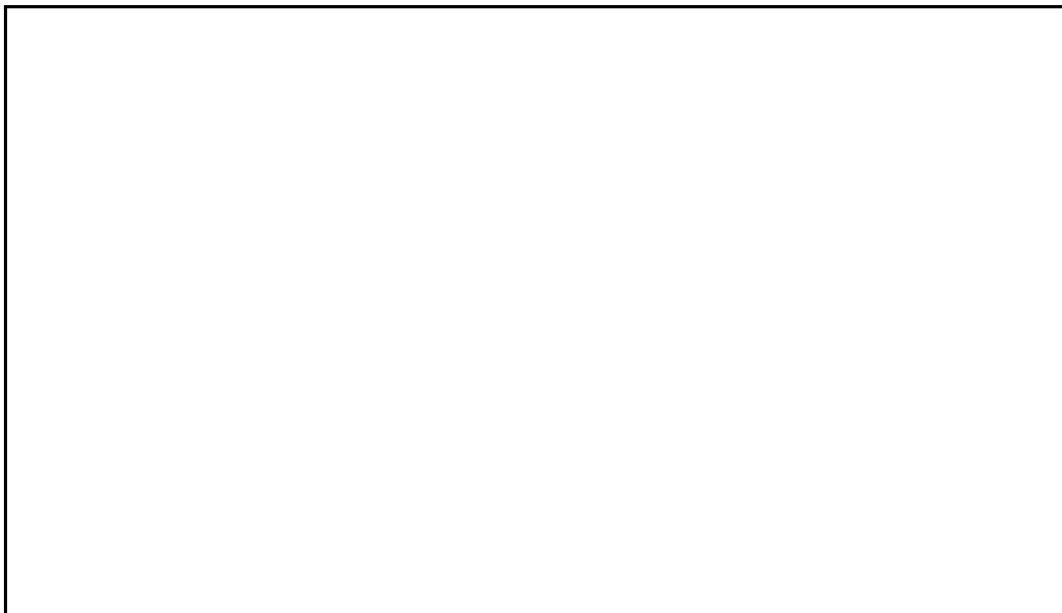
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ARGENTINA: President-elect Hector Campora's government of "national conciliation" will lean toward increased state control of the economy with a heavy accent on nationalism.

In initial public statements following his election victory, Campora has adopted a moderate approach. He told the press that his government would include political leaders from outside Peronist ranks, although he claimed that he has no specific cabinet members in mind.



Campora owes his current position entirely to Juan Peron, and there is no doubt that his approach to government will reflect Peron's. He has assured the nation that Peron will be present for the inauguration on 25 May and that he will faithfully carry out Peron's programs. It is by no means assured, however, that the former dictator will choose to remain on the scene and be responsible for Campora's success or failure. Peron is more likely

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to assume the role of elder statesman--perhaps returning to Spain--as the new government begins to wrestle with economic and political problems and Campora begins to assert some independence.

Peron's influence will be apparent, however, in a tightening up of state controls on foreign investment and in basic sectors of the economy. His hand will also be seen in the traditional Peronist mistrust of the inter-American system--especially the Organization of American States--and in the new government's effort to orient Argentina away from the United States toward greater cooperation with Western Europe. Relations with Brazil are also likely to cool as Argentina strives for a leadership position in Latin America and moves to renew relations with Cuba.

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ASPAC: The Asian and Pacific Council (ASPAC) is near final collapse following a poorly attended standing committee meeting.

ASPAC was formed in 1966 as an anti-Communist, non-military regional grouping including Japan, Australia, New Zealand, Thailand, Taiwan, South Korea, South Vietnam, the Philippines, and Malaysia. It provided a forum for discussion of regional developments but was never particularly successful in arriving at a consensus on any important issue. The end of the Vietnam war and the moves of a number of ASPAC states toward relations with Peking have combined to undercut the organization's viability. Nationalist Chinese membership is an embarrassment to several members, but recent efforts to persuade Taipei to withdraw have not been successful.

Australia and Malaysia were absent from yesterday's ambassadorial-level session in Bangkok, and both Japan and New Zealand sent only token representation. Malaysia announced its withdrawal from ASPAC the day before the meeting, and Canberra, which has publicly referred to ASPAC as an anachronism, may soon do so.

The session failed to announce a date for a meeting of foreign ministers that earlier had been tentatively set for May. Japan, in particular, sees its membership in ASPAC as out of harmony with its new diplomatic ties with Peking and is not inclined to attend such a meeting. Since only South Korea and Taiwan strongly support ASPAC's continued existence, the organization may now be allowed to expire quietly without the benefit of any further high-level sessions.

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NOTES

LAOS: In a speech recently rebroadcast by Radio Pathet Lao, chief Communist negotiator Phoumi Vongvichit claimed that US reconnaissance flights are in direct violation of the Vientiane peace agreement. Communist news commentators have accused the US of flying reconnaissance and bombing missions in violation of the agreement, but this is the first authoritative statement on recent US air activity. Phoumi's statement could be the opening shot in a major propaganda campaign, and the Communists could also be preparing to use the issue as another excuse to delay implementation of the Vientiane agreement.

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JAPAN-INDONESIA: Japanese oil buyers have agreed to a price hike of over 26 percent for Indonesian crude oil to \$3.73 a barrel. Japan buys almost three quarters of Indonesia's crude oil exports, much of it valuable low-sulfur crude. Indonesian crude constitutes approximately 10 percent of Japanese requirements. The price rise reflects the adjustment for the increased cost of Middle Eastern oil and the strong demand for Indonesia's low-sulfur crude, as well as recent monetary adjustments. The Jakarta agreement could lead to a resumption of Sino-Japanese oil negotiations which have been suspended over the price issue.

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TURKEY: Parliament recessed early today after casting four ballots and failing to elect a president; voting will resume this afternoon. Senate President Tekin Ariburun, a candidate of the Justice Party, had a wide lead over Faruk Gurler and a third candidate throughout the balloting, although Ariburun's vote declined on the fourth ballot and Gurler picked up support. Gurler, former chief of the general staff and the candidate of the military high command, went into the election as the front-runner, but Suleyman Demirel's Justice Party appears thus far to have demonstrated a high degree of cohesion in opposition to Gurler. On the fourth ballot, Ariburun received 276 votes, Gurler 200, and Democratic party leader Ferruh Bozbeyli 48. The Republican Peoples Party, with more than 100 members in the legislature, caucused before the balloting and decided to abstain from voting. A majority of parliament, 318 votes, is required for election. The outcome of the election is still uncertain, but should Gurler fail to win the presidency, a move by the military against parliament cannot be ruled out.



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