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DEPARTMENT OF STATE

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*Memorandum of Conversation*

DATE: Oct. 6, 1976

Time: 1:00 PM

Place: James Madison Room

SUBJECT: U.S.-Argentine Relations

PARTICIPANTS: Argentina

His Excellency Rear Admiral Cesar Augusto Guzzetti,  
Minister of Foreign Affairs and Worship of the  
Argentine Republic

His Excellency Arnaldo Tomas Musich, Ambassador of  
the Argentine Republic

Colonel Repetto Pelaez, Undersecretary General,  
Ministry of Foreign Affairs

His Excellency Federico Bartfeld, Chief, Latin American  
Division of Foreign Ministry

United States

The Acting Secretary of State

The Honorable Harry W. Shlaudeman, Assistant  
Secretary for Inter-American Affairs

Mr. Robert W. Zimmermann, Director, Office of East  
Coast Affairs, ARA/ECA

The Honorable Edwin M. Martin, Chairman, Consultative  
Group on Food Production and Investment in  
Developing Countries, IBRD

After an initial exchange of amenities, and mutual expressions of gratification in connection with the rededication of the statue of San Martin that morning, Foreign Minister Guzzetti conveyed his appreciation for this opportunity to exchange views on certain items of mutual interest.

Guzzetti began the substantive conversation by noting that the military government is now six months old and that its antecedents and current situation are well known. Nevertheless, he said, he wished to express his personal views, especially regarding subversion. In this regard he noted that the government had achieved some success and there are hopes that within three to

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four months the government will have dealt with the subversive groups. However, he said, Argentina has other problems as well: educational, social and economic; the most important of which is the need to push economic reform. Argentine economic problems are being effectively attacked by Minister Martinez de Hoz and there already is clear evidence of substantial recuperation.

One of the most important issues facing the government, Guzzetti continued, is the capacity of international terrorist groups to support the Argentine terrorists through propaganda and funds. The armed forces, when they took over in March, found the country destroyed economically and psychologically. It was a country in crisis. But in six months the government is on the road to recovery. The outside world speaks of the Argentine government as rightist and fascist. This is far from reality. Argentina had to face the situation realistically and is trying to find a means to interpret the situation to the outside world. The present regime wishes to establish a democracy; this is the nation's most important task.

Another problem is that of the refugees, Guzzetti continued. Although people often think of the refugees in the same context as the terrorists, these are different problems. In total there are some 10,000 refugees, of which 90 to 95% came to Argentina from Chile some two or three years ago. They live in Argentina without documentation or clear means of support. Argentina is taking seriously the problem of trying to relocate these people and provide them with legal documentation - or allow them to leave if they so desire. But other countries must cooperate and receive some of these people. The problem is both social and humanitarian and Argentina welcomes the help of the United Nations refugee organization. The issue has no real connection with Argentina's subversive problems although, naturally, a few of the refugees perhaps are connected with terrorist groups, just as certain Argentines are so connected. Guzzetti said that in May in Santiago he explained the refugee problem to Secretary Kissinger and believed the latter understood the Argentine difficulties in this area. A solution cannot be found overnight. It depends on assistance from other countries including the U.S., France, and Denmark, for example. Argentina must reeducate the refugees and control them but does not want to return them to Chile. The point is that the refugee problem has become mixed up with the issue of subversion in the eyes of foreigners and has created a highly unfavorable impression of Argentina abroad.

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Acting Secretary Robinson recapitulated the three themes touched upon by Guzzetti: terrorism, progress in the economic area and the problem of the refugees. He said that he was pleased that Guzzetti would be seeing the Secretary the following day in New York and that the Foreign Minister would find him sensitive to Argentina's problems. The U.S. is very aware of the progress Argentina has made in restoring its economy in the last six months. He said that he has great respect for the capacity of the Minister of Economics, Martinez de Hoz, to cope with such problems as inflation, severe deficits, foreign debt, and productivity.

Obviously, he continued, Argentina is now facing a kind of subversive civil war. During this initial period the situation may seem to call for measures that are not acceptable in the long term. The real question, he emphasized, is knowing how long to continue these tough measures and noted that the Foreign Minister had indicated that they might be required for another three or four months.

Guzzetti responded that the outside world must recognize that the terrorist groups have a complex underground structure abetted from abroad. Their destruction will require yet another two or three months. The relaxation of government measures will be gradual and the return to political normalcy will not be immediate. This will require time, and the restoration of the economy will also take time. Argentina is just finishing the first phase of its program but is aware that there exists a certain impatience in the outside world. The disintegration of Argentina morally, physically and psychologically is very difficult for foreigners to comprehend and the situation cannot be resolved overnight.

The Acting Secretary said that it is possible to understand the requirement to be tough at first but it is important to move toward a more moderate posture which we would hope would be permanent. It is helpful, he remarked, to hear the Minister's explanation of the situation. The problem is that the United States is an idealistic and moral country and its citizens have great difficulty in comprehending the kinds of problems faced by Argentina today. There is a tendency to apply our moral standards abroad and Argentina must understand the reaction of Congress with regard to loans and military assistance. The American people, right or wrong, have the perception that today there exists in Argentina a pattern of gross violations of human rights. Under current legislation the administration might be prevented under certain circumstances from voting for loans in the IDB, for example. The government is placed in a difficult position. In reality

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there are two elements that must be considered. First, how long is it necessary to maintain a very firm, tough position? Our Congress returns in January and if there is a clear-cut reduction in the intensity of the measures being taken by the Government of Argentina, then there would in fact be a changing situation where the charge that a consistent pattern of gross violations exists could be seen as invalid. Second, it is very important that Argentina find a means to explain the Argentine position to the world. There is also a third element and that is that there are many well meaning people in the United States, though perhaps somewhat naive, who indiscriminately take the side of those imprisoned in Argentina. Their attitudes are reinforced by instances where the US Government has been unable, in the case of arrested U.S. citizens, to have consular access. The U.S. is not going to defend these persons if they break your laws but we must have prompt consular access. In summary, there are three issues: the question of timing of the relaxation of extreme countersubversion measures; promoting an understand of the problems facing Argentina; and consular access.

Assistant Secretary Shlaudeman said that he wished to make clear that there is no question of advocating any specific political structure for the Government of Argentina; it is a question of human rights. Our Congress is focused on that issue.

Guzzetti asked, in relation to human rights, why it is that only one side of that issue receives attention. Nothing is said, for example, when a military official is killed. It is a question of subversive groups who are underground and controlled from abroad. Their existence has important ramifications and requires special actions. It is a situation that has existed for five years. It began, he said, by terrorism -- by their actions.

In response to a question from Ambassador Martin, the Foreign Minister said that there are two principle terrorist groups in Argentina today, the ERP, which is Leninist-Marxist, or Maoist, and the other, the Monteneros, is moving very close to the former in ideology. Terrorist organizations in Latin America are linked underground and have their central control in Paris.

Ambassador Martin noted that he is no longer a USG official but he has talked with many people interested in Argentina and he is convinced that one thing must be achieved

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if anti-Argentine opinion in the U.S. is to be weakened. People must be provided with convincing evidence that the only terrorism is leftist terrorism. The Foreign Minister said he understood the problem. He remarked that the international connections of the terrorists must be publicized. For example, he said, representatives of terrorists have appeared on Italian TV.

Acting Secretary Robinson remarked that in 1850, when the State of California was struggling to become established, the official forces of law and order were inadequate. Consequently, the people organized vigilante groups but the U.S. has forgotten this bit of history and forgets that comparable conditions exist elsewhere today. Accurate information is important in explaining Argentina's problems and what Argentina is trying to do to establish stability and a just society. Individuals cannot have liberty in an atmosphere of terror.

Ambassador Musich remarked that it should be worth explaining to the American people the difference between the situation in Argentina today and a civil war. Civil war is a kind of conventional war but terrorism is different.

The Acting Secretary noted the importance of pressing home the fact that terrorism in Argentina is aimed at the overthrow of the government. He referred to the movie of some years ago called "State of Siege" which gave the impression that the terrorist side is fighting for the rights of the people. The U.S., he emphasized, somehow must view its moral principles in the light of conditions in other parts of the world where situations are completely different.

The Foreign Minister complained that the terrorists seem to find it easy to reach American public opinion but the Argentine government cannot, or at least it is very difficult. He agreed however that it is important to make a real effort. Ambassador Musich interjected that when Videla narrowly escaped assassination there was no reaction of sympathy whatsoever.

The Acting Secretary noted that our job is to determine what we can do about this situation. He said we would be remiss if we did not underline again the very serious problem we face with our Congress unless Argentina can properly explain its position and move to a situation in which it is able to soften its countersubversion measures. This will be necessary in order to avoid the concept of a consistent pattern of gross violations, and the changed situation must be perceived by the American public.

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Ambassador Martin remarked that if members of religious groups violate the law it is essential that they not simply "disappear." It should be sufficient to arrest them and bring them to trial. In the United States, people simply do not believe that religious men can act in a fashion that warrants summary treatment.

Ambassador Musich then remarked that a negative vote in the Inter-American Development Bank could have a bad effect in Argentina. Assistant Secretary Shlaudeman responded that we also have a problem in that the two loans for \$90 million coming together will further concentrate critical attention here. We will not, he said, vote no, but it would be to our mutual advantage if a vote on one of the two pending Argentine loans could be postponed. There is no difficulty with the \$60 million loan but we do have a problem with the \$30 million loan. We would like to separate the two votes, postponing consideration of the second loan. The situation would then be reexamined at a later date and if there were progress we would not have a problem.

Acting Secretary Robinson said that it would be helpful if the Foreign Minister were to repeat his views to the Secretary in New York. The United States, he said, is anxious to cooperate with Argentina within the limits imposed by our Congress; the United States wishes Argentina success in its endeavors. Foreign Minister Guzzetti responded that there were other themes such as the water conference and LOS which they might touch upon at another time, and asked for understanding for the Government of Argentina while it resolves its terrorist problems.

The luncheon closed with mutual expression of appreciation for the opportunity to exchange views.

cc: AmEmb Buenos Aires  
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Clearances:

ARA - Mr. Shlaudeman (draft) *RSY*  
D - Mr. Robinson

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