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SECRETFACT SHEET: FALKLANDSI. US OBJECTIVES WITH ARGENTINA

- o Continued improvement in our bilateral relations with Argentina's democratic government.
- o A broad-based US-Argentina security relationship as a way of encouraging military support for democracy.

II. COMMITMENT TO CONSULT WITH THE BRITISH

- o In a 1986 letter, Secretary Shultz reiterated our commitment not "to enhance the threat to the Falklands by our sales of military equipment. . . (and) to consult HMG prior to approving major arms transfers."
- o The British, taking a broad view of what might threaten the Falklands, have frequently expressed concern about military sales below this threshold.
- o They recently questioned a US proposal to refurbish twelve A-4 aircraft already in the Argentine inventory, and to market the Bell 214 ST helicopter.
- o These items would neither enhance the threat to the Falklands nor constitute major arms sales but we deferred them awaiting more detailed British comments.
- o We are not proposing any major arms sales at this time, but as our security relationship with Argentina evolves we will consider the role of military equipment transfers.
- o In sum, we will consult on arms transfers that could enhance the military threat, but the British should not seek to impede the strengthening of our political-military relationship with Argentina which is the best guarantee of democracy in that nation and of the security of the Falklands.

IV. BRITISH-ARGENTINE DISCUSSION ON SOUTH ATLANTIC FISHING

- o We will continue to transmit diplomatic exchanges on fisheries and bilateral issues related to the Falklands (but without becoming the mediator).
- o Argentina recently made an interesting proposal for direct talks on fisheries that sets aside the sovereignty issue and concentrates on practical matters.

REVIEW AUTHORITY: Robert Homme, Senior Reviewer

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The official visit of Prime
Minister Thatcher July 17, 1987