

## A British Diplomatic Source on the October Crisis in Argentina 1945

by Ryszard Stemplowski

The political crisis of October 1945 has become matter of historiography... and mythology. Much has been told and written on what occurred in connection with the debarring of Perón from and his comeback to power. First of all, it is reliable sources that count, but the list of these sources is rather short. The Argentine press figures prominently on it, the English language papers in particular, as well as the pamphlet on the developments in the Campo de Mayo garrison.<sup>1</sup> Twenty years later, *Primera Plana* of Buenos Aires carried a series of publications on *peronismo*, including testimonies on the October crisis, i.e. those of Admiral (Ret.) Vernengo Lima and other officers who were influential at the time of the crisis,<sup>2</sup> and in the meantime, memoirs were appearing. We have at our disposal well over twenty-five volumes of Argentine authors, and the memoirs of the Secretary of State, Cordell Hull, and David V. Kelly, British Ambassador in Buenos Aires.<sup>3</sup>

All the above-mentioned sources do not provide sufficient basis for the definite evaluation of the October crisis, and when Robert A. Potash was organizing material for his book on the military and politics in Argentina, he felt compelled to enrich his sources with interviews, including the one with General (Ret.) Eduardo Avalos, a leading personality among the officers involved. The Potash's work, by far the best analysis of the military political aspects of the crisis that is available in any language, draws, i.e., on German and US diplomatic sources. However, there was no German mission in Buenos Aires at the time of that crisis, and while Potash was researching for the first volume of his, the State Department Files for 1945 at the National Archives were not yet accessible. When, on the other hand, he was writing the second

<sup>1</sup> That 15-page text is summarized in *La Vanguardia*, 25th December, 1945.

<sup>2</sup> *Primera Plana*, Nos. 136—155, 15th June — 26th October, 1965.

<sup>3</sup> D. Kelly, *The Ruling Few or the Human Background to Diplomacy*, London 1952.

volume, he started it with the post-crisis developments, and so the already open for inspection and crisis-related reports from the US embassy in Buenos Aires were not used either.<sup>4</sup>

That period in the Argentine history became a subject of research for some other historians who were drawing on both the US and British diplomatic sources, and while the US archives seemed to offer only limited information on the topic in question, the British ones proved to be both abundant and interesting. While doing research for my book on the Argentine attitudes towards rivalries among the United States, Germany and Great Britain (1930–1945), I surveyed in the Public Record Office the British reports and cables from Buenos Aires and the Foreign Office minutes and memoranda, including those dated in October. The October crisis, however, was only implicitly present in my analysis and I referred to the pertinent reports indirectly, without citing them specifically.<sup>5</sup>

It is interesting to note that the Argentine authors, Mario Rapoport and Carlos Escudé, who later wrote on the same subject of the Argentine relations with Great Britain and the United States, and who devoted more attention than I had to the October crisis, did not actually use the pertinent reports from Buenos Aires, although they had access to the Foreign Office Files at Public Record Office, and they made references to Kelly's memoirs when writing on the crisis.<sup>6</sup> Neither does it Robert A. Humphreys in his book on Latin America and World War II, although it is true that he makes use of cables related to the crisis.<sup>7</sup>

In view of the above I find it useful to publish the two reports that follow. They contain the complete assessment of the October crisis by the British Ambassador in Buenos Aires. Apart from sending cables which were covering particular aspects and stages of the crisis. Kelly thought it important to give a full and supplemented account of the developments to put them in a wider perspective. The reports were addressed to Foreign Office but they were sent by

<sup>4</sup> R. A. Potash, *The Army and Politics in Argentina 1928–1945. Yrigoyen to Perón*, Stanford University Press 1969; *Idem*, *The Army and Politics in Argentina 1945–1962. Perón to Frondizi*, Stanford University Press 1980.

<sup>5</sup> R. Stempowski, *Zależność i wyzwanie. Argentyna wobec rywalizacji mocarstw anglosaskich i III Rzeszy*, Warszawa 1975, *resumen en castellano*; *Idem*, "Las potencias anglosajonas y el neutralismo argentino (1939–1945)", *Estudios Latinoamericanos*, vol. 3, 1976, pp. 129–160; *Idem*, "Las concepciones nacionalistas y sus contextos políticos en la Argentina: de Lugones a Perón", in: E. Garzón Valdés y P. Waldmann, eds., *El poder militar en la Argentina*, Buenos Aires 1983, pp. 33–41; *Idem*, "Allies and Rivals. Latin American Aspects of US-British Relations and World War II", *Hemispheres*, 1987, No. 4, pp. 77–84.

<sup>6</sup> M. Rapoport, *Gran Bretaña, Estados Unidos y las clases dirigentes argentinas: 1940–1945*, Buenos Aires 1981; C. Escudé, *Gran Bretaña, Estados Unidos y la Declinación Argentina 1942–1949*, Buenos Aires 1983.

<sup>7</sup> R. A. Humphreys, *Latin America and the Second World War*, vol. i, 1939–1942, London 1981, vol. ii, 1942–1945, London 1982.

him to his colleagues at Washington and Latin American posts as well, and Foreign Office decided to send them also to Dominions.

I came across these reports while working at Public Record Office, 1973. I have made one correction, supplementing Alvarez for Alvares, and perhaps it is also worth reminding that José Maria Cantilo was not only an ex-Ambassador but first of all an ex-Minister for Foreign Affairs. As to the names mentioned by Kelly, I do not think they have to be noted, since they are known to students of the Argentine history, as indeed is Kelly himself.

Kelly's reports deserve consideration because they draw attention to interesting aspects of the new situation, and in particular to (a) the importance of the October crisis to the power struggle in Argentina, (b) the new role of the masses in politics, (c) the police force as a new political instrument under military rule, (d) the functioning of traditional elites, (e) Perón's attitudes, (f) the motives behind US policies towards Argentina and the limits of US influence in that country. These reports are also important because they:

— show what was known in Foreign Office in the process of their adjusting themselves to (a) new patterns in the Argentine politics, and (b) State Department policies towards Argentina;

— supplement the already available information on (a) relations within the state machinery in Argentina, and (b) the process of political mobilization of masses.

Public Record Office, London

Foreign Office File 371(44714)AS 5580/92/2

Copy No. 8. South and Central America. Confidential

Sir David Kelly, His Majesty's Ambassador, to Mr. Ernest Bevin,

His Majesty's Foreign Secretary

No. 298. Received 26th October, 1945

Buenos Aires, 12th October, 1945

Sir,

with reference to my telegrams No. 735 and 738 of the 9th and 10th October, I have the honour to submit the following report on the resignation of Colonel Perón, so far as the facts are at present known.

2. It has for long been clear that Colonel Perón, almost universally hated, remained in office, because the army were not convinced that they stood to gain by ejecting him. The first sign that any important group in the army were beginning to think differently came at the time of General Rawson's abortive revolt of the 24th September, when it was reported that the plot had wide

ramifications in army circles and that General von der Becke, the chief of staff, had been drawn into discussions on the possibility of removing Colonel Perón. The failure of the plot was, however, the best proof that the army had not yet decided to take action and there was evidence that General Avalos, commander of the Campo de Mayo garrison, on the outskirts of Buenos Aires, was still loyal to Colonel Perón.

3. No doubt various factors later combined to make the army leaders decide that they must act. One of them may have been the realisation that as long as Colonel Perón was in power, it would be difficult to buy modern military equipment from abroad. Another, was the fear that Colonel Perón's demagogic attacks on the propertied classes were producing such a wide gulf between the Government and the Opposition that a peaceful transfer of power under conditions guaranteeing the army against reprisals for their past conduct was becoming increasingly improbable. This feeling was brought to a head by the brutal treatment of women demonstrators and the students, which not only raised popular fury to fever heat, but also was regarded by some of the senior officers as a stain on the honour of the army.

4. Two other events seem to have precipitated the crisis. First, the Government appointed as head of the postal administration a Señor Nicolini, an unsavoury relative or protégé of Eva Duarte, Colonel Perón's mistress. This post carries with it great political patronage and the army seemed to have felt that the appointment was not only disgraceful in itself but also dangerous as giving Colonel Perón a chance to dig himself in so firmly that his removal might become exceedingly difficult. The second event arose out of the dispute between the Government and the Supreme Court. At the time of General Rawson's revolt of the 24th September, a judge at Córdoba ruled that a number of men arrested as parties to the plot must be released under *habeas corpus*. This action so infuriated the Government that they removed the judge from office and arrested him; the Supreme Court ruled that the Government's action was unconstitutional and that the judge must be released and reinstated. Towards the end of last week rumours became current that the Government was planning action against Supreme Court; apparently the army leaders got wind of this and decided that an attack on the Supreme Court, whose prestige is very great, was more than they could tolerate.

5. On the morning of the 8th October there was a meeting at the Ministry of War attended by Colonel Perón, General Avalos (commander of the Campo de Mayo) and a large number of other senior officers. Nothing has so far leaked out about the proceedings at this meeting except that no agreement was reached. The same evening, General Avalos is reported to have had a conversation with Colonel Perón, in the course of which he said that the army would not tolerate the appointment of Señor Nicolini or action against the Supreme Court. According to one version, General Avalos insisted that

Colonel Perón must resign. Colonel Perón appears to have refused to listen to these arguments and the conversation is said to have ended with both men losing their tempers.

6. General Avalos returned to the Campo de Mayo on the evening of the 8th October, when it was apparently decided that Colonel Perón must go and that the Campo de Mayo garrison would march on Buenos Aires next day to enforce their demand. According to one version, it was then discovered that some of the troops stationed in Buenos Aires itself still backed Colonel Perón and there was certainly some division of opinion among the air force at the Palomar base.

7. On the morning of the 9th October the army took over the air bases near Buenos Aires except Palomar itself; their motive may have been to prevent escapes or opposition by any air units still loyal to Perón. It is also alleged that General Avalos got in touch with Admiral Vernengo Lima who agreed to use naval personnel to help to maintain order in Buenos Aires. During the morning there were conferences between President Farrell and Colonel Perón, at one of which Colonel Velazco (chief of police) was present. Simultaneously, there seems to have been a conference between the Minister of the Interior and some of the Provincial Intervenors, who have been hastily summoned to Buenos Aires, and also a meeting between the Ministers for Foreign Affairs, Finance and Interior. At about noon, President Farrell went to the military school in Buenos Aires and from there to the Campo de Mayo, where he attended a meeting of the senior army leaders and some of the civilian Ministers. President Farrell apparently defended Colonel Perón and even offered to resign himself and to submit to arrest. At some stage in the proceedings a vote was taken, at which, it is said, only eight officers voted in favour of Colonel Perón. Eventually, a delegation, which seems to have included General von der Becke (chief of staff), General Mason, General Pistarini (Minister of Public Works), and Dr. Quijano (Minister of the Interior), called on Colonel Perón and told him that he must resign; further resistance would only lead to useless bloodshed. The fact that all schools were closed at lunchtime suggests that the authorities were genuinely afraid that there might be serious trouble. According to one story, Colonel Perón made a last effort to rally his supporters, but met with such a discouraging response that he was compelled to give way. The official announcement of his resignation was made just before 6 p.m., when it was also announced that the decree calling for elections would be issued on the 12th October and the elections held in April 1946. A few hours later it was announced that the chief and assistant chief of police had also resigned.

8. The role of the civilian Ministers in these events is still not quite clear, but it seems that they also opposed Colonel Perón, perhaps because they realised that his unpopularity was an obstacle to the achievement of their own

political ambitions; in this connexion it should be noted that Dr. Cook, the Minister for Foreign Affairs, fancies his chances as candidate for the presidency.

9. The elimination of Colonel Perón was thus not the outcome of a popular movement against his demagogic and dictatorial policy, but the result of an intrigue by some army leaders, themselves of dictatorial temperament, and scheming politicians. There was, in fact, no immediate sign that the disappearance of Colonel Perón heralded the adoption of a more liberal policy. The report quoted in my telegram No. 735 of the 9th October, that the elections were to be held under the old electoral law and not under the Statute of the Parties still lacks confirmation; the state of siege was not immediately lifted and three important newspapers were suspended, apparently for reporting with too great accuracy the events leading up to Colonel Perón's resignation. For a moment *The Standard*, the oldest English newspaper in this country, was also suspended, but the efforts of the press attaché led to the raising of the ban in time for the publication of a reduced edition next morning. Finally, Colonel Perón was allowed to make a speech over the wireless after taking leave of the staff of the Secretariate of Labour and Welfare; this speech, although delivered in a violent manner, was in substance more moderate than might be expected. About a thousand of his supporters, mostly rowdy youths, were allowed to demonstrate in the streets. I am told that this tenderness towards Colonel Perón was due partly to confusion following what was, in fact, a palace revolution and partly to the weakness of President Farrell, who, as stated above, defended Colonel Perón almost to the end. It is also likely enough that the Government still feared Colonel Perón's power to stir up trouble among the wilder elements of the workers. It was, however, natural that many people should regard the latitude allowed to Colonel Perón as a proof that his resignation was only a part of some scheme to further his candidature for the presidency. All the evidence I have been able to collect, including some from men who were among Colonel Perón's bitterest enemies, suggests that there is no real foundation for these suspicions and that he was genuinely forced out of office by General Avalos.

10. On the 11th October General Avalos himself was appointed Minister of War. I am told that he did not wish to accept the appointment, because he is without political ambitions and did not want to give the appearance of having acted against Colonel Perón from motives of personal jealousy. Colonel Mittelbach, head of President Farrell's military household, has been appointed to succeed Colonel Valazco as Chief of Police, but it is believed that this is only an interim appointment and that the post will eventually go to Major Sustaita, who would be a reasonable choice, as he seems not to have any strong attachments to any faction. Commodore Edmundo Sustaita, brother of the last-named, has been appointed interim Secretary for Air in succession to

Brigadier de la Colina, who had been a strong supporter of Colonel Perón. The posts of Vice-President and Secretary of Labour and Welfare, both held by Colonel Perón, have not yet been filled.

11. On the 11th October General Avalos in a statement to the press insisted on his determination to ensure the holding of fair elections without official candidates of Government backing for any faction; he also condemned the suspension of newspapers merely for reporting the facts and assured the press that they were at liberty not only to say what was happening, but also to comment on the actions of the Government; in a message to the army he declared that the army must confine itself to its proper sphere and not get mixed up in politics. He said that he had not yet had time to consider the raising of the state of siege or the abolition of the statute of the political parties. General Avalos is also reported to have said that, if he had been Minister of War at the time, he would not have allowed Colonel Perón to speak over the wireless.

12. It soon became clear, however, that even inside the army there was a general feeling that much remained to be done before the Perón era could be finally closed. On the 11th October some seven hundred officers met in the Military Club to discuss the situation. It is reported that a delegation from this meeting reported to President Farrell that all the civilian members of the Government and other Secretaries of State who had been adherents of Colonel Perón must resign; that the state of siege must be lifted; that elections must be held within the shortest possible period; that the statute of the political parties must be abolished; that all "Peronista" elements must be rooted out; and that the Federal Intervenors must be replaced. They are rumoured also to have demanded that Colonel Perón be put on trial.

13. There was some support for the proposal to hand over the administration to the Supreme Court, which is favoured by many among the civilians and rank and file of the army; but the general feeling seems to have been against this except in the last resort. The idea in army and navy circles seems to be rather to form a Government of civilians without political affiliations.

14. On the 12th October a decree was published fixing the 7th April, 1946, as the date for the elections and also an official communiqué categorically denying that there was any question of Government support for Colonel Perón's candidature for high office. At lunch time it was announced that all the Government had resigned, but this does not seem to have affected the positions of General Avalos, Minister of War, or Admiral Vernengo Lima, the new Minister of Marine.

15. During the afternoon and evening there was a large gathering at the Military Club at which were present not only the senior naval and military officers, but also the civilian party leaders, the organisers of the "Liberty

March" of the 19th September, university professors and others. A large and very excited crowd gathered outside, clamouring for the Government to be handed over to the Supreme Court. From the balcony Admiral Vernengo Lima announced his appointment and assured the crowd that they could trust him to see that the people's wishes were respected; his speech does not seem to have been too well received. For a time the officers restrained the police from taking action to disperse the crowd, even though one officer was shot when leaving the club. During the evening the police broadcast warnings that the state of siege was still in force and that after midnight stern measures would be taken to disperse unauthorised gatherings. The police, however, jumped the gun and at 9 p.m. they started to break up the crowd round the Military Club, acting, as usual, with excessive energy. I was a witness of the two bursts of shooting, from the windows of the Plaza Hotel opposite, where we were dining with the Canadian Ambassador. There were three such volleys during the night, as a result of which ten people are reported to have been killed and about forty wounded. This episode has not unnaturally further inflamed the crowd and the Chief of Police is said to have been arrested for his share in it.

16. Nothing has so far been disclosed about the discussions at the Military Club. It seems that an attempt is being made to agree on a Government with sufficient prestige to run the country until elections can be held. The main stumbling-block, which at the time of writing is still holding up a decision, is the demand of the civilians, backed wholeheartedly by the navy, that the Government should be placed under the Supreme Court. The army is apparently divided on this point; some of them may feel that the Supreme Court would not be strong enough to save them from the vengeance of the mob in its present mood of hysteria. In addition, the judges of the Supreme Court do not welcome these proposals. They feel that any appointments they would make would be liable to be upset by fresh military intervention, and that in any event they would become involved in the party excitements of the moment.

17. It was also reported during the day that Colonel Perón had been placed under arrest; according to some accounts he was detained in the Military Technical School; other versions place him on board a warship in the harbour. There is some talk of putting him on trial, but it remains to be seen whether the army will be prepared to risk the disclosures he might make about their activities during the past two years.

18. The situation is still too fluid to permit of reasoned comment on the trend of events, except that I do not believe that General Avalos, when he decided to remove Colonel Perón, ever dreamt that popular emotion would force him to move so fast or so far. It remains to be seen whether he will be able to retain control of the forces he has released.



19. I am sending copies of this despatch to His Majesty's representatives at Washington and all Latin American posts.

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Foreign Office File 371(44715)AS 5887/92/2  
Copy No. 8. South and Central America. Confidential

Sir David Kelly, His Majesty's Ambassador, to Mr. Ernest Bevin,  
His Majesty's Foreign Secretary  
No 310. Received 12th November, 1945

Buenos Aires, 26th October, 1945

Sir,

in continuation of my despatch No. 298 of the 12th October, I have the honour to submit the following report on later developments in the local political crisis.

2. The full story of the meeting at the Military Club on the 12th October has still not emerged; all that is clear is that the officers, civilian politicians and others gathered there were entirely unable to agree on any course of action. In this disunity and lack of political wisdom lay the seeds of ultimate disaster.

3. On the 13th October Dr. Juan Alvarez, Attorney-General under the Supreme Court, was offered the post of Minister of Interior and invited to choose the other civilian members of the Government. It was intended that General Farrell should continue as President, General Avalos as Minister of War and Admiral Vernengo Lima as Minister of Marine, but otherwise Dr. Alvarez had a free hand. The choice of Dr. Alvarez was probably due to the hope that his connexion with the Supreme Court would go some way to satisfy the politicians who demanded that the administration should be handed over to the court, without alienating the army, most of whom were opposed to this. Dr. Alvarez immediately entered into consultations with most of the leading Argentine politicians, including Dr. Le Breton, former ambassador in London, Dr. Saevedra Lamas, an ex-Minister for Foreign Affairs, and Señor Cantilo, an ex-ambassador, and half a dozen others. Dr. Alvarez soon ran up against the difficulty that the politicians were most reluctant to serve with General Avalos, whose long association with Colonel Perón made him deeply suspect in their eyes. They were also unwilling to serve under President Farrell.

4. While the negotiations for the formation of a new Government thus dragged dangerously, it became clear that there was considerable effervescence in favour of Colonel Perón among the workers. How far this effervescence was spontaneous or instigated by Colonel Perón paid labour agitators is a matter

of dispute, but the fact remains that not only in Buenos Aires, but also in provincial centres such as Tucumán, Rosario and Santa Fé, demonstrations were held and delegations appointed to press for Colonel Perón's release from detention; there were also growing rumours of strike action to support this demand.

5. On the 16th October a decree was issued cancelling the much criticised "Statute of the Political Parties", which had come to be regarded as an instrument designed to favour Colonel Perón's candidature for the presidency. Simultaneously labour agitation increased in intensity and a crowd of 10,000 tried to march in Buenos Aires from the working-class suburbs, but were turned back by the police. The Government seemed to realise that even under detention Colonel Perón was still dangerous, but as no Government capable of taking decisions had yet been formed the authorities weakly issued two statements: the first declared that Colonel Perón was not under arrest but only "in protection" in view of the prevailing unrest; the second declared that the social conquests achieved by the workers would be fully maintained.

6. Even at this late stage the civilian politicians might perhaps still have saved the situation, if they had been prepared to sink their differences and accept what was immediately obtainable rather than waste time in searching for a better solution. Instead, the Conservative leaders held out for the elimination of General Avalos and the Radicals flatly refused to accept anything less than the transfer of the presidency to the president of the Supreme Court. The scene was thus set for the events of the 17th October.

7. On that day Dr. Alvarez at last succeeded in persuading a number of respectable but not very eminent civilians to join him in the Government. The Cabinet would thus have consisted of Dr. Alvarez (Ministry of the Interior), Señor Ruiz Moreno (Foreign Affairs), Señor Hueyo (Finance), Señor Tomas Amadeo (Agriculture), Dr. Figueroa Alcorta (Justice), Señor Vaquer (Public Works), General Avalos (War) and Admiral Lima (Marine). This list of Ministers was presented to President Farrell late in the evening, but by then events had already gone too far for this Cabinet ever to take office.

8. Early on the 17th October pro-Perón labour agitators pulled up some of the track on the Southern Railway's line into Buenos Aires; they also cut signals and automatic brake lines on the locomotives and effectively prevented any attempt to repair the line; in addition, they did a great deal of damage to rolling stock. Simultaneously these agitators blocked the roads in this area, preventing the movement of buses and trams. Other groups of Perón's supporters prevented the workers from entering any of the Frigoríficos in Buenos Aires, thus forcing them all to close down. The police, most of whom backed Colonel Perón, did not lift a finger to prevent these excesses. Simultaneously, the news spread throughout the staffs of all the railways that a general strike was about to begin. The managers were unable to trace the

origin or identity of who were giving the orders. This fact seems to dispose of the contention that the strike was imposed on the men by violence and intimidation.

9. During the afternoon large crowds gathered in Buenos Aires, particularly in front of Government House, to shout various slogans in support of Colonel Perón. On the whole these crowds behaved fairly well and the police made no effort to disperse them; indeed, it was clear that the Government which at the moment consisted only of General Avalos and Admiral Lima, had no idea what to do. At some time during the day Colonel Perón was moved from his place of detention at Martín García to the military hospital, where crowds demonstrated in his support; there was an exchange of messages between Colonel Perón and General Farrell through Señor Atille, ex-Minister of Finance, presumably dealing with the conditions on which Colonel Perón would be prepared to call off his supporters. More or less simultaneously, General Avalos tried to address the crowd outside Government House, but was refused a hearing; he was put in the humiliating position of having to get three of Colonel Perón's supporters to calm down the crowd with assurances that their hero was free and would shortly speak to them.

10. The general confusion was well illustrated by two episodes: almost at the moment when Dr. Alvarez was presenting to the President the list of his Cabinet, including Señor Vaquer as Minister of Public Works, an official announcement was made that the resignation of General Pistarini, the previous holder of this appointment, has not been accepted and that he remained in office; secondly, when I visited Admiral Lima, who amongst other things was acting as Minister for Foreign Affairs, to impress on him the need to protect British property, I asked him what truth there was in the report that Colonel Perón was shortly to make a speech over the wireless; he replied that he knew nothing of this, though the arrangements for this speech must already have been well advanced. Some time during the evening Admiral Lima tried to concert action with General Avalos with a view to restoring the situation; but by then it was too late; the army were divided in their opinions and eventually Admiral Lima abandoned his attempt in disgust.

11. So it came about that late at night on the 17th October Colonel Perón came back to power, if not to office, and from the balcony of Government House spoke to large crowd of his supporters below. I have already reported to you the substance of the speeches then made by him and by President Farrell, and the only point worth adding is that at the end of his speech Colonel Perón asked the audience to remain for a quarter of an hour while he drank in this magnificent spectacle. According to one story the reason for this request was that he got wind of the talk between Admiral Lima and General Avalos about possible counter measures referred to above, and thought it safer to keep the crowd assembled until it was clear that his position was secure, as soon proved

to be the case. He asked that the plans for the general strike should be carried out, but for twenty-four hours only, as a demonstration.

12. On the 18th October, therefore, this general strike, which had been planned as part of the campaign to bring Colonel Perón back into power, was held as a demonstration of his command over the workers and, no doubt, as a warning to any who still felt inclined to take action against him. In Buenos Aires itself the day passed off without serious incident, but in Córdoba there was a good deal of hooliganism, including attacks on the office of the leading democratic newspaper, on the Jewish bank and on the American Cultural Institute. In La Plata there was even more serious trouble after the mob had sacked a brewery; there was much wanton damage to property and attacks on individuals suspected of being anti-Perón; eventually one of Colonel Perón's labour agitators called the crowd to order and things quieted down. Later statements by official spokesman suggest that they realised that the scenes of mob violence at La Plata were damaging to Colonel Perón's cause.

13. It was not until the 22nd October that the new Government was formed; it consisted of General Pistarini (Public Works and Vice-President), General de Sosa Molina (War), Rear-Admiral Abelardo Pantín (Marine), Dr. Cooke (Foreign Affairs), Colonel Bartolomé Descalzo (Interior), Colonel Amaro Avalos (Finance), Dr. José Astiguete (Justice), Señor Pedro Marotta (Agriculture) and Commodore Edmundo Sustaita (Secretary for Air). Colonel Velazco, one of the most ruthless of Colonel Perón's supporters, was reinstated in his old post as Chief of Police; Colonel Mercante, another fanatic who had been Colonel Perón's No. 2 at the Secretariat of Labour and Welfare and the organiser of the workers' movement that brought about Colonel Perón's return to power, became Secretary of Labour. Lieutenant-Colonel Laciari, reputedly extreme nationalist, became Director of Posts and Telegraphs, an appointment of great importance from the point of view of political patronage and rigging elections. General Urdapilleta, believed to be a staunch supporter of Perón, was appointed the commander of the Campo de Mayo garrison in succession to General Avalos.

14. While, therefore, Colonel Perón himself no longer held official rank — and he made his retirement more complete by resigning from the army — and while not many of the Cabinet Ministers were regarded as particularly friendly to him, he seemed to be in a position to dominate the Government through his influence over the men in the key positions of Secretariate of Labour, Chief of Police, Director of Post and Telegraphs and commander of the Campo de Mayo garrison. It is true that some observers regarded the absence of close supporters of his in the Cabinet as a dangerous source of weakness to him, but it seems more likely that for the moment the balance of power lies in his hands, the more so because his opponents, of whom there are still many in influential positions, are divided and without any effective plan of

action. Meanwhile, Dr. Quijano and Señor Antille, formerly Ministers of Interior and Finance respectively, are busily engaged in preparing Colonel Perón's electoral campaign.

15. In various telegrams and despatches I have stressed that the United States Government, in considering their policy towards Argentina, ought first to answer three questions: first, is the Argentine Government under the Farrell-Perón régime a menace to hemisphere defence? Secondly, have the United States the power to overthrow Colonel Perón? Thirdly, could he be replaced by a more satisfactory civilian Government? Whether or not the present régime here is a menace to hemisphere security is still a matter of opinion, but the other two questions have been clearly answered by the events of the last few weeks. Despite all the effervescence that Mr. Braden was able to stir up during his brief stay in Buenos Aires, the politicians, the business men and the society leaders to whom he addressed his appeals showed conclusively that they were not ready when the opportunity occurred to act quickly and effectively enough against a man as determined as Colonel Perón. It is true that the general excitement produced by Mr. Braden's campaign created the situation in which the army eventually decided to act; but it is most important to remember that it was the army and not the civilian "Democrats" who turned Colonel Perón out of office. After this had been achieved, the interminable arguments and procrastination of the politicians showed clearly that there was nobody among them of sufficient stature to lead the civilians in dealing with an abnormal situation. I have also frequently pointed out that the United States policy of keeping Argentina in a constant state of turmoil plays into the hands of the extremists here, whose greater resolution always gives them the advantage over the moderates at any time of crisis. This has once again proved to be the case.

16. At my interview with him on the 23rd October, the Minister for Foreign Affairs assured me solemnly that Colonel Perón was neither in the Government nor in the army and had no special position in the Government. As I have indicated above, it is reasonable to believe that the balance of power lies with him, and his position must be strengthened, and that of the opposition weakened, by the proceedings in the United States Senate and by the United States press reports informing the Argentine public that the State Department do not believe in the feasibility of any positive sanctions. It seems at present highly possible that Colonel Perón may continue to dominate the scene at least until the elections are held, and meanwhile his radical friends, the retired Ministers Drs. Quijano and Antille, are admittedly obtaining an amount of radical support for his eventual candidature which is seriously disturbing the legitimate Radical party. The Government have stated, and the Minister for Foreign Affairs confirmed to me, that they are quite willing to have elections even three months earlier than the official date of the 7th April, "if the parties

wish". On present indications, therefore, it is not at all impossible that Colonel Perón may get himself elected as President, although he is so detested by practically the whole middle class and by important sections of the factory workers, that his success in a really free elections seems incredible. The one thing that I regard as certain is that, should the United States Government decide to come to terms with him, the fact of his bitter personal campaign with Mr. Braden will not deter him for a moment from meeting them more than half way. I have always maintained that Colonel Perón is purely an opportunist without any real doctrinaire or party fanaticism, and he has consistently sacrificed the goodwill of his natural allies, the Nationalists, in the hope of appeasing the United States. I have equally suggested that the United States Government have been moved, beneath all their apparent inconsistencies, by the desire to have an Argentine Government on whose friendship they could rely (or, as one of their correspondents put it, "which would recognise that Uncle Sam is boss"), rather than by ideological interest in any particular form of Government. That this may apply even to Mr. Braden is suggested by the admission to the *Times* correspondent by Mr. Cortesi (who has lately been "spilling the beans" about the amount of Perón's working-class support) that just after the culminating demonstration, when he had delivered his fiercest speech, Mr. Braden told the press correspondents off the record, with reference to his Argentine audience, "if those guys are Democrats, I am a Chinaman". I would add in this connexion that while it is true that Colonel Perón's working-class support trebled during the week of uncertainty after his arrest, and that he and his friends were undoubtedly brought back to power by the revolt of an important section of the working class, it is equally true that the latter are far from united in his support, and that an important part was played by the police force. This force has been trebled in numbers in the last two years, given immensely improved pay and conditions, and has practically become a private army looking to Colonel Perón as the chief; and its obvious friendly attitude towards the Peronist crowds at the critical moments greatly contributed to his easy return.

17. I am sending copies of this despatch to His Majesty's representatives at Washington and all Latin American posts.