

~~FALKLAND ISLANDS GENERAL (ADVANCES)~~

~~36~~ 36

PS  
 PS/LADY YOUNG  
 PS/MS WHITNEY  
 PS/MS RIFKIND  
 PS/PCS  
~~MR J. S. ...~~ SIR J  
~~MR I. ...~~ MR. FREELAND  
 MR W. HARDING  
 MR T. ... GOODALL  
 MR ... O'NEILL  
~~MR ... GORDON ...~~  
 SIR C. TICKELL  
 MR D. C. THOMAS  
~~MR ... WESTON~~  
 MR MILES  
 D/PDS (2)  
 D/SA  
 D/ED  
~~...~~  
 D/DEPT  
 D/ED  
 D/ED (E)  
 D/ED .HD/ERD.  
~~D/PLANNING STAFF~~

PS/NO 10 DOWNING ST (3)  
 PS/S OF S FOR DEFENCE  
 MR ... AUSTRALIAN STATE MOD.  
 MR ... NICHOLL  
 PS/CHANCELLOR )  
 MISS M E CURD ) TREASURY  
 MR LITTLE )  
 SIR E ARMSTRONG )  
 MR ... GOODALL ) CABINET C  
 DIO ... CARTLEDGE )  
~~MR ... PATTISON, TD, ODI~~  
 MR POWER, SAD, ODA  
 MR ... FORTNAM IAT/ D. TRANSPORT  
 BANK OF ENGLAND  
~~...~~

PP ~~SANTIAGO~~

PP ~~WASHINGTON~~

GRS 650

CONFIDENTIAL

(FM BERNE 130930Z)

FM BISBA  
 TO IMMEDIATE FCO  
 TELNO 458 OF 11 JULY

REPEATED IMMEDIATE UKREP BRUSSELS AND OTHER EC POSTS  
 PRIORITY MOD, BANK OF ENGLAND, ASUNCION, <sup>BRASILIA,</sup> ~~24 1878~~, CARACAS,  
 MEXICO CITY, MONTEVIDEO, SANTIAGO, WASHINGTON

FRG EMBASSY'S EC BRIEFING ON CHANCELLOR KOHL'S VISIT TO  
 ARGENTINA

SUMMARY

1. EC HEADS OF MISSION WERE BRIEFED BY FRG EMBASSY OFFICIALS ON  
 CHANCELLOR KOHL'S VISIT TO ARGENTINA FROM 5-8 JULY. TWO FORMAL  
 PERSONAL MEETINGS WITH PRESIDENT ALFONSIN COVERED FOREIGN DEBT,  
HUMAN RIGHTS, FOREIG

POLICY INCLUDING FALKLANDS AND BILATERAL  
 RELATIONS. ECONOMIC, SCIENTIFIC/TECHNICAL AND CULTURAL COMMISSIONS

RELATIONS. ECONOMIC, SCIENTIFIC/TECHNICAL AND CULTURAL COMMISSIONS MEETING EARLIER COVERED MUCH DETAILED GROUND. CHANCELLOR KOHL'S MAIN MESSAGE WAS THAT ARGENTINA MUST MAKE AN EFFORT: ALFONSIN'S REPLY THAT ARGENTINA WAS MAKING AN EFFORT. THE PRESIDENT WOULD NOT BE DRAWN ON DETAILS OF ARGENTINE REQUIREMENTS, BUT PERHAPS THE ERHORTATION TO ORTHODOXY IS GETTING THROUGH.

#### DETAIL

2. THE FRG AMBASSADOR SAID CHANCELLOR KOHL HAD BEEN RECEIVED VIRTUALLY AS A HEAD OF STATE EXCEPT FOR CERTAIN PROTOCOL DETAILS, EVEN THOUGH HE WAS HEAD OF GOVERNMENT. HIS PROGRAMME INCLUDED ONE LENGTHLY TETE A TETE DISCUSSION WITH PRESIDENT ALFONSIN, AN ADDRESS TO THE ARGENTINE LEGISLATIVE ASSEMBLY CONSISTING OF BOTH CHAMBERS SITTING TOGETHER, A STATE DINNER AND A GERMAN RETURN DINNER, A FORMAL MEETING, WITH TWO FOREIGN MINISTERS AND AMBASSADORS PRESENT, AND A DAY'S VISIT TO CORDOBA. THE HIGHLIGHTS WERE THE CHANCELLOR'S ADDRESS TO THE ASSEMBLY AND HIS SPEECH AT A MEETING OF THE ARGENTINE CENTRE FOR INTERNATIONAL RELATIONS (CARI) (SPANISH TEXTS FOLLOW BY BAG TO FCO). HE ALSO MET TWO CHILEAN CHRISTIAN DEMOCRAT POLITICIANS AT THE HOTEL IN CORDOBA.
3. THE THEME OF THE CONGRESS SPEECH WAS THE MEETING OF TWO DEMOCRACIES AND THAT AT CARI A MORE DETAILED FOREIGN-POLICY STATEMENT.
4. IT WAS DIFFICULT TO SEPARATE THE CONTENT OF THE PRIVATE CONVERSATIONS FROM THE PUBLIC SPEECHES. CHANCELLOR KOHL HAD STRESSED HE WAS FROM A EUROPEAN COUNTRY AND MEMBER OF EUROPEAN COMMUNITY, ON FOREIGN DEBT, HE SAID THE FEDERAL REPUBLIC, LIKE OTHER COMMUNITY COUNTRIES, WAS WILLING TO HELP. THIS WAS NOT ONLY AN ARGENTINE PROBLEM, BUT AFFECTED EVERYONE AND ALL MUST CONTRIBUTE TO A SOLUTION WHICH MUST BE FOUND THROUGH THE MULTILATERAL INSTRUMENTS CREATED SPECIALLY FOR THIS PURPOSE. THERE WAS NO MENTION OF REFORMING THEM. IN SPITE OF SEVERAL ENQUIRIES FROM CHANCELLOR KOHL, PRESIDENT ALFONSIN AVOIDED SPECIFYING ARGENTINE REQUIREMENTS. KOHL'S MESSAGE WAS THAT ARGENTINA MUST MAKE AN EFFORT, AND ALFONSIN'S REPLY THAT ARGENTINA WAS DOING SO. THE CHANCELLOR STRESSED THE NEED TO FIND A LONG-TERM SOLUTION TO THE DEBT PROBLEM. HE DID NOT MENTION THE IDEA OF CHANGING THE CREDITS FROM DOLLARS TO OTHER CURRENCIES.
5. M ON HUMAN RIGHTS, KOHL EXPRESSED FULL CONFIDENCE IN THE MEASURES TAKEN BY ALFONSIN'S GOVERNMENT. HE ALSO EXPRESSED INTEREST IN CLARIFYING THE CASES OF THE GERMAN MISSING. ALFONSIN SPOKE OF 8.000 CASES IN ALL, NOT 10.000 AS BEFORE.
6. ON FOREIGN POLICY KOHL REPEATED THE FRG POSITION TAKEN AT THE UN IN FAVOUR OF A NEGOTIATED SOLUTION OVER THE FALKLANDS, RESPECTING THE POSITIONS OF BOTH PARTIES. ALFONSIN IN HIS BANQUET SPEECH EXPRESSED SUPPORT FOR GERMAN REUNIFICATION THROUGH SELF-DETERMINATION. THIS WAS NOT THE FIRST TIME BUT THE GERMANS CONSIDERED IT INTERESTING THAT A MEMBER OF THE NON-ALIGNED

MOVEMENT SHOULD MAKE SUCH A STATEMENT.

7. BILATERAL MATTERS DISCUSSED HAD INCLUDED REVIEW OF THE WORK OF THE THREE SPECIALISED COMMISSIONS : ECONOMIC, SCIENTIFIC/ TECHNOLOGICAL AND CULTURAL, WHICH HAD MET EARLIER IN JUNE (FOR THE FIRST TIME IN THREE YEARS) AND MADE DETAILED RECOMMENDATIONS. THE FEDERAL GOVERNMENT WOULD PROVIDE TECHNICAL TRAINING PROGRAMMES, AID FOR SMALL FIRM COOPERATION, INFORMATION ON THE INTEGRATION OF THE ARMED FORCES INTO THE DEMOCRATIC SYSTEM AFTER WORLD WAR II. CHANGES IN ELECTORAL LAW TO INCLUDE GERMANS RESIDENT OVERSEAS WERE ALSO DESCRIBED.

8. FOLLOWING DETAILED REPORTS ON THE COMMISSIONS' WORK BY THREE EMBASSY OFFICIALS, THE AMBASSADOR SAID HIS GOVERNMENT WAS CO KCMT WITH MEDIA AND PUBLIC REACTION TO THE VISIT WHICH WAS JUDGED TO HAVE BEEN A SUCCESS. ANSWERING QUESTIONS, HE SAID THE "BUENOS AIRES HERALD" REPORT PRECEDING THE VISIT THAT THE GERMANS WOULD PRESS FOR RESTORATION OF BUDGETARY PROVISION FOR THE ARGENTINE NUCLEAR ENERGY PROGRAMME WAS PURE FANTASY. THE WORD NUCLEAR WAS NOT MENTIONED DURING THE WHOLE VISIT.

9. THE BELGIAN AMBASSADOR REPORTED FAVOURABLE REACTIONS FROM ARGENTINE COLLEAGUES TO THE FOREIGN AFFAIRS SPEECH DELIVERED AT CARI. IT SEEMED THAT THIS HAD MADE AN EXCELLENT IMPRESSION.

COMMENT

10. CHANCELLOR KOHL'S VISIT WAS OPPORTUNE AND HIS MESSAGE TO THE ARGENTINE GOVERNMENT UNCOMPROMISING IN ITS REITERATION OF THE NEED TO RESOLVE ARGENTINA'S CURRENT FINANCIAL PROBLEMS THROUGH ESTABLISHED INTERNATIONAL INSTITUTIONS. ALTHOUGH OFFERING ASSISTANCE, HE STRESSED FIRMLY THE NEED FOR SELF-HELP. FOLLOWING SO SOON AFTER FRENCH TREASURY DIRECTOR CAMDESSUS' VISIT TO BUENOS AIRES AND ALFONSIN'S VISIT TO SPAIN, DURING WHICH THE SAME EUROPEAN EXHORTATION TO ORTHODOXY MUST HAVE BEEN CONVEYED, CHANCELLOR KOHL'S VISIT AND MESSAGE MAY BE DECISIVE IN CONVINCING ALFONSIN TO FOLLOW THE PATH OF RIGHTEOUSNESS AND NOT RASHLY TRY TO GO IT ALONE. THE MESSAGE OF GOOD SENSE MAY BE GETTING HOME AT LAST.

GOY  
POWELL-JONES

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SENT//RECD AT 131010Z KH//MSJ