ARGENTINA

REVOLT ENDS.

(C/NOFORN) The settlement that ended the air force rebellion on 22 December most likely calls for President Peron's removal within 30 days.

(S/NOFORN/MAINTEL) The rebels' only confirmed success was the forced retirement of the air force commander. However, the agreement between the rebels and service chiefs reportedly calls for a limit to Mrs. Peron's tenure in office. Although details are sketchy, all concerned believe a move must be made by the end of January. Apparently, the only discipline for the dissidents will be the forced retirement of their leader, Gen Capellini. The air bases they seized have been relinquished, but some ineffectual resistance continues.

(C/NOFORN) As a further discredit to the administration, a federal judge ordered the arrest of the President's trusted personal adviser and former Social Welfare Minister -- Jose Lopez Rega -- his successor in the ministry, and an aide. The three are charged with falsifying documents and misusing public funds. Spain will be asked to extradite Lopez Rega, but he will probably not return from Madrid to answer the charges.

(C/NOFORN/MAINTEL) Meanwhile, in terrorist activity, leftists recently tried to kill two admirals, the Navy Chief of Staff and the Chief of Naval Aviation. The incident reflects a reaction to recently increased antiterrorist activities by the military. (SCG-2

Declassify upon notification of originator.)