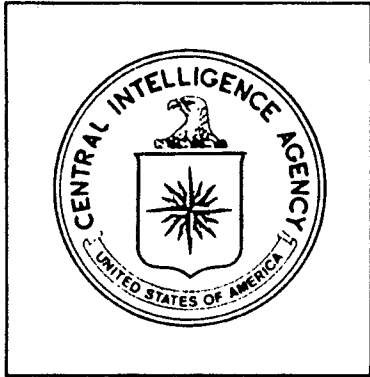


**Page Denied**

~~Secret~~



3.5(c)

# Latin American Trends

## STAFF NOTES

~~Secret~~

159

CI SNLA 76-073  
No. 1014-76  
December 20, 1976

~~SECRET~~

3.5(c)

Argentina: Dissension in the Junta

The recent complaints emanating from the army and air force members of the ruling military junta pose no direct threat to the position of President Rafael Videla, the army member of the junta. Nonetheless, the tension that the two dissidents have generated could have lasting effects and seems likely to hinder the efficiency of the governing body at a time when policy initiatives are needed and expected.

Navy chief Admiral Massera and his air force counterpart, General Agosti, are upset over what they see as the army's predominance in the junta and throughout the government. They resent, as well, the influence of officers who, like Videla, favor early conciliatory gestures toward civilians and minimization of repressive tactics in the struggle to counter leftist terrorism. Massera in particular has stepped up his long-standing campaign to discredit Videla, whom he views as indecisive, ineffective, and too willing to compromise.

It is not clear whether the opportunistic Massera nourishes the hope of gaining the presidency himself or merely enjoys the role of "spoiler." In any event, he pulled out the stops in a recent well publicized speech, attacking Videla and those who share the President's views. Addressing the familiar theme of subversion, the admiral stressed the need to press the fight against the left. But he added that there are others, "much harder to identify," who must be guarded against. He went on to describe them as the ones who believe "dialogue is an end in itself," who "confuse communication with promiscuity, democracy with cringing populism, and national unity with uniformity." There was little doubt he was referring to Videla and others, particularly army

December 20, 1976

~~-4-  
SECRET~~

~~SECRET~~

chief of staff General Viola, who are closely identified with the "moderate" current of military opinion.

Agosti has reportedly been spreading the word that he is determined to prevent the army from assuming "virtually total executive power" when in fact power is to be spread among the services. In this effort, Agosti said, the air force and navy were united. Massera, in turn, reportedly even described a plan whereby he and Agosti would resign their junta positions in an effort to oblige Videla to do the same. In such an unlikely event, an army officer would take over, but the man next in line, Planning Minister General Diaz Bessone, at least reportedly shares the "hard-line" views of Massera and Agosti.

Several considerations appear to have been in the minds of Massera and Agosti when they undertook to raise the level of discord within the junta. They may have hoped, for example, to capitalize on the tension and anxiety that accompanied the annual end-of-year promotion and retirement cycle. Some eight army generals were marked for retirement, among them three prominent "hard-liners."

Massera and Agosti may also be under pressure from their subordinates to "flex the muscles" of their respective services, which have indeed clearly followed the lead of the army in most major policy areas. Massera, who has headed the navy for three years, may also be under a different sort of pressure--to give up command and make room for others to move up. The admiral may indeed believe his time as head of the navy is running short and seeks to maximize his impact, one way or another, while his influence is at its greatest. It has been suggested by some observers that Massera, envisioning an eventual bid to run as a civilian presidential

December 20, 1976

~~-5-  
SECRET~~

~~SECRET~~

candidate, is already grooming himself as an "opponent"--of sorts--of military rule.

The effort to sow discord in the junta is not likely to alter the power relationship among the services. Indeed, one army general has claimed that his colleagues have united to resist any effort to diminish the army's predominance. Videla's position as head of the army and as President, moreover, appears not to have been affected one way or the other by the moves of Massera and Agosti.

The actions of the recalcitrant junta members seem almost certain, however, to make it considerably harder for the junta to agree on and implement national policy. Massera and Agosti have highlighted and thus worsened differences among top officers and among the services. It will be exceedingly difficult to paper over such divergences, no matter how hard individual officers work to make a show of unity.

Even though President Videla is not directly threatened by Massera and Agosti, he will need to spend increased time and effort both to rein them in and to reassure himself of widespread support. As a consequence, Videla will have less time to devote to policy making and administrative duties. He can ill afford this because the regime's programs already appear bogged down and because Videla knows the aggressive Diaz Bessone stands ready to step into any policy void that may develop.

The unsettling effects Agosti and Massera have had on the junta could soon hamper the government's handling of two key issues. One is the basic question of what role to allow labor, the most influential civilian sector, which has been in a kind of limbo since the March coup. Legislation

December 20, 1976

-6-  
~~SECRET~~

~~SECRET~~

establishing the new bases for union activity has been under consideration for some time, but has encountered delay due to serious differences among the military regarding how much latitude to permit workers. Some, like Massera, appear to want to limit labor's influence severely, as much to prevent it from again gaining inordinate influence as to punish it for being disruptive in the past.

Over the past several months workers have become increasingly restive over the tight controls placed on wages and union activity. Their restiveness has undoubtedly added to President Videla's determination to proceed with a new, relatively conciliatory law as quickly as possible. Yet the recent activities of Massera and Agosti can hardly help but complicate that effort still more.

The attitude of the dissidents also seems likely to complicate life for Economy Minister Martinez de Hoz, who has indicated the government's intention to raise wages early in the new year to offset some of the rapid rise in the cost of living, and perhaps to mollify workers. Here, too, there is the distinct possibility that those who oppose making gestures toward labor will lobby against such an increase, taking encouragement from the defiant tone of Massera. Such officers will argue, as they have on previous occasions, that wage hikes at this time constitute a concession to labor, whose huge gains under the Peronists, they argue, caused much of the economic chaos the junta inherited.

Videla wants very much to breathe new life into the junta, which in the view of many observers has seemed to be "running out of steam." The behavior of his fellow junta members is almost certain to make that goal all the harder to achieve.

3.5(c)

December 20, 1976

~~-7-~~  
~~SECRET~~