MEMORANDUM OF CONVERSATION

Santiago, Chile
June 8, 1976
Secretary Rusk
10:50 a.m. - 11:05 a.m.

PARTICIPANTS:
The United States
Secretary
Under Secretary Rogers
Under Secretary Moynihan
Hilary R. Braun, 2/2 - Interpreter
Anthony Hervay, Interpreter
Argentina
Foreign Minister Guzzetti
Ambassador Cerrato
Ambassador Parey
Mr. Betralla

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Guzetti:
If you do not mind, I prefer to speak Spanish.
It is difficult for me to express myself in English.

The Secretary:
Not at all, I myself negotiate with the Germans
in English even though it was is when Hitler's Germany.

You refer of course that no matter what happens
I would be here in Brazil in 1978, that is the year the
world cup will take place.

Parey:
I am waiting for it too

The Secretary:
Argentina will win.

Guzetti:
I am not sure.
spent 45 days in California claiming the area for Argentina.

The Secretary

Let me take a minute now to tell you that we bought Hawaii, we paid for it, and we intend to keep it forever.

Of course, if we were to tell our press that we were opening negotiations with Argentina over California and Hawaii, that would at least tire Panama out of the headlines.

Guzzetti

Our main problem in Argentina is terrorism. It is the first priority of the current government that took office on March 24th. There are two aspects to the solution. The first is to ensure the internal security of the country, the second is to solve the eleven urgent economic problems over the coming 6 to 12 months.

Argentina needs United States understanding and support to overcome problems in these two areas.

The Secretary

We have followed events in Argentina closely. We wish the new government well; we wish it well succeed. We will do what we can to help it succeed.

We are aware you are in a difficult position. It is a curious time, when politically, economically, and terrorist activities tend to merge without any clear separation. We understand your mistrustful authorities.

Guzzetti

The foreign press creates many problems for us in interpreting events in a very peculiar manner. Press criticism creates problems for confidence. It weakens international confidence in the Argentine government and affects the economy. But the reason it seems as though there is an orchestrated international campaign against us.

SECRET/NO DIS
Memorandum of Conversation

DATE: Oct. 6, 1976
TIME: 1:00 PM
PLACE: Humphrey Room

SUBJECT: U.S.-Argentine Relations

PARTICIPANTS: Argentina

His Excellency Rear Admiral Ceac Augusto Guzzetti, Minister of Foreign Affairs and Worship of the Argentine Republic
His Excellency Hernando Tomas Musch, Ambassador of the Argentine Republic
Colonel Roberto Pellacini, Undersecretary General, Ministry of Foreign Affairs
His Excellency Federico Bartolli, Chief, Latin American Division, Foreign Ministry

United States

The Acting Secretary of State
The Honorable Hays W. Shaub, Assistant Secretary for Inter-American Affairs
Mr. Robert W. Zimmermann, Director, Office of East Coast Affairs, APA/ECA
The Honorable Edwin N. Martin, Chairman, Consultative Group on Food Production and Investment in Developing Countries, EBRD

After an initial exchange of amensities and mutual expressions of gratification in connection with the dedication of the statue of San Martín 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 antecedent 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
Four months the government will have dealt with the subversive groups. However, he said, Argentina has other problems of social, educational, social and economic. The most important of which is the need to push economic reforms. 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 for international terrorist groups to support the Argentines, even 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 combating the government is on the road to recovery. The outside world speaks of the Argentine government as rightist and fascist, which is far from reality. Argentina has to face the situation realistically. The country 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% came to Argentina from Chile. Some two or three years ago, they lived 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, some of the refugees perhaps 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.