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ASSISTANT SECRETARY OF DEFENSE

WASHINGTON, D.C. 20301

INTERNATIONAL
SECURITY AFFAIRS

In Reply Refer to:
I-13252/82

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Argentina

MEMORANDUM FOR THE DEPUTY SECRETARY OF DEFENSE

SUBJECT: Meeting with US Ambassador to Argentina, Ambassador Harry W. Shauldeman

Date/Time: 1000 - 1030, Monday, 20 September

Place: Your Office, Room 3E944

Participants:

DOD

State

Nestor Sanchez, DASD/IA
LtCol Chris Brown, Country
~~Director (if desired)~~

Ambassador Harry W. Shauldeman

Purpose: State Department requested that you meet with Ambassador Shauldeman who is in Washington for consultations (met with SecState Friday, 17 Sep). The Ambassador believes that the US should move toward more normal relations with Argentina, that our current posture limits our ability to influence the Argentine Government, and that US failure to act soon will harm US long term interests.

Office of the Secretary of Defense
Chief, RDD, ESD, WHS
Date: 17 APR 2018 Authority: EO 13526
Declassify: X Deny in Full: +5 U.S.C. §552
Declassify in Part: _____
Reason: _____
MDR: 17 -M- 2063

cc: USD/P

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Chief, Records & Declass Div, WHS
Date: APR 17 2018

20 Sep 82

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Table of Contents and Issues for Discussion

(U) Theme/Goal: To obtain Ambassador's views of Argentine situation and recommended USG actions vis-a-vis Argentina.

(X) Key Issues:

Topics Ambassador Shlaudeman May Raise

TAB A

- Argentine internal situation, politically and economically, is weak.
- Internationally, GOA has not focused on US-Argentine relations; emphasis has been on UN resolution and external debt problems.
- Military-to-military relations, currently somewhat confused and cool, should improve during the next five months (won't reach previous level soon).
- Interested in moving to more normal relations during remainder of month; may request DOD support.
 - Avoid provocative actions (UNITAS plans for an amphibious exercise with Chile in Punta Arenas area were cancelled).
 - Lift pipeline sanction.
 - Other possible initiatives.

Topics You May/Should Raise

TAB B

- DOD prepared to resume on-going programs, need his concurrence to proceed.
 - Defense Mapping Agency agreement.
 - Intelligence exchange.
 - Global Positioning System Tracking Station.
- Other initiatives, such as Personnel Exchange Program or Joint Staff Talks, will depend more on Argentine receptivity.
- Solicit Ambassador's views on:
 - Probable GOA and military stance toward US in six months, one year, two years, after elections.
 - Beagle Channel mediation efforts.
 - Certification for Argentina and Chile (separately or jointly).

TAB 1

Biography

TAB C

DIA Brief

TAB D

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Determination Required

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TAB A

Talking Points

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(U) SUBJECT: Argentine Internal Situation

(C) ISSUE: The GOA, post South Atlantic conflict, has been divided, unable to determine policy toward US.

(S) BACKGROUND: As a result of the Falklands/Malvinas defeat GOA and military leadership has changed totally. The Military Junta split (Army versus Navy and Air Force) over the appointment of Bignone as President. The GOA has muddled through the past three months and has focused its attention on gaining support for a favorable UN resolution on the Falklands/Malvinas during the upcoming UN session. Economic problems (external debt \$35B, most short term) have further limited GOA efforts to determine its position vis-a-vis the US. The Argentine military are split over the issues of responsibility for the defeat, US-Argentine relations, required economic measures, scheduled March 1984 elections. US strategic interests (primarily SLOCs) remain and require cooperative GOA and military to military relations. US at this point has little influence on GOA or Argentine military. More normal relations would permit US to pursue strategic and other interests.

(S) OTHER FACTORS: UK would like US to maintain military sanctions against Argentina due to concern over possible follow-on Argentine military action. However,

- UK has removed most economic sanctions (US provided assistance in bringing two sides to the discussion table).
- UK shipped gas turbines to FRG for Argentine ships.
- US interests in region are greater than those of UK.

GOA cannot politically make the "formal" declaration that hostilities are permanently over that UK desires.

- A "defacto" acceptance of the end of the military conflict has been assumed by the GOA.
- GOA has transferred its Falklands/Malvinas efforts to the diplomatic arena.
- US supports negotiations which do not prejudice sovereignty issue.
- UK opposed to any negotiations.

(S) DISCUSSION: US interests favor normal relations between US-Argentina and UK-Argentina.

- Without more normal relations, GOA could be isolated, subject to radicalization.
- US will maintain positions on first use of force, rule of law.
- Internal Argentine situation will require monitoring.

(U) POSITION: DOD is interested in moving toward more normal military-to-military relations and can support Ambassador's efforts along these lines.

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Talking Points

- (U) SUBJECT: Possible DOD Initiatives Toward Argentina
- (S) ISSUE: Since South Atlantic conflict, US has cooled relations, particularly military to military, with Argentina. To prevent long term damage to US interests in the Southern cone, minor steps should be taken now to normalize US-Argentine relations.
- (U) BACKGROUND: With announcement of sanctions against Argentina on 30 April, US military programs and initiatives were also suspended or halted. The Argentina armed forces also took steps to distance themselves from US. With new leadership in the GOA and the armed forces, low level initiatives and programs could further US interests in the Southern Cone and with Argentina.
- (S) OTHER FACTORS: Improved relations with Argentina would impact on Chile which supported the US and UK during the South Atlantic conflict.
- Could be interpreted as supporting Argentina over Chile.
 - Careful explanations will be required.
- (S) DISCUSSION: DOD believes it is time to resume ongoing programs:
- Reach final agreement on Defense Mapping Agency - Instituto Geografico Militar Mapping, Charting, and Geodesic Agreement.
 - Reinstitute intelligence exchange.
 - Complete negotiations for GPS tracking station (time sensitive, US major beneficiary).
- Other programs will depend on receptivity of Argentine military:
- Personnel Exchange Program and Joint Staff talks are examples.
 - View as next step, after we have indications from Argentina.
- However, we recognize achievement of full US interests will continue to be blocked by the certification issue and internal GOA situation.
- Cooperative efforts (SLOCs) will take time.
 - Residual impact of US assistance to UK.
- (U) POSITION: Need Ambassador's assessment of:
- GOA and military stance toward US.
 - Beagle channel situation and prospects (TAB 1).
 - Certification for Argentina and Chile, separately or jointly.

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BACKGROUND PAPER
BEAGLE CHANNEL DISPUTE

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Background

(C) Under the terms of an 1881 Treaty, confirmed by a 1977 arbitration decision, Chile holds the islands south of the Beagle Channel including the Cape Horn archipelago. The equidistant principle would give it a sizeable piece of territorial sea east of Cape Horn. With less legal basis, Argentina has long sustained a "separate oceans principle" (the Pacific for Chile and the Atlantic for Argentina). At a minimum it wants one or more land points on the disputed islands and full sovereignty over waters to the east of the Cape Horn meridian. Argentina rejected the 1977 arbitration decision.

Discussion

(U) In December 1980, following more than a year of delicate negotiations held in Rome, a formal Papal mediation proposal to resolve the dispute was presented to both governments by Pope John Paul II. Essentially, the Vatican proposals -- designed as a preliminary step to the drafting of a final Beagle Channel Treaty -- specify the following points:

- Beagle Islands to essentially remain under Chilean sovereignty.
- Argentina would benefit from a nine-mile territorial sea limit east of islands.
- Both countries would share 200 mile Zone of Economic Exploitation.

(U) The Papal proposals, however, provoked a mixed reaction. President Pinochet of Chile quickly indicated Chile would accept the proposals. However, the Argentine Government continues to delay in accepting them -- probably out of concern that the proposals are inclined to favor the Chilean position.

(S/NF) An Argentine decision regarding acceptance of the Pope's proposals may drag on, especially if Buenos Aires attempts to propose face-saving modifications. The tremendous prestige of the Pope within Argentine society and the enormous domestic and international political cost to the GOA government, should it defeat the mediation, serve to tip the balance in favor of at least some sort of preliminary agreement by Argentina which would prolong the already reduced threat of armed conflict

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in the region. There is no reason to believe the Chileans are willing to make additional concessions that the GOC will also attempt to avoid the onus of ending the Papal mediation effort.

Outlook:

(S/NF) Currently, the Argentines want a sovereign land point, reaffirmation of the bioceanic principle, and a defined access to Antarctica. The Chileans have stated they will not accept concessions or changes to the original proposals of Pope John Paul II. To the extreme concern of the Vatican, which issued a special message to both countries in May and again in December 1981, the negotiations remain stalemated with neither side willing to concede to the other.

(S) The Argentines have presently announced (Sep 82) they will renew the Treaty for the Solution of Juridical Controversy with Chile. This action was prompted by Chilean threats to take the Beagle Channel issue to the International Court of Justice if the Treaty was allowed to terminate by Argentina in December 1982 and by the UK victory in the Falklands/Malvinas conflict. The Argentines had previously stated such action would be considered an act of war. To bring additional pressure on Chile and to maintain their claims in the area, the Argentines did increase air and sea incursions prior to the South Atlantic conflict.

(S) Talks, in some form, will continue in Rome. However, there is no assurance at this time the Chileans will be willing to make additional concessions. If not, and the issue seems to be no nearer solution.

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TAB C

DEPARTMENT OF STATE

November 17, 1981
No. 384

HARRY W. SCHLAUDEMAN
UNITED STATES AMBASSADOR TO ARGENTINA

Born on May 17, 1926, in Los Angeles, California, Mr. Shlaudeman received his A.B. degree in 1952 from Stanford University. He served in the United States Marine Corps from 1944 to 1946 with overseas duty. He held various positions in private industry between 1950 and 1955.

Mr. Shlaudeman joined the Foreign Service in 1955, and served in diplomatic and consular posts in Colombia, Bulgaria, and the Dominican Republic. He returned to the Department of State in 1964 where he held several positions in the Bureau of Inter-American Affairs and was an aide to Ambassador Ellsworth Bunker during his peace-making mission to the Dominican Republic, 1965-1966.

In June of 1966 Mr. Shlaudeman attended the Senior Seminar in Foreign Policy at the Foreign Service Institute. From 1967 to 1969 he was special assistant to Secretary of State Rusk. He served as Deputy Chief of Mission at the United States Embassy in Santiago from June 1969 to June 1973, when he returned to the Department to become Deputy Assistant Secretary of State for Inter-American Affairs. He served as Ambassador to Venezuela from 1975-1976, and as Assistant Secretary for Inter-American Affairs, 1976-1977. Most recently he has been Ambassador to Peru.

Mr. Shlaudeman was awarded the Department of State's Distinguished Honor Award in 1966. He is married to the former Carol Dickey. They have three children: Karl, Katherine and Harry.

Page determined to be Unclassified
Reviewed Chief, RDD, WHS
IAW EO 13526, Section 3.5
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TAB D

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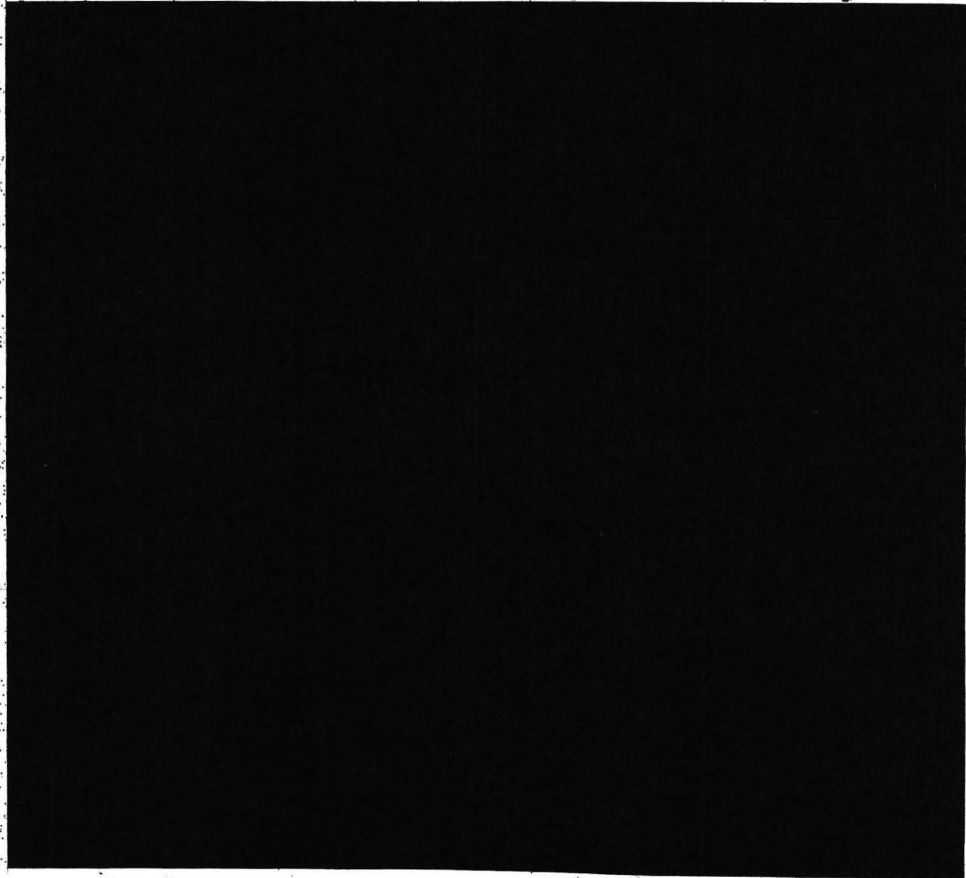
DEB-124-82

17 September 1982

Defense Estimative Brief: Prospects for Argentina (U)

(U) Summary

(S//NOFORN) Argentina's defeat in the Falklands conflict provoked a wave of public disillusionment with the military government, caused serious divisions and strains within the Armed Forces themselves, and intensified economic problems and financial pressures. These conditions will cause serious potential instability in the Bignone government, which assumed office in July 1982.



1. (S//NOFORN) Political Prospects. Argentina's defeat in the Falklands conflict has provided a wave of public disillusionment with the military government and the military leadership's handling of the war. [REDACTED]

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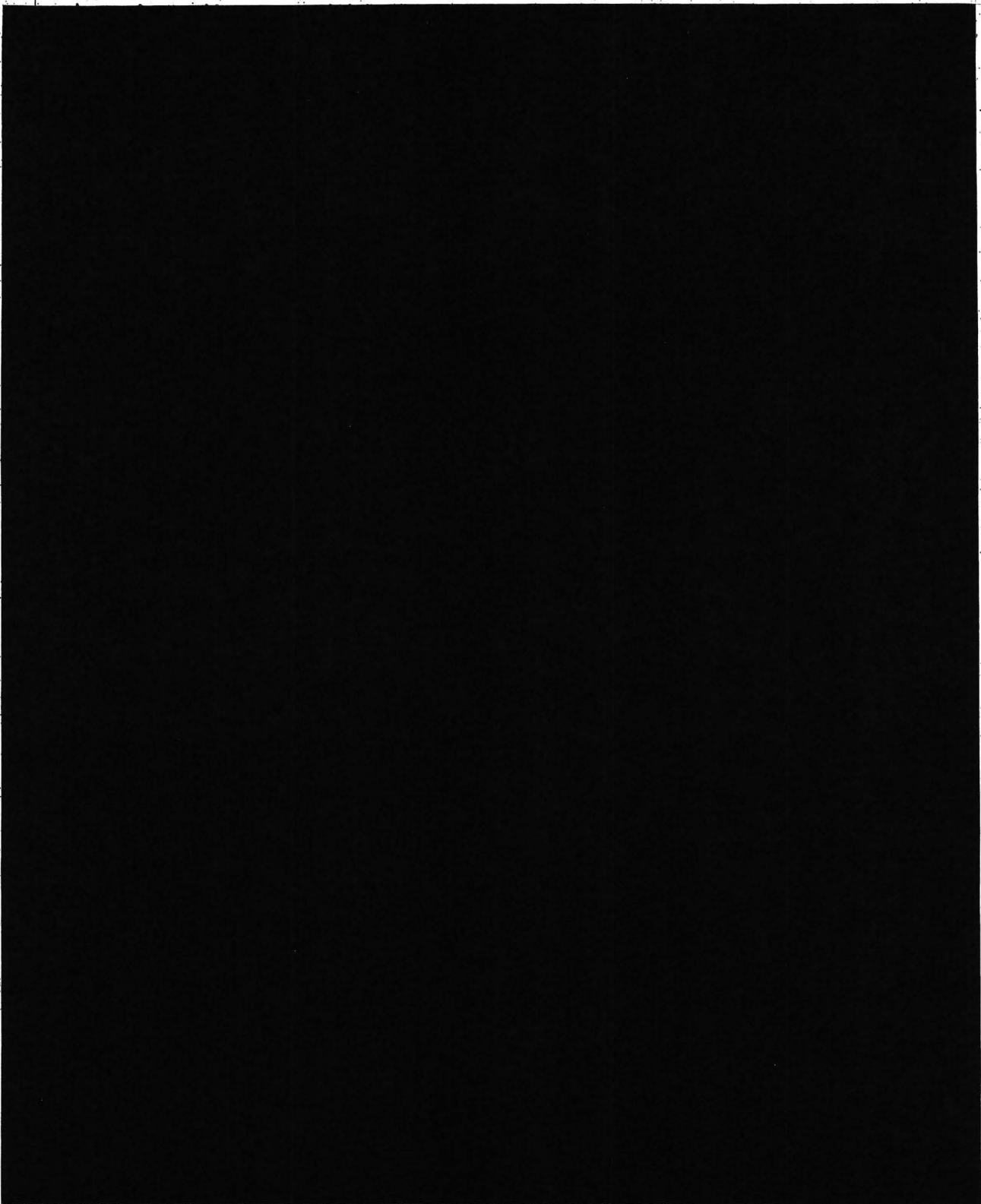
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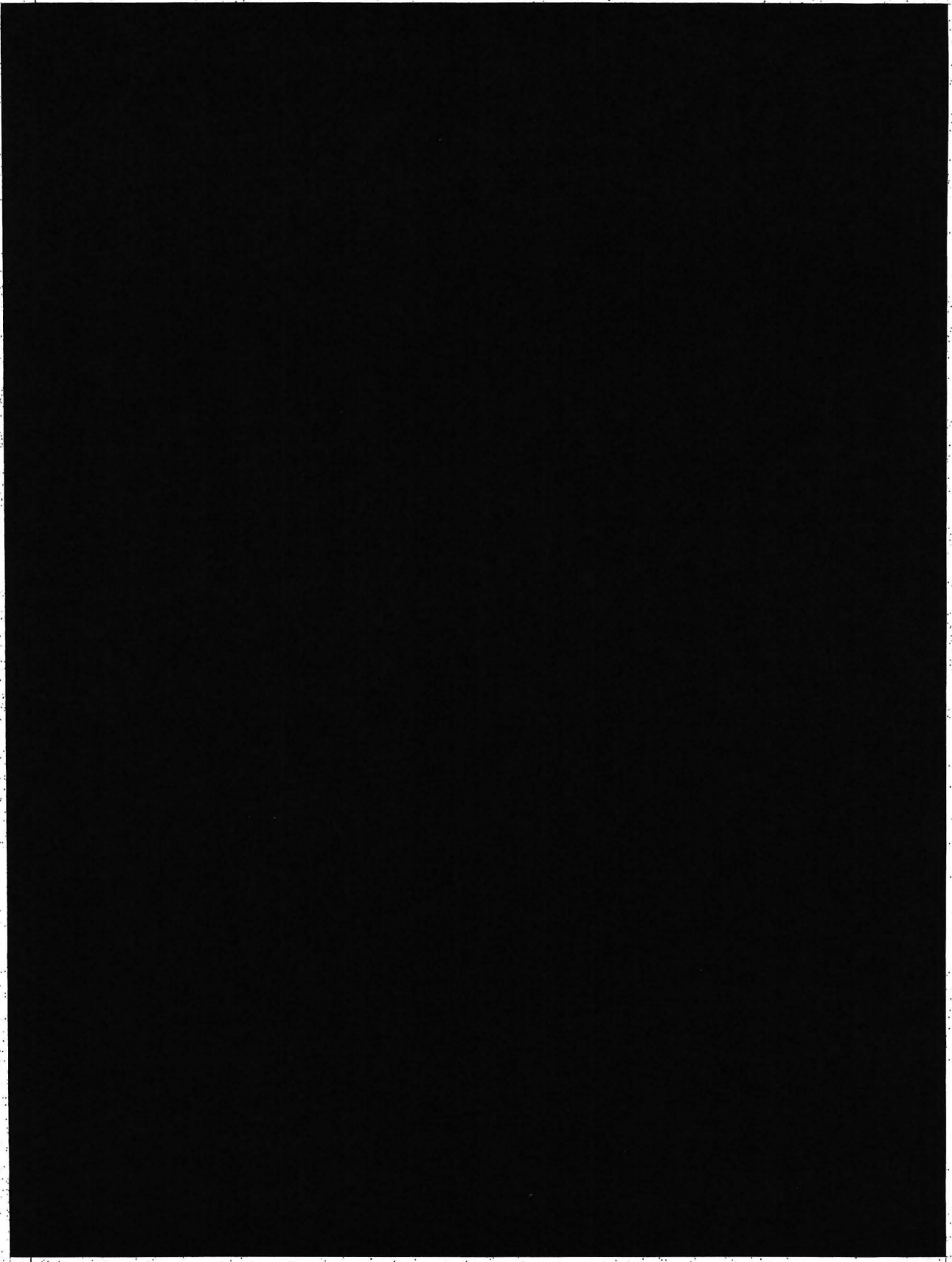


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DIA E.O. 13526 Section 3.3(b)(1)(v) + FOIA 5 U.S.C. § 552(b)(3); 10 U.S.C. § 424

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9. ~~(S/NOFORN)~~ Relations With the United States. Argentine relations with the United States were improving in 1981 following earlier strains over US human rights policies,

DIA E.O. 13526 section 3.3(b)(1)(6)+FOIA 5 U.S.C. §552(b)(3), 10 U.S.C. §424

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Prepared by:



APPROVED BY:



DIA FOIA 5 U.S.C. § 552(b)(3); 10 U.S.C. § 424

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OFFICE OF THE SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

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SEP 1 1982

7 September 1982

Argentina

MEMORANDUM FOR THE SECRETARY OF DEFENSE

THROUGH DR. IKLE

11 SEP 1982

SUBJECT: South Atlantic/Falklands Lessons Learned - Info. Memo.

(U) I met recently with MGEN Tony Boam, the British Defense Attache for a discussion of the lessons learned efforts in UK and here. We plan to exchange any useful reports, notes, video tapes, etc., from the recent Gruber Lessons Learned Conference in London. The inputs from the two DIA people we sent should be available within a week. We also expect a report from Wayne Army who attended from Senator Tower's staff.

(S) We told GEN Boam our Public Affairs staff may be contacting the MOD concerning official releases or leaks of information. The Economist continues to publish information, presumably UK leaks, that we are treating as classified. We need to press for a way to more clearly determine what can be said by you, the President, etc., that is unclassified.

(S) We discussed the organization and timetable of both lessons learned efforts. GEN Boam said the British report is still scheduled for transmittal to Parliament in mid-October. Until that time, we will have very little actual data.

The DOD/IDA task force is compiling an extensive library of unclassified articles, authoritative reports and lessons learned summaries. The Navy continues to make progress in its study, focused on naval aspects, most of which will be integrated into the DOD-wide study.

(S) GEN Boam appreciated the efforts we were making to compartment studies on the intelligence and special operations aspects of the Falklands conflict. He told us that GEN Moore (the ground force commander in the Falklands) would probably visit the U.S. in late October and suggested that if we wanted it he would make the case for Air Vice Marshal Gilbert to join him during the last week of October to provide briefings on the results of the British study. AVM Gilbert is focusing exclusively on the British lessons learned effort from now through December. In addition to one or two DOD-wide discussions, we would arrange for Moore and Gilbert to meet with the DOD/IDA task force under GEN Shutler and others to discuss the

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(17 Sep 82)

DIA FOIA 5 U.S.C. § 552 (b)(1); E.O. 13526 Section 3.3(b)(1)

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details of the British report. (GEN Boam indicated that one or both would probably brief Senator Tower, if such a request is received. If you believe such a briefing is inappropriate at that time, we can inform the British of your views when I next meet with GEN Boam.)

(S) Evidently, there was some reluctance on Mr. Nott's part to give the DOD the full report and all the details. But the military subsequently convinced him that the entire report and its details should be provided. However, it is possible that parts of the study may be too politically sensitive and not released to the U.S.

(U) Other British visits to the U.S. were also discussed:

-- U.S./UK naval staff talks in late September would address some lessons learned.

-- Field Marshall Sir Edward Bramall, the new Chief of the Defense Staff, might shed light on lessons learned when he makes an official/courtesy visit with CJCS (and you?) during 3 to 5 November.

-- Either the new or retiring Chief of Naval Staff (or both) will also visit in early November.

Plans will be made to capitalize on these visits and gain insights for the various lessons learned efforts.

(S) Plans for visits to UK by DOD elements were reviewed. While most visits will be scheduled after the mid-October British report target date, some limited visits will be earlier. The JCS Special Operations people plan to visit their counterparts, but have not suggested a firm date as yet; the Navy is now planning to visit CINCUSNAVEUR next week to further their lessons learned discussions; and we may want to send GEN Shutler and another individual from the IDA Task Force to discuss the our study plans and to alert them to areas where we may need their help that will not be covered in the 15 October report. GEN Boam indicated he will inquire about the GEN Shutler visit. We will discuss it and other matters during our next meeting.


A. W. MARSHALL

Info:
Richard Perle, ASD(ISP)
Henry Catto, ASD(PA)

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