

THE WHITE HOUSE

WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with Carlos Menem, President of Argentina (U)

PARTICIPANTS: The President
The Vice President
Lawrence Eagleburger, Acting Secretary of State
Nicholas F. Brady, Secretary of the Treasury
Robert A. Mosbacher, Secretary of Commerce
John H. Sununu, Chief of Staff
Brent Scowcroft, National Security Advisor
Terence Todman, Ambassador to Argentina
Bernard Aronson, Assistant Secretary of State for Inter-American Affairs
William T. Pryce, Senior Director, Latin American Affairs
Stephanie Van Reigersberg, Interpreter

Carlos Saul Menem, President of Argentina
Eduardo Menem, Provisional President of the Senate
Guido Di Tella, Minister for Foreign Affairs and Worship
Carlos Ortiz de Rozas, Ambassador to the United States
Domingo Cavallo, Minister of the Economy
Humberto Toledo, Presidential Spokesman
Andres Cisneros, Minister Di Tella's Cabinet Chief
Gustavo Figueroa, Director of North American Affairs, Foreign Ministry
Ana Braun, Interpreter

DATE, TIME AND PLACE: November 14, 1991, 10:50 - 11:15am EST
Cabinet Room

The President: We are delighted you are here and to have an opportunity in some way to repay your wonderful hospitality. I will never forget our visit to Argentina. Our reception was so warm. My daughter, Doro, will never forget it either. (U)

We have a little bit of a time problem because of the public meeting with the Congress, so I know you need to leave here at 11:15. We've talked about several subjects in the meeting in the Oval Office and we will have some time to talk together before the dinner tonight. And then we will be able to talk at dinner also. I would like to say again, what I said publicly -- I want to reiterate here how strongly we feel about the great progress

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you have made and the positive things you have done in promoting democracy and restricting nuclear nonproliferation and in making two economic reforms. We really appreciate this visit and the opportunity to tell you we admire what you have done. As I have said, U.S. relations with Argentina have truly never been better. (U)

I would like you to have the opportunity to bring forward any subjects that you would like to discuss here. I have experts here which can reply in any areas. And then I think you will be talking with Deputy Secretary Eagleburger over at the State Department and with Secretary Brady tomorrow. (U)

President Menem: Thank you very much. I want to begin by saying how pleased I have been with the wonderful reception you have given me and the delegation. I certainly agree with what the President said earlier, that relations between our countries have never been better and we will continue to work to make them even better. (U)

I don't know if we should talk for a few minutes about the subjects that we have already spoken about in the other room? (U)

The President: In an effort to cover all the other subjects, I thought we might discuss them. One of the things we talked about in the other room was in relation to finances and I said we wanted to be helpful and I will talk with Secretary Brady about that. I am encouraged and said that we do want to be helpful. I said that we wanted to see that Argentina is treated as other countries have been by the international financial people, particularly Mexico. We also talked a little bit about the Malvinas. Are there any other subjects we should mention? (S)

President Menem: We had a very good talk with the IMF. We talked with Camdessus and we think the meetings are going well. We are asking for the same treatment that other countries are getting, especially Mexico. (S)

I believe we will sign an agreement on investment with the United States. This is important. We see now that inflation is going down and it will not exceed 1.4 percent. We can see a reinvigoration of the whole economy. We believe that it would be good to see the United States help with the International Monetary Fund and the International Development Bank in order to encourage them to give us the same conditions as Mexico. (S)

On the Malvinas -- this is a subject you have to discuss with your Cabinet. You need to talk with your people -- I leave it to you on this. I don't want to give the subject any more time. Is there anything else, any other topics? (S)

The President: I have one, and that is the Uruguay Round. We have talked with Lubbers and De Michelis; we leaned on them on agriculture. I think that if you felt comfortable, if you could talk with Mitterrand and Kohl, who are major agriculture powers,

I would appreciate that intervention. Even if you have done it in the past, we have done it in the past, we are now in a critical stage. There is a little reason to be optimistic. Anything you can do with the agriculture component; would be helpful. (S)

President Menem: We are working on this and I have received your letter on the subject, and I have taken the language from the letter to use for my statement. I have instructed my people to push hard on agriculture. (S)

Mr. Cavallo: I would like to say that we have talked with Carla Hills also about that and that our proposals on services and International Property Protection should be a help to the negotiations. We are also active with our neighbors in Mercosur on this. Our representatives have received instructions to do all we can. They have been asked to direct activities to the Economic Ministers and the Foreign Ministers and perhaps directly with Kohl. (S)

President Menem: Another subject important for both the United States and us is that we have decided to leave behind the non-aligned movement. You mentioned Haiti and Cuba. My speech did not mention Cuba, specifically, but that is what we meant. We would like to know what additional we can do to have results on this. If there is anything to be done on this (Cuba), we are ready. I know that our struggle is a global struggle. (S)

The President: When you talk with our experts, perhaps they can tell you more on this subject. When Castro came to COZUMIL, they were somewhat optimistic. But he did not show a real readiness to have democracy. Our position has been to keep it on hold, not to try to conciliate -- that would be counter-productive. Larry and Bernie Aronson are very much up to date on Cuba. (S)

On Haiti, OAS has had a very positive role, but I am afraid that people understand that Aristide is not a shining knight. We have a principle to uphold -- that military must not be able to change governments. And we need to see that that principle is upheld. But as I said, Aristide is not a shining white knight. That makes it more complicated. I would like to have your top of the head opinion. (S)

President Menem: On Haiti, we have been very clear as have the press and the OAS in public statements. We have a joint effort so that the former President should once again take office. For us, it is very important and the world must be alerted that this kind of thing cannot happen in any other country. So it would be necessary to uphold the government strongly. That is our attitude. I believe that today or tomorrow, Aristide will come to Argentina and we will accept him as Chief of State and we hope other countries will do the same. This man, whether we like it or not, was elected and we can't let the military change a government. This would set a very bad precedent. (S)

The President: We want to stand for principle, but there are complications here. Bernie, do you want to say anything on this? (S)

Under Secretary Aronson: The OAS Mission came back with a tentative way to solve the situation. Argentina has been a leader on this subject. (S)

President Menem: On another subject, and we need more information on this subject, we need to have information from you and want to know if you want us to do anything. This is the question of the Middle East. This was the first time that an Argentine President has gone to Israel. I called for non-violent approaches. They said that they would interface with the Syrians politically. So I believe this will come to happen in the end. I know this will not be easy. (S)

The President: I remember your offer to be helpful on this. There might well come a time. Syria is so difficult, not unpredictably. We are trying to get regional talks going. They are not as forthcoming as the others. We will try to stay engaged. We want Syria to come and talk, and we expect that will be the next step. This is so complicated. There might come a time when we would ask you. We are going to stay involved. I was asked if this was irreversible. I could not say yes. I suggest we stay in touch, there could be a time when we might ask you to take some action. I know how everybody looks at how we relate with Israel. I haven't changed my view on the settlements. We all think they are not helpful. I'm not putting my views on the table. Nor am I putting my views on the Palestine state. Larry, is there anything else you want to add on this? (S)

Acting Secretary Eagleburger: Nothing, except to mention the positive development of talks with Israel and the Palestians -- this is most important. (S)

President Menem: The last thing I want to say is that during the first month of next year, I will be going to Syria, and whatever I can do to be helpful, let me know. (S)

-- End of Conversation --