TERRORISM ESCALATES.

(S/NFD/NDA/BUO/CD/MNISRMI) The recent increase in political violence could prompt the military to intervene in the government, especially if the economic and political situation deteriorates further.

(S/NFD/NDA/BUO/CD/MNISRMI) The stepped-up terrorism may represent the beginning of joint operations by the leftist-oriented People's Revolutionary Army and the Montoneros. Elements of the two organizations left a note at the scene of their first known joint operation that took place in Buenos Aires on 18 August. At that time, they killed an army captain and stole a military vehicle loaded with weapons and ammunition. The document claimed that the groups had joined forces in retaliation for the murder on the 14th of the immediate family of a deceased leftist by a new right-wing terrorist squad. The guerrillas' proclamation also stated that they would continue their killings, which would be primarily directed at military and security personnel.

(S/NFD) No information has been received on the existence of the new rightist terrorist organization -- called the National Justicialist Restoration Command -- but its tactics and victims lend credence to the theory that it is the Argentine Anticommunist Alliance operating under a new name. In any event, Argentine law-enforcement officials are disturbed by the 14 August murders because of an apparent abrogation of a mutual understanding between terrorists and security forces that

(Continued)
victims' families would not become targets. Fears are now being expressed that last week's killings presage a rash of such incidents by both leftists and rightists. (KABC-2 Declassify upon notification of originator)

SOURCES: (S/FRD/ NDA/BUO/CD/WN/SMI); Emb Buenos Aires 5531 19 Aug (C)

(b)(3): 50 USC 403 (g)

(b)(3): 10 USC 424

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