TO (b)(3):10 USC 424; (b)(3):50 USC 3024

DTG 181838Z SEP 90

FROM (b)(3):10 USC 424

TO RUEKJCS/DIA WASHDC

RHLBAAA/USCINCSO QUARRY HEIGHTS PM (b)(3):50 USC 3024(i)

CONTROLS CONFIDENTIAL SECTION 01 OF 04 (b)(3):10 USC 424

CONFIDENTIAL NOFORN SERIAL: (U) (b)(3):10 USC 424

/******* THIS IS A COMBINED MESSAGE ********/

BODY

PASS: (U) (b)(3):10 USC 424; (b)(3):50 USC 3024(i)

COUNTRY: (U) ARGENTINA (AR).

SUBJ: (b)(3):10 USC 424 COS PERSONAL STAFF IN LEAGUE WITH DEPUTY COS BALZA (U)

WARNING: (U) THIS IS AN INFORMATION REPORT, NOT FINALLY EVALUATED INTELLIGENCE. REPORT CLASSIFIED

CONFIDENTIAL NOFORN.

DEPARTMENT OF DEFENSE

SOURCE: A. (U) SOMOS WEEKLY NEWS MAGAZINE, IN SPANISH, 900912.

SUMMARY: (CONF)
1. (C/Nr) DURING THE PAST WEEKS THERE HAS BEEN AN INCREASE IN THE RUMORS THAT THERE IS SERIOUS DISCORD BETWEEN ARGARM COS MG MARTIN FELIX ((BONNET)) AND HIS DEPUTY, BG MARTIN ANTONIO ((BALZA)). BOTH THE LEFT ORIENTED DAILY, PAGINA 12, AND THE RIGHTEST WEEKLY, INFORMADOR PUBLICO, RAN ARTICLES ALLUDING TO THIS SITUATION. FINALLY, THE 12 SEPTEMBER ISSUE OF SOMOS, THE RESPECTED WEEKLY NEWS MAGAZINE, REPORTED ON THE REPORTED DIFFERENCES - BUT WITH A TWIST. ACCORDING TO THIS ARTICLE, A GROUP OF 4 COLONELS AND 2 LIEUTENANT COLONELS THAT FORM THE PERSONAL STAFF OF THE COS ARE FOMENTING THE RUMORS.

2. (C/Nr) BONNET HAS DENIED ANY SUCH DISAGREEMENT. IN FACT, HE IS QUOTED AS SAYING THAT IF HE AND THE PEOPLE AROUND HIM WERE FILMED, THAT IT WOULD BE IMPOSSIBLE TO FIND A TELEVISION PROGRAM THAT WOULD BE WILLING TO AIR IT, BECAUSE IT WOULD BE SO BORING. HOWEVER, WHEN THERE IS SO MUCH SMOKE, THERE IS USUALLY A FIRE SOMEWHERE.

3. (C/Nr) IN ORDER TO UNDERSTAND THE PRESENT CIRCUMSTANCES, THE REVIEW OF SOME RECENT HISTORY IS IN ORDER. WHEN MENEM WAS INAUGURATED, HE MADE THE DECISION TO REPLACE THEN ARGARM COS MG FRANCISCO EDUARDO ((GASSINO)) WITH MG ISIDRO BONIFACIO ((CACERES)). CACERES RECOGNIZED THAT THERE WAS A SERIOUS HORIZONTAL RIFT IN THE FORCE, WITH SENIOR COLONELS AND ABOVE ON ONE SIDE AND JUNIOR COLONELS AND BELOW ON THE OTHER. THE FEELING AMONG THE RANK AND FILE WAS THAT THE SENIOR LEADERSHIP OF THE ARGARM WAS OUT OF TOUCH WITH THE FORCE AND FOLLOWING ITS OWN SELFISH AGENDA. CACERES WANTED TO HEAL THIS RIFT THROUGH ENHANCED COMMUNICATION - BOTH DOWN FROM HIM AND UP FROM THE FORCE. FOR THE FIRST TIME IN YEARS, A COS WAS ACTIVELY LISTENING TO HIS FORCE.

4. (C/Nr) ONE OF THE PRIMARY VEHICLES THAT CACERES DEVELOPED FOR THIS WAS A NEW PERSONAL STAFF. THIS WAS ORIGINALLY COMPOSED OF 6 COLONELS AND LTCS. ALL WERE HAND PICKED BY CACERES. ALL HAD EXCELLENT CREDENTIALS. HE ALSO SELECTED A NEW PERSONAL SECRETARY - COLONEL JUAN CARLOS ((JONES TAMAYO)). JONES TAMAYO HAD BEEN THE DEPUTY DIRECTOR OF THE SUPERIOR WAR SCHOOL. THE CHARTER OF THIS GROUP WAS TO DEVELOP INTERNAL POLICY FOR THE FORCE, AS WELL AS EXTERNAL POLICY FOR THE CONSUMPTION OF OUTSIDE ORGANIZATIONS AND THE PUBLIC. THEY ACTUALLY
DEVELOPED THE REORGANIZATION PLAN FOR THE GENERAL STAFF THAT WAS IMPLEMENTED DURING THE FIRST MONTHS OF CACERES' TENURE AS COS. (b)(3):10 USC 42. THEY ACTUALLY FORGOT TO INCLUDE AN OPERATIONS OFFICER IN THIS PLAN. THIS AMPLY ILLUSTRATES THE ARGARM FASCINATION FOR SCHOOLING AND THEORY, AS WELL AS ITS DISREGARD FOR PRACTICAL EXECUTION OR OPERATIONS.)

5. (C/Nf) THE OTHER OFFICERS SELECTED BY CACERES CONTINUE TO BE IN POSITIONS OF RESPONSIBILITY. ACTUALLY ON THE PERSONAL STAFF OF BONNET ARE COLONEL LUIS EDUARDO ((RIOBO)), COLONEL LUIS HILARIO ((LAGOS)), AND COLONEL PACIFICO LUIS ((BRITOS)). THEY HAVE ALL BEEN PROMOTED TO COLONEL WITHIN THE LAST YEAR AND A HALF. TWO OTHER LTCS WERE ORIGINALLY ON THIS PERSONAL STAFF, BUT WERE LATER PLACED IN DIFFERENT AREAS. LTC RICARDO G. ((BRINZONI)) IS HEAD OF THE DEPARTMENT OF INTERNAL STRUCTURE. HE WORKS DIRECTLY FOR THE DIRECTOR OF THE STAFF, BG HECTOR L. ((ARIAS)), IN THIS CAPACITY LTC HERBERTO ((ROBINSON)), WORKS IN THE PERSONNEL DIRECTORATE. BOTH THESE OFFICIALS WILL BE PROMOTED TO COLONEL AT THE END OF 1990.

6. (C/Nf) ALL WAS IN PLACE FOR THIS GROUP OF RELATIVELY YOUNG OFFICERS TO EXERT A GREAT DEAL OF INFLUENCE ON THE FORCE. IT WAS FELT BY CACERES THAT HE COULD UNDERCUT THE INFLUENCE OF THE CARAPINTADAS ON THE YOUNGER MEMBERS OF THE OFFICER CORPS BY DOING THIS. IN MANY RESPECTS, HE WAS CORRECT IN THIS ASSUMPTION. AT THIS POINT, OF COURSE, CACERES DIED. HIS SUCCESSOR, COS BONNET, IS A MUCH MORE TRADITIONAL OFFICER IN HIS OUTLOOK AND METHODOLOGIES. HE FELT, AND FEELS, THAT THE ARGARM SHOULD BE UNDER THE LEADERSHIP OF GENERAL OFFICERS, NOT COLONELS. FOR THIS REASON, HE HAS LARGELY IGNORED THIS GROUP, WHILE NOMINALLY KEEPING THEM IN THE SAME POSITIONS THAT CACERES HAD DEVELOPED. THIS HAS CAUSED EXTREME IRRITATION AMONG THIS GROUP.

7. (C/Nf) IT MUST BE EMPHASIZED HERE THAT ALL THE PARTICIPANTS IN THE PRESENT SITUATION ARE CARALAVADAS. THE GROUP OF COLONELS, BONNET, BALZA, AND THE GREAT MAJORITY OF THE GENERALS (IF NOT ALL) ON ACTIVE DUTY ARE UNITED IN THEIR OPPOSITION TO THE CARAPINTADAS AND EVERYTHING THAT THEY STAND FOR. WE ARE DISCUSSING HERE A FALLING OUT AMONG THE CARALAVADAS OVER LEADERSHIP OF
THE FORCE. WE ARE ALSO DISCUSSING PERSONAL AMBITIONS OF BALZA AND THE GROUP OF COLONELS.

8. (C/NF) BALZA HAS ALWAYS BEEN KNOWN FOR HIS OVERRIDING PERSONAL AMBITION. IT WAS THOUGHT THAT HIS CAREER WAS OVER WHEN HE WAS EXILED TO THE JOINT STAFF AND BG HORACIO GUILLERMO ((CANESTRO)) - JUNIOR TO HIM - WAS MADE THE INSPECTOR GENERAL OF THE FORCE. IT IS TRADITIONAL THAT THE THREE SENIOR OFFICERS IN THE FORCE ARE THE CHIEF OF STAFF, VICE CHIEF AND IG. AFTER A RESHUFFLE OF PERSONNEL AT THIS LEVEL, ANY ACTIVE OFFICER SENIOR TO THEM IS EXPECTED TO RETIRE. THIS RULE IS EXPLICITLY FOLLOWED. THE ONLY EXCEPTION IS WHEN A SENIOR OFFICER IS OUTSIDE THE ARGARM CHAIN OF COMMAND. I.E. THE JOINT STAFF OR AN ORGANIZATION SUCH AS FABRICACIONES MILITARES.) ON THE OCCASION OF CACERES' DEATH, BONNET WAS IMMEDIATELY GIVEN A PRESIDENTIAL DECREE MAKING HIM THE COS. HE REFUSED TO ACT ON THIS UNTIL CACERES HAD BEEN PROPERLY BURIED. EVEN THEN, THE CEREMONY WAS VERY LOW KEY.

9. (C/NF) SHOWING HIS VERY TRADITIONAL, VERY HONORABLE BELIEFS, IT WAS BONNET WHO MADE THE DECISION THAT BALZA WOULD BE THE DEPUTY CHIEF OF STAFF. HE STRONGLY BELIEVES THAT THE SECOND SENIOR OFFICER ON ACTIVE DUTY HAS THE RIGHT TO BE IN THIS POSITION. HE HAS ALSO USED GENERAL OFFICERS, RATHER THAN COLONELS, TO DEVELOP INITIATIVES WITHIN THE FORCE. BG GERARDO CARLOS LEANDRO ((RIVAS)), DIRECTOR OF EDUCATION AND INSTRUCTION (LOCATED AT CAMPO DE MAYO), HAS BEEN USED AS THE OPERATIONS OFFICER OF THE FORCE, ALTHOUGH THE GENERAL STAFF IS STILL NOT REALLY ORGANIZED IN AN OPERATIONAL MANNER.

10. (C/NF) RECOGNIZING THAT THEIR POWER WAS WANING, THE GROUP OF COLONELS BEGAN LOOKING FOR A NEW CHAMPION/CANDIDATE FOR COS. THEY CHOSE BALZA. BALZA HAS RESPONDED FAVORABLY TO THEIR OVERTURES. COLONEL RIOBO AND COLONEL JONES TAMAYO ARE PARTICULARLY ACTIVE IN THIS INTRIGUE. THEY ARE GIVEN CREDIT FOR LEAKS TO THE PRESS AND A COVERT PRESS CAMPAIGN THAT SEeks TO DISCREDIT BONNET BY SHOWING THAT HE IS NOT IN CHARGE OF THE FORCE, NOR ABLE TO GAIN CONTROL. AT THE SAME TIME, THIS CAMPAIGN HAS SOUGHT TO PORTRAY BALZA AS A STRONG PROFESSIONAL WHO IS THE MAN FOR THE TIMES. IN MANY WAYS
THIS CAMPAIGN HAS BEEN SUCCESSFUL.

11. (C/NF) COS BONNET IS A PROFESSIONAL MILITARY OFFICER OF CONSIDERABLE CAPABILITY. HOWEVER, HE IS NOT COMFORTABLE IN THE PUBLIC EYE. BG BALZA IS VERY COMFORTABLE IN SUCH A ROLE. IN FACT, HE SEEMS TO ENJOY IT. BECAUSE HE IS TIRED OF THE INTRIGUE OF THE POSITION, BONNET HAD PLANNED TO RETIRE AT THE END OF THE YEAR. HOWEVER, MOST OF THE GENERAL OFFICER CORPS HAS BEEN TRYING TO CONVINCE HIM TO REMAIN. BG CARLOS ALBERTO ((SETTEL)), DIRECTOR OF INSTITUTIONAL AFFAIRS, GENERAL RIVAS, BG MARIO CANDIDO ((DIAZ)), DIRECTOR OF PERSONNEL, AND BG ALBERTO JORGE ((MAFFEY)), COMMANDER OF III CORPS, HAVE BEEN PARTICULARLY ACTIVE IN TRYING TO CONVINCE HIM TO STAY. AT LEAST AT THIS POINT, HE IS LISTENING TO THEM. AS THE WEEKS HAVE GONE BY, COS BONNET HAS BEEN MORE AND MORE INCLINED TO REMAIN.

12. (CFN) IF BONNET DOES FINALLY DECIDE TO RETIRE, MOST INFORMED OBSERVERS BELIEVE THAT BALZA WILL BE FORCED TO RETIRE, AS WELL. THE TANDEM OF DIAZ AND BG HUGO SABINO ((FERNANDEZ)), COMMANDER OF II CORPS, ARE STILL CONSIDERED TO BE THE STRONGEST CANDIDATES FOR COS AND VICE CHIEF, RESPECTIVELY. (b)(3):10 USC 424 (CINF). THERE IS NO DOUBT THAT BONNET HAS NOT BEEN AS SUCCESSFUL IN MAINTAINING COMMUNICATIONS WITH THE RANK AND FILE OF THE FORCE AS WAS CACERES. THIS IS UNFORTUNATE IN THAT IT LEAVES HIM OPEN TO THE EFFECTS OF THE RUMOR MONGERING OF SUCH A GROUP AS DESCRIBED ABOVE. BONNET IS MOTIVATED BY WHAT HE CONSIDERS TO BE THE GOOD OF THE FORCE - NOT PERSONAL AMBITIONS, OR EVEN HIS PERSONAL DESIRES (TO RETIRE, FOR INSTANCE). THE GENERALS THAT ARE ENCOURAGING HIM TO REMAIN ARE VIEWED AS BEING THE MOST INFLUENTIAL AND PRESTIGIOUS AMONG THOSE ON ACTIVE DUTY. BONNET IS DEFINITELY RETHINKING HIS POSITION, VIS A VIS RETIREMENT.

2. (C/NF) BALZA APPEARS TO BE MUCH MORE APPROACHABLE AND FAR LESS DOGMATIC, FOLLOWING HIS EXILE TO THE JOINT STAFF. HE IS THE ONE WHO IS GOING INTO THE FIELD TO VISIT UNITS. THIS PUTS HIM INTO A MORE ADVANTAGEOUS POSITION THAN BONNET, IN TERMS OF PERFECTING HIS IMAGE AMONG THE FORCE. HE IS AN EXTREMELY AMBITIOUS MAN. THERE HAS APPEARED SOME SPECULATION IN THE PRESS THAT HE
WOULD BE WILLING TO LEAVE UNOPPOSED ANY ENDEAVOR TO SELL OFF MILITARY PROPERTIES BY THE EXECUTIVE WITHOUT DIRECT COMPENSATION IN RETURN FOR ITS SUPPORT TO HIS AMBITIONS TO BE ELEVATED TO THE CHIEF OF STAFF POSITION. RO AGREES, HOWEVER, THAT IF BONNET RETIRES, BALZA WILL MOST LIKELY DO SO, ALSO.

3. (CONFIDENTIAL) AS FOR THE GROUP OF COLONELS AND LTCS WHO ARE CREDITED WITH STIRRING UP THE SITUATION, THEY WOULD APPEAR TO BE THE MOST VULNERABLE OF ANY OF THE PARTICIPANTS IN THIS EPISODE. THEY ARE WITHOUT DOUBT A TALENTED AND ABLE GROUP. HOWEVER, THEY MAY HAVE BEEN OVERWHELMED BY THEIR OWN AMBITION. POSSIBLY THE MOST TELLING EVENTS OVER THE NEAR TERM WILL CENTER ON THEM - AND THEIR ABILITY TO MAINTAIN THEIR PRESENT VERY IMPORTANT AND, AT LEAST IN THE PAST, POWERFUL POSITIONS.

4. (CONFIDENTIAL) [10 USC 424], BONNET HAS THE PERFECT OPPORTUNITY TO EXERT HIS AUTHORITY OVER THE FORCE. HE WILL DO IT, HOWEVER, IN HIS OWN, PRIVATE WAY. HE SIMPLY DOES NOT APPROVE OF THE CUSTOM OF WASHING DIRTY LAUNDRY IN PUBLIC. AT ANY RATE, BY THE END OF THE YEAR, MANY QUESTIONS WILL BE ANSWERED. THEY ARE EXTREMELY IMPORTANT ONES IN TERMS OF THE FUTURE DEVELOPMENT OF THE FORCE AT THIS VERY CRITICAL TIME.

WARNING: (U) REPORT CLASSIFIED CONFIDENTIAL NOT RELEASABLE TO FOREIGN NATIONALS.

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