

448. Telegram From the Department of State to the Embassy in Argentina¹

Washington, July 28, 1984, 0432Z

222720. Subject: Secretary's Meeting With Foreign Minister Caputo July 23.²

1. (S—Entire text).

2. Summary: Secretary's meeting with Argentine Foreign Minister Caputo focussed on four issues—Argentina's economic problems and the debt, Cartagena, the Falklands/Malvinas problem and the proposal for a "library group" hemispheric dialogue. End summary.

[Omitted here is discussion of the Argentine economic situation, Cartagena, and an Argentine proposal for a "hemispheric dialogue."]

9. Falklands/Malvinas: Caputo said the GOA was firmly committed to peaceful negotiations as the best way to resolve differences. For example, Argentina was close to an agreement with Chile on the Beagle Channel problem and he expected final agreement soon, possibly within sixty days. The problem with the UK was a tougher one, especially now because of the unfortunate results at Bern. Caputo said the Bern talks failed because the British did not demonstrate minimum flexibility.³ The GOA's first objective was a resumption of the informal dialogue. It was important to reduce tensions and continued contacts served this purpose. The GOA was and remained disposed to any form of dialogue with the British that would advance the prospects of a permanent solution. In response, the Secretary said we were disappointed with the outcome of this initial effort. We would like to see the dialogue reconstructed, but do not want to get between Argentina and the UK on this issue. The British had told him they would like to see the dialogue resumed also. (FYI. There was no significant discussion of how this issue would be handled in the UNGA during this or any other meeting with USG officials.)

Shultz

¹ Source: Department of State, Central Foreign Policy File, D840482-0333. Secret; Immediate. Sent for information Immediate to Santiago and London. Drafted by Morley; cleared by B. McKinley (S/S), K. Clark, and in S/S-O; approved by Kilday.

² No memorandum of conversation of this meeting has been found.

³ See Document 447.