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Memorandum of Conversation

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DATE: October 7, 1976

SUBJECT: Secretary's Meeting with Argentine Foreign Minister Guzzetti

DATE, TIME AND PLACE: October 7, 1976; 5:15 P.M., Secretary's Suite, Waldorf Astoria Hotel, New York

PARTICIPANTS: ARGENTINA

Foreign Minister Cesar Augusto Guzzetti
Ambassador to the United States Arnaldo T. Musich
Ambassador to the UN Carlos Ortiz de Rosas

US

The Secretary
Under Secretary Philip Habib
Assistant Secretary Harry W. Shlaudeman
Fernando Rondon (notetaker)
Anthony Hervas (Interpreter)

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Foreign Minister Guzzetti: You look tired.

The Secretary: Do I look tired? That's unusual. I'm recovering from the debate.

Ambassador Ortiz de Rosas: The victor of that debate is Israel.

The Secretary: Ninety percent of our population is Jewish. Did you find the debate worthwhile?

Ambassador Ortiz de Rosas: Absolutely. Some points were very well taken.

The Secretary: By whom?

Ambassador Ortiz de Rosas: Both. The debate was addressed to the American voter. In the analysis and counteranalysis of foreign policy, I think the President fared very well.

The Secretary: We'll have to see.

Ambassador Ortiz de Rosas: Carter will have problems.

The Secretary: How?

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Ambassador Ortiz de Rosas: In open diplomacy.

The Secretary: Yes, many things Carter said were outrageous. We are not giving Saudi Arabia \$7.5 billion in arms. Last year it was \$400 million. All the rest was road building material, engineering equipment, barracks construction material. Iran's figures are also wrong.

Ambassador Ortiz de Rosas: There was a well-taken point by the President on Iran.

The Secretary: He did not mention Argentina. You are lucky (laughter). He'll get you in the next debate. There is one consolation. There are only three more weeks to go.

Foreign Minister Guzzetti: That is not too much. Mr. Secretary, I'm going to speak in Spanish. You will recall our meeting in Santiago. I want to talk about events in Argentina during the last four months. Our struggle has had very good results in the last four months. The terrorist organizations have been dismantled. If this direction continues, by the end of the year the danger will have been set aside. There will always be isolated attempts, of course.

The Secretary: When will they be overcome? Next Spring?

Foreign Minister Guzzetti: No, by the end of this year.

With respect to economic steps and the results we have achieved, with your support we have been able to achieve results. The recovery is continuing. We will begin to go upwards. The facts are clear enough.

That is not all. Last time we spoke of the refugees. The Chilean refugee problem continues to be the problem. We are seeking to provide permanent documentation in the country for refugees or send them out in agreement with other countries. With the cooperation of other countries, we can reduce the pressure.

The Secretary: You want terrorism in the United States?

Foreign Minister Guzzetti: No, the refugee problem is not a terrorist problem. Many left their countries due to changes of government. Many want to live in peace elsewhere. A small minority may be terrorist.

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The Secretary: As I told you in Santiago, we'll be prepared to cooperate on the refugee problem.

Can we give them parole?

Mr. Shlaudeman: We hope that the Attorney General will approve a program this week for 400 heads of family or 1600 people.

The Secretary: How many refugees are there?

Mr. Shlaudeman: Yesterday, the Minister said there were maybe 10,000.

Foreign Minister Guzzetti: Ninety percent are Chilean.

Mr. Shlaudeman: And there are some Bolivians and Uruguayans.

The Secretary: Are other nations helping?

Mr. Shlaudeman: Some are taking some. Even the Cubans are reluctant to take more Chileans.

The Secretary: Why is it in our interest to send Chileans to Cuba? I'm not so subtle. Can't they go to France?

Mr. Shlaudeman: Sweden is taking a few.

Foreign Minister Guzzetti: Small groups have gone.

There is another problem which we did not consider in Santiago. It is the problem of a supposed anti-Semitic campaign. I spoke frankly to Allon and to a Jewish organization here. The government is doing all it can to avoid the appearances of an anti-Semitic campaign. A distorted image is being created by leftist groups. The Argentine government is taking the necessary control steps to avoid a problem. These steps are serious. We do not want the human rights problem to get mixed up with problems that are alien to it, such as the Jewish problem. Our country has a large Jewish community integrated into the country. Despite anti-Semitic episodes in the country, there has never been persecution.

The Secretary: Is there any foundation to charges of anti-Semitism?

Mr. Shlaudeman: We have been assured by Jewish leaders in Argentina that they are not threatened.

The Secretary: Look, our basic attitude is that we would like

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you to succeed. I have an old-fashioned view that friends ought to be supported. What is not understood in the United States is that you have a civil war. We read about human rights problems but not the context. The quicker you succeed the better.

The human rights problem is a growing one. Your Ambassador can apprise you. We want a stable situation. We won't cause you unnecessary difficulties. If you can finish before Congress gets back, the better. Whatever freedoms you could restore would help.

On economics, we have Harkin. We will do our utmost not to apply it to Argentina unless the situation gets out of control. There are two loans in the bank. We have no intention of voting against them. We hope you will keep our problems in mind. Eventually we will be forced into it.

Foreign Minister Guzzetti: Yesterday, we discussed the problem with Under Secretary Robinson and Mr. Shlaudeman. Argentina is ready to postpone a loan to avoid inconveniences.

The Secretary: You were in Washington?

Foreign Minister Guzzetti: Yes.

There are other credits in Export-Import bank.

The Secretary: No. The Harkin Amendment does not apply to the Export-Import Bank. Proceed with your Export-Import Bank requests. We would like your economic program to succeed and we will do our best to help you. The special problem is only in the IDB.

Foreign Minister Guzzetti: With help received, we can look forward to the effective recuperation of the Argentine economy.

The Secretary: We would welcome it and support it. As I told you, we want a strong and stable and effective situation in Argentina. On the Jewish situation, you know the sensitivities as well as I do. I have no reason to suppose your government is doing anything.

Foreign Minister Guzzetti: Absolutely not.

Another problem, we will be requesting placet for a new Ambassador.

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The Secretary: You have resigned?

Ambassador Musich: Yes sir.

The Secretary: You just got here.

Foreign Minister Guzzetti: President Ford is in an electoral campaign.

The Secretary: You are concerned about agreement?

Foreign Minister Guzzetti: We will request agreement today or tomorrow.

The Secretary: Agreement we can give quickly but credentials...

Foreign Minister Guzzetti: We understand.

The Secretary: When will he be arriving?

Foreign Minister Guzzetti: In thirty days.

The Secretary: By that time, whatever has happened will have happened, and the President will have more time. Are you sending a man as good as his predecessor?

Foreign Minister Guzzetti: Yes.

The Secretary: He will be treated like a friend.

Foreign Minister Guzzetti: I have raised my main points. I could touch on Law of the Seas and your long letters.

The Secretary: Would you like to discuss it?

Foreign Minister Guzzetti: Not in detail.

The Secretary: I have just learned the issues. It took me a year to understand them.

I'll be the greatest bore at cocktails if Carter wins. I'll walk up and discuss Committee I issues. What are our differences?

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Foreign Minister Guzzetti: We have economic zone difficulties. We believe the economic zone should be exploited by the coastal countries. Argentina is opposed to the internationalization of these economic zones.

The Secretary: We are not in favor of internationalizing zones except for ship transit.

Foreign Minister Guzzetti: You spoke of world exploitation of the economic zone.

The Secretary: We think that the economic zone can be exploited by the country of jurisdiction. We'd like freedom for scientific research.

Foreign Minister Guzzetti: We agree.

The Secretary: Except for economic exploitation, we want a high seas status for the economic zone. I have never heard of internationalization of the economic zone. We are willing to internationalize the deep sea bed but, frankly, the Group of 77 will drive us into the position that we do it alone. They are getting half; a half they could not get on their own. None of them has a capability to get that in the next thirty or fifty years.

Ambassador Ortiz de Rosas: My belief is that we need a very serious Law of the Seas round.

The Secretary: I have attended two Law of the Seas sessions. I have never heard Argentina is a problem. It's clear to me that a specialized set of men has developed and that none of their arguments are understood. When the Zambian takes a sui generis position, I cannot believe that the Zambian government understands. Or a Tunisian professor takes a position and is off on a toot of his own.

Next time, if it fails, we will have chaos. The United States can enforce its rights. In the deep sea bed, we have a right to be there anyway. We have to get our own delegation under control. Some have been studying it for years and don't want to hear of changes. By the end of November, I want our position to be clearly established.

Ambassador Ortiz de Rosas: Your statement to the UN was extremely good with respect to Law of the Seas. Your position was very clear

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This may be cynical, but there are people entrenched in positions that want to become international Law of the Seas civil servants. In the Group of 77 they are all beating their seats.

The Secretary: The party will be over next year. We either reach an agreement we can live with or we will act unilaterally. In Committee I we are at the limit of our concessions. In Committees II and III we can make compromises and still get them through Congress.

Ambassador Ortiz de Rosas: Either we engage in serious negotiations or we fail.

The Secretary: I agree. Which countries should we consult? All 150?

Ambassador Ortiz de Rosas: You have to take the key countries in different regions.

The Secretary: We will review our position again. I don't think we have major problems.

Ambassador Ortiz de Rosas: The main problem is the extension of the continental shelf.

The Secretary: The negotiations won't fail on that.

Ambassador Ortiz de Rosas: The Group of 77 wants to take a share of the continental shelf revenues.

The Secretary: Oh, you are not in agreement?

Ambassador Ortiz de Rosas: We want to keep what is ours but are willing to compromise.

The Secretary: I have never seen negotiations where those who have nothing and can't obtain it themselves are so adamant.

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