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

DTG
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FROM
FM (b)(3):10 USC 424

TO
TO RUEKJCS/DIA WASHDC
RHLBAAA/USCINCSO QUARRY HEIGHTS PN (b)(3):50 USC 3024(i)

CONTROLS
CONFIDENTIAL NOFORN SECTION 01 OF 03 (b)(3):10 USC 424

SERIAL: (U) IIR (b)(3):10 USC 424

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

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

COUNTRY: (U) ARGENTINA (AR).

SUBJECT: IIR COS BONNET TO RESIGN BY END OF '90 (U) (b)(3):10 USC 424

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

- DEPARTMENT OF DEFENSE

DOI: (U) 900722.

REQS: (U) (b)(3):10 USC 424

- B. (U) LA PRENSA-DAILY SPANISH LANGUAGE NEWSPAPER, CONSERVATIVE (900722).

(b)(1):1.4 (c)

TEXT: 1: (CONF) COS OF THE ARGARM MG MARTIN FELIX
((BONNET)) PLANS TO RETIRE SOMETIME BETWEEN THE END OF AUGUST AND THE END OF DECEMBER 1990. HE WANTED TO BE COS DURING THE INDEPENDENCE DAY CELEBRATIONS ON 9 JULY, BUT DOES NOT POSSESS A GREAT DESIRE TO CONTINUE AS CHIEF OF STAFF IN THE FACE OF A NEVER ENDING LIST OF CHALLENGES AND GENERALLY DIFFICULT SITUATIONS. HE DOES FEEL THAT HE SHOULD REMAIN AS COS UNTIL AFTER THE BUSH VISIT IN SEPTEMBER. THIS BEING THE CASE, HE WILL PROBABLY REMAIN UNTIL DECEMBER. THE OVERRIDING QUESTION THEN BECOMES, "WHO WILL REPLACE HIM?"

2. (C/NF) THERE APPEARS TO BE THREE POSSIBLE CANDIDATES, THE PRESENT VICE CHIEF OF STAFF, BG MARTIN ANTONIO ((BALZA)), AN ARTILLERY OFFICER, THE PRESENT CHIEF OF PERSONNEL, BG MARIO CANDIDO ((DIAZ)), AN INFANTRY OFFICER, AND THE PRESENT II CORPS COMMANDER, BG HUGO SABINO ((FERNANDEZ)). A CAVALRY OFFICER.

THE MOST LIKELY RESULT - AT PRESENT - WOULD BE A COMBINATION OF DIAZ AS CHIEF OF STAFF AND FERNANDEZ AS VICE CHIEF.

3. (C/NF) IF THIS DOES COME TO PASS, THE ELEVATION OF DIAZ TO CHIEF OF STAFF WOULD NECESSITATE THE RETIREMENT OF BALZA, SINCE HE IS SENIOR TO DIAZ. IN ADDITION, BG JOSE LUIS CAYETANO ((TORRES)), THE PRESENT CHIEF OF LOGISTICS WOULD HAVE TO RETIRE, AS WOULD THE IG, BG HORACIO GUILLERMO ((CANESTRO)). BOTH OFFICERS ARE ALSO SENIOR TO DIAZ. THIS Follows THE TRADITION THAT THE CHIEF OF STAFF, VICE CHIEF, AND IG MUST BE THE THREE SENIOR OFFICERS ON ACTIVE DUTY, SERVING WITHIN THE ARGARM CHAIN OF COMMAND. A SENIOR OFFICER CAN REMAIN ON ACTIVE DUTY IF HE IS ASSIGNED TO THE JOINT STAFF OR OTHER POST OUTSIDE THE ARGARM. THIS FEATURE OF THE SYSTEM ALLOWED BALZA TO REMAIN ON ACTIVE DUTY AS VICE CHIEF OF THE JOINT STAFF, EVEN THOUGH CANESTRO - JUNIOR TO HIM - WAS THE IG.

4. (C/NF) ALL THREE CANDIDATES ARE SAID TO POSSESS THE NECESSARY AMBITION FOR THE POST. BALZA'S FAMILY CONNECTIONS TO FORMER PRESIDENT ALFONSIN ARE BEING USED ONCE AGAIN TO EXPLAIN WHY HE WOULD NOT BE ACCEPTABLE AS CHIEF OF STAFF. ALTHOUGH THE NEWSPAPERS ARE SAYING THAT THE CARAPINTADAS WOULD NOT FIND HIM ACCEPTABLE BECAUSE OF THIS.
UNEQUIVOCALLY THAT THIS HAS ABSOLUTELY NO IMPACT ON THE FINAL DECISION. FURTHER, THEY STATE THAT ONLY ONE MAN WILL MAKE THE DECISION, AND THAT MAN IS PRESIDENT MENEM. 5. (GAF) THEY FURTHER STATE THAT WHILE MENEM HAS SHOWN HIMSELF TO BE FLEXIBLE ENOUGH TO WORK WITH JUST ABOUT ANYONE, BALZA WILL FINALLY NOT BE ACCEPTABLE TO MENEM, BECAUSE OF HIS CONNECTIONS TO ALFONISN. WHILE DIAZ IS EQUALLY UNACCEPTABLE TO THE CARAPINTADAS, HE IS ACCEPTABLE TO MENEM.

COMMENTS: 1. (GAF) IN THE YEARS SINCE ALFONISN ASSUMED THE PRESIDENCY, THE ARGARM HAS EXPERIENCED A DEGREE OF TURBULANCE THAT HAS BEEN EXTREMELY DISRUPTIVE. THIS HAS BEEN THE CASE PARTICULARLY AMONG THE RANKS OF THE GENERAL OFFICERS. IN THE PAST TWO YEARS, THE ARGARM HAS HAD FOUR DIFFERENT CHIEFS OF STAFF. IN ALL BUT THE LAST CHANGE, CAUSED BY THE DEATH OF CACERES, A LAUNDRY LIST OF GENERAL OFFICERS WAS MADE TO RETIRE BECAUSE THE OFFICERS ON IT WERE SENIOR TO THE NEWLY SELECTED CHIEF OF STAFF. 2. (GAF) WHILE BONNET HAD NO SERIOUS ENEMIES, WHEN HE WAS SELECTED TO SUCCEED CACERES, HE HAD NO STRONG ADMIRERS, EITHER. HE IS SAID TO BE COMFORTABLY WELL OFF ECONOMICALLY AND HAS NO PERSONAL NEED TO CONTINUE ON ACTIVE DUTY. HE IS FINDING THE BURDEN OF SERVING AS CHIEF OF STAFF TO BE ANYTHING BUT ENJOYABLE. HE IS READY TO PUT IT BEHIND HIM. 3. (GAF)
4. (CONF) BEING COS OF THE ARGARM IS A DIFFICULT POSITION. BUDGETARY CONCERNS ARE MIND BOGGLING. THE OFFICER AND NCO CORPS ARE BARELY MAKING ENOUGH TO FEED ITS MEMBERS' FAMILIES.

DIAZ AND FERNANDEZ ARE SAID TO HAVE AN EXCELLENT PERSONAL RELATIONSHIP. MOST KNOWLEDGABLE OBSERVERS BELIEVE THAT THIS TANDEM HAS THE GREATEST CHANCE OF BEING SELECTED.