

387. Action Memorandum From the Assistant Secretary of State for Inter-American Affairs (Enders) to Secretary of State Shultz¹

Washington, August 18, 1982

SUBJECT

Strategy Toward Argentina

ISSUES FOR DECISION

What steps should be taken next on Argentine issues, including the UN Falklands resolution and our military sanctions.

ESSENTIAL FACTORS

(A) *The UN and Falklands Negotiations*

Argentina and other Latin American countries have proposed inscription of Falklands negotiations at the UNGA. Inscription appears certain. We have taken the position that we could only consider supporting a resolution provided it did not prejudge the sovereignty issue nor impose an unrealistic deadline for negotiations. I conveyed the substance of this position to British FCO Minister of State Onslow August 6 and he indicated no difficulty with this point, while making clear HMG's opposition to any resolution calling for negotiations. I also discussed it on August 16 with Argentine Foreign Minister Aguirre Lanari. We now need to formalize our posture and review specific texts for acceptability. A pre-UNGA meeting between you and Aguirre would be very helpful.

(B) *Military Pipeline*

US military sanctions against Argentina include suspension of the small pipeline of FMS and commercial sales, primarily aircraft and ship spares, plus export licensing of certain defense items, valued at about \$7 million in total. The French removed their pipeline embargo last week. The UK has asked us and the other EC countries to maintain a complete military ban. Onslow made a particular point about the sensitivity of replacement engines for the A-4's, which are included in the pipeline. The British say the French have promised no immediate sales, but intelligence reports indicate the French apparently plan to

¹ Source: Reagan Library, George Shultz Papers, Box 25, Argentina. Secret. Sent through Stoessel. A stamped notation at the top of the memorandum indicates that Shultz saw it. At the top of the memorandum, Stoessel wrote: "Sir: ARA and EUR are in agreement on this approach. WStoessel."

deliver aircraft and missiles relatively soon. We recommend further soundings on use of our pipeline. You may want to discuss this in September with the Argentine Foreign Minister. Meanwhile, we should consult with the UK further on this issue.

(C) *Certification:*

Congress imposed a certification requirement on human rights and related matters in 1981 when it repealed the ban on security assistance and military exports to Argentina and Chile.² If the political structure in Argentina stabilizes, the government's recent promise of elections by March 1984 will help its case, although its use of US-furnished material in the Falklands will hurt. Chilean certification is more difficult because of the Letelier case³ and Chile's rigidity on human rights. We prefer joint certification because regional balance is important to the maintenance of peace between Argentina and Chile.

We propose to discuss Argentine certification with the British and propose to begin a diplomatic effort to convince President Pinochet to take steps to improve Chile's human rights record. We need to consult extensively on the Hill on both certifications before moving ahead. We will return to you for a decision to certify when we are further along. Our target date is late November. Certification would not mean that we would resume military sales; it would only make that possible, with each specific sale requiring a separate decision on our part.

RECOMMENDATIONS

(1) That you invite Argentine Foreign Minister Aguirre Lanari to meet you in Washington in September.⁴

(2) That we continue to indicate we would not oppose inscription of a resolution that does not prejudge sovereignty or try to impose an unrealistic deadline for negotiations.

(3) That we discuss with Aguirre in September the conditions under which we could reopen the military pipeline.

(4) That you authorize the initial steps indicated herein looking toward a subsequent decision on certification in late November.

² See footnote 3, Document 263.

³ See footnote 7, Document 69.

⁴ Shultz approved the recommendation on August 25, adding the following notation: "but setting dates can be difficult." He also approved the other recommendations on August 25.