MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with Foreign Minister Guido Di Tella of Argentina

PARTICIPANTS: The President
James A. Baker, Secretary of State
Brent Scowcroft, Assistant to the President for National Security Affairs
Marlin Fitzwater, Assistant to the President and Press Secretary
Robert M. Gates, Assistant to the President and Deputy for National Security Affairs
William T. Pryce, Senior Director for Latin American and Caribbean Affairs, NSC Staff (Notetaker)
Philip McLean, Deputy Assistant Secretary of State for Inter-American Affairs
Guido Di Tella, Foreign Minister of Argentina
Jorge Tellerman, Foreign Ministry Officer
Victorio Taccetti, Argentine Embassy

DATE, TIME AND PLACE: February 8, 1991, 1:30 - 1:50 P.M.
The Oval Office

The President: (During photo-op.) Marlin Fitzwater has just said something about the Jordanian statement. There appears to be a shift in the Jordanian position. We’re concerned about it, and yet, we don’t understand some of the rhetoric coming out of there. On the other hand, we have always had a historically good relationship with Jordan. But, this changes things.

We want to do all we can to follow-up on what we’ve discussed about being helpful to you on economic issues. I wanted to mention to you our gratitude for your support for the decision on the Gulf. I expect that it wasn’t an easy decision, but it was one that I very much appreciated. You can tell President Menem for me that the war is going well, going on schedule. I plan to call him myself. We have a lot of pride in our Air Force and the magnificent job they are doing. We are getting international criticism that we are targeting civilians. We are not doing this. There are situations where we and the British are targeting bridges, and I think there have been people on the bridges. They shouldn’t be there.
And the highway to Jordan, that's where missiles were hidden, under bridges. We must protect lives, but people shouldn't be on bridges. We must protect our own soldiers lives.

When we hear propaganda coming out of Baghdad, I know there is collateral damage, but it is not targeted. Things are going well in the Gulf, and Argentina has been most supportive.

**Foreign Minister Di Tella:** President Menem is most appreciative of your support and your telephone calls.

**The President:** On a personal basis, I want to say that we are very proud of the action Argentina has taken.

**Foreign Minister Di Tella:** In the beginning, when we sent the ships, 80% of the people opposed our policy. Then we went to the Congress and got approval to keep our ships there. Now, we have 60% of the people in favor of our policy. President Menem has a way of conveying difficult decisions in a way that gets support. To be a member of the western world is good for us. You see the kind of support you get. If you want to get along in Argentina today, you have to show you get along with the United States. This is a historic change.

Cooperation with the United States is essential. We understand and approve. You have done a fantastic job with the Enterprise for the Americas initiative. There are people who say it's not effective because it is not concrete enough, but we understand it is a process.

**The President:** We do want to work together and make it a success. I must admit that my time is focused on the Gulf right now. But, it won't go on forever, and we want to keep up on the affairs of the hemisphere. On a personal basis, how is the problem with the ferry? Were many people lost?

(Note: There was a general unfamiliarity with the event on the part of Foreign Minister Di Tella and other U.S. participants.)

**The President:** I'm pretty sure I heard a report last night, and remember our crossing the water from Punta del Este to Buenos Aires.

**Mr. Pryce:** Mr. President, it looks as though you are ahead of your staff once again.

**Mr. Tellerman:** Yes, there was a ferry accident, I think 12 people were killed.

**The President:** There, I knew I had heard something on the news. I think two boats collided. Our condolences.

Tell me about Tlatelolco.
Foreign Minister Di Tella: It's coming along well. We are trying to define a safe guard agreement between Argentina and Brazil. We need to get approval by the IAEA. If the agreement is signed, we will ratify Tlatelolco with modifications. The question is, "who will do the inspections?" We have to take a step-by-step approach. That is understood. We will sign a modified Tlatelolco. There's a story that inspections will reveal big secret projects. This is absurd.

There is worry among the military in both Argentina and Brazil that each side is seeking advantage. When I was Minister of Defense for 16 days, I had in mind to improve the cooperation and confidence between our two Armed Forces.

The President: How are you getting along with Chile?

Foreign Minister Di Tella: Very well.

The President: I had dinner at the Presidential Palace with President Aylwin who is very impressive. A very dignified Chilean who had been at the U.N. was telling me a story of how significant the dinner was. He pointed to one corner of the room and said that it was the place where President Allendi died, and then pointed to a table where Mrs. Allendi was seated, and finally to the table where Pinochet was sitting. He said the dinner was a historic occasion, the first time they were together since Allendi's death. It was, he said a historic moment which the U.S. had helped to bring about.

Pinochet had wanted to come to the airport when we arrived, but wanted to come as a former Chief of State which gave him a higher protocol place, but to come in uniform. Aylwin said he could come as a former Chief of State if he wished, but if he came in uniform, he would be coming as Chief of Staff of the Army, and would have a much lower protocol rank. Pinochet came in uniform and was placed as the Chief of Staff. President Aylwin is very impressive.

Foreign Minister Di Tella: I remember the Latin American of the 70's, and now see the Latin American of the 90's. There's no comparison. The 70's were like a nightmare.

The President: What happened to that hard Army officer, what was his name?

Mr. Pryce: Seneldin.

The President: Yes, Colonel Seneldin. Is he in jail?

Foreign Minister Di Tella: Yes, he is still in jail, and will stay for a good long time. The problem with the military is a difficult one. It is not of the right wing officers, but of the lack of professional facilities, and low pay. There is no money. They are badly equipped. The Air Force is in the process of forming a new organization. We need to give them better
equipment. There are 800 officers and many will not have the opportunity to fly.

The President: Have you weathered the storm of pardoning the officers?

Foreign Minister Di Tella: The President thought he had to do it even through it was unpopular. He thought we had to turn the page. We had to begin anew.

The President: I thought it was handled well. I think it came out well, at least that's the way it looked from here.

Foreign Minister Di Tella: The President was determined to do the right thing. He didn't gain politically. He knew it was an unpopular move, but the people respect him for having done it.

There is a big improvement in the relations between the government and the opposition. We are moving against corruption. We need to involve the World Bank and the InterAmerican Bank in the process. What your Ambassador did about this has been helpful. It bothered us a little at first, but he showed cooperation, and at the end we were very happy.

One other problem, and this is the last thing I want to mention, the debt problem. We want to do our best to solve the situation this time. We have had setbacks, but have come out stronger each time. Our privatization has helped. We have saved $7 billion dollars on privatization, and that is a lot of money even in your country.

The President: Good luck. We want to work with you. I understand that much of the debt is with commercial banks.

Foreign Minister Di Tella: We have had problems, but we have improved. We now have an opportunity to make major improvements. We have an economic team which is second to none. We are prepared to meet our problems.

(The meeting closed with an exchange of pleasantries.)