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TEXT

TAGS: PREL, ETRD, SENV, KNAR, KIPR, AR, CU SUBJECT: ARGENTINE FOREIGN MINISTER DI TELLA'S MEETING WITH U/S EIZENSTAT, MARCH 20, 1998

(U) CLASSIFIED BY A/S DAVIDOW. REASON: E.O. 12958, 1.5(D).

SUMMARY

(C) ON MARCH 20, ARGENTINE FOREIGN MINISTER GUIDO DI TELLA MET WITH U/S EIZENSTAT AT THE STATE DEPARTMENT. SUBJECTS DISCUSSED WERE CUBA, U.S. RELATIONS WITH MERCOSUR, PROGRESS ON CREATING THE FREE TRADE AREA OF THE AMERICAS (FTAA), GLOBAL CLIMATE CHANGE, NAZI GOLD, INTELLECTUAL PROPERTY RIGHTS, AND AGRICULTURAL TRADE.

PARTICIPANTS

DI TELLA WAS ACCOMPANIED BY MFA UNDER SECRETARY ALBERTO DAVEREDE, AMBASSADOR DIEGO GUELAR, AND EMBASSY ECONOMIC MINISTER FELIPE FRYDMAN. U/S EIZENSTAT WAS

STATE DEPT. DECLASSIFICATION, REVIEW Retain class'n Change/classify to ____ Declassify with concurrence of after _ EO 12958, 25X IPS/CR/IR by ESACCHET _ Date: 8(29(0)

> DECLASSIFIED AND RELEASED BY CENTRAL INTELLIGENCE AGENCY SOURCES METHODS EXEMPTION 3 B 2 B NAZI WAR CRIMES DISCLOSURE ACT DATE 2001 2007

ACCOMPANIED BY ARA/BSC DIRECTOR DAVID F. ROGUS, E SPECIAL ASSISTANT SHARI VILLAROSA, AND ARA/BSC DESKOFF RICHARD SANDERS (NOTETAKER).

CUBA

- 4. (C) U/S EIZENSTAT DESCRIBED THE PRESIDENT'S NEW INITIATIVE ON CUBA, ANNOUNCED THAT SAME DAY, AS A RESPONSE TO THE POPE'S VISIT TO THE ISLAND. HE OUTLINED ITS FOUR ELEMENTS: (1) SIMPLIFYING AND EXPEDITING OF THE SALE OF MEDICINE AND MEDICAL SUPPLIES, WHILE RETAINING THE END-USE VERIFICATION REQUIREMENT REQUIRED UNDER THE CUBA DEMOCRACY ACT; (2) RESUMPTION OF HUMANITARIAN PASSENGER AND CARGO FLIGHTS; (3) RE-INSTITUTION OF REMITTANCES OF UP TO USD 300 PER QUARTER OR USD 1200 PER YEAR; AND (4) A COMMITMENT BY THE ADMINISTRATION TO WORK WITH CONGRESS ON AN APPROACH TO TRANSFER FOOD TO THE CUBAN PEOPLE. HE STRESSED THAT THESE MEASURES WERE NOT BEING TAKEN ON THE BASIS OF RECIPROCITY, AND WERE UNDERTAKEN FOR THE BENEFIT OF THE CUBAN PEOPLE, NOT THE CUBAN GOVERNMENT.
- (C) -U/S EIZENSTAT ADDRESSED THE IDEA OF A VISIT BY DI TELLA TO CUBA, WHICH WOULD POSSIBLY PAVE THE WAY FOR A LATER VISIT BY PRESIDENT MENEM. HE SUGGESTED THAT A VISIT WOULD BE PORTRAYED BY THE CUBANS AS A SIGN OF SUPPORT FOR CASTRO. HE URGED THAT DI TELLA RECONSIDER ANY CHANGE IN APPROACH UNTIL THE EFFECTS OF THE POPE'S VISIT WERE MORE APPARENT. KEY INDICATORS WOULD BE A CONTINUED AND EXPANDED ROLE FOR RELIGIOUS ORGANIZATIONS, LEGAL RECOGNITION OF INDEPENDENT PROFESSIONAL AND PRO-DEMOCRACY GROUPS, AND THE RELEASE AND RE-INTEGRATION INTO SOCIETY OF ALL POLITICAL PRISONERS. HE NOTED THAT WHILE PRISONERS WERE RELEASED FOLLOWING THE POPE'S VISIT, MANY OF THOSE RELEASED WERE COMMON CRIMINALS, MANY OF THE POLITICAL PRISONERS RELEASED WERE EXILED, AND CASTRO HAS MADE 15 NEW ARRESTS OF DISSIDENTS. HE URGED THAT IMPROVED RELATIONS WITH CUBA BE CLOSELY LINKED TO A PROCESS OF FUNDAMENTAL, SYSTEMIC CHANGE ON THE ISLAND. HE EXPRESSED THANKS FOR ARGENTINA'S PAST SUPPORT FOR UNGA AND UNHRC RESOLUTIONS ON HUMAN RIGHTS IN CUBA AND URGED CO-SPONSORSHIP FOR THIS YEAR'S HUMAN RIGHTS RESOLUTION.
- 6. (C) DI TELLA RESPONDED THAT THE GOA WONDERED HOW DEEP THE CHANGES ARISING FROM THE PAPAL VISIT WERE. MENEM HAD ASKED FOR HIS APPRAISAL AS TO WHAT THE GOA COULD DO TO ENCOURAGE DENOCRATIZATION AND SOUNDER ECONOMIC POLICIES IN CUBA. MENEM WAS ASKING FOR USG VIEWS AND WOULD TAKE THEM VERY SERIOUSLY. THE CLEAR ANSWER GIVEN IN WASHINGTON REGARDING A VISIT HELPED ANSWER DOUBTS. HOWEVER, HE ADDED, THE NEW USG INITIATIVE WOULD BE VIEWED BY MANY AS A MAJOR CHANGE IN POLICY, AND THUS RAN COUNTER TO THE SUGGESTION NOT TO VISIT. HE ADDED THAT THERE WERE TWO ALTERNATIVES, SIMPLY WAITING FOR CASTRO TO PASS FROM THE SCENE OR TRYING TO PROMOTE ECONOMIC CHANGE THAT WOULD LEAD TO POLITICAL CHANGE. THIS WAS USG POLICY ON CHINA, BUT NOT CUBA.
- 7. (C) THE NEXT CUBA ISSUE THAT THE GOA WOULD FACE WOULD

BE PARTICIPATION IN THE IBERO-AMERICAN SUMMIT WHICH WOULD TAKE PLACE IN HAVANA IN 1999. THIS WOULD NEED TO BE CONSIDERED AT THE 1998 SUMMIT IN OPORTO, PORTUGAL. SENTIMENT FOR SOME PRESIDENTS NOT TO GO TO HAVANA WAS DIMINISHING. HOWEVER, SOME CONDITIONALITY, INCLUDING ACCESS BY EACH OF THE PRESIDENTS TO THE CUBAN PUBLIC THROUGH TELEVISION COULD BE DEMANDED. PERHAPS A CERTAIN NUMBER OF POLITICAL PRISONERS COULD BE RELEASED. HOWEVER, IT COULD NOT BE EXPECTED THAT CASTRO WOULD DO FOR THE IBERO-AMERICAN PRESIDENTS MORE THAN HE WAS WILLING TO DO FOR THE POPE.

8. (C) U/S EIZENSTAT SAID THAT THE USG WANTED TO KEEP ENGAGED WITH ARGENTINA ON THE CUBA ISSUE. HE STRESSED THAT THE NEW INITIATIVE WAS NOT A MAJOR POLICY CHANGE, BUT A RESPONSE TO THE POPE'S VISIT.

MERCOSUR

9. (C) U/S EIZENSTAT STRESSED THAT THE USG WAS SUPPORTIVE OF THE MERCOSUR REGIONAL INTEGRATION EFFORT. HOWEVER, WE REMAINED CONCERNED THAT MERCOSUR TOOK AN APPARENT STEP BACKWARD FROM FREE TRADE IN RAISING ITS COMMON EXTERNAL TARIFF. DI TELLA RESPONDED THAT WHILE THE INCREASED COMMON EXTERNAL TARIFF WAS A REAL INCREASE IN BRAZIL'S LEVEL OF PROTECTION, THIS WAS NOT THE CASE AS REGARDS ARGENTINA, AS IT FOLLOWED THE ABOLITION OF THE "STATISTICAL TAX" ON GOODS ENTERING THE COUNTRY, AGAINST WHICH THE WTO HAD RULED.

FTAA

(C) U/S EIZENSTAT SAID THAT HE HAD BEEN PLEASED BY 10. THE JUST CONCLUDED SAN JOSE TRADE MINISTERIAL, AND THAT THE PRELIMINARY STAGES OF FTAA NEGOTIATION DID NOT REQUIRE FAST TRACK AUTHORITY. RATHER, WE SHOULD START NOW AND PRESS AHEAD. DI TELLA AGREED THAT SAN JOSE HAD BEEN SUCCESSFUL, IN THAT IT ESTABLISHED SITES AND CHAIRMANSHIPS. HE SAID THAT THE TREATMENT OF LABOR AND ENVIRONMENT BEGAN TO BE DISCUSSED BUT WAS MILDER THAN THE GOA WOULD HAVE PREFERRED, AS THERE WERE OTHER VENUES THAN FTAA TO DISCUSS THESE ISSUES. HE WAS SATISFIED WITH THE RECOMMITMENT TO THE IDEA OF FTAA TALKS AS A SINGLE UNDERTAKING. HE DISCOURAGED "EARLY HARVEST" SCHEMES, WHEREBY NEW ISSUES SUCH AS GLOBAL ELECTRONIC COMMERCE (A SUBJECT ON WHICH THE GOA STILL NEEDED TO GATHER MORE INFORMATION) WOULD BE RESOLVED BEFORE AREAS OF KEY IMPORTANCE TO ARGENTINA SUCH AS WHEAT, MEAT AND TEXTILES WERE ADDRESSED.

CLIMATE CHANGE

11. (C) U/S EIZENSTAT EXPRESSED PLEASURE THAT ARGENTINA WOULD HOST THE FOURTH CONFERENCE OF THE PARTIES TO THE GLOBAL CLIMATE CHANGE CONVENTION. HE STRESSED THAT THE PRESIDENT COULD NOT AND WOULD NOT SUBMIT THE CONVENTION TO CONGRESS WITHOUT MEANINGFUL PARTICIPATION BY DEVELOPING COUNTRIES, ADDING THAT COUNTRIES WHICH ACCEPT BINDING

OBLIGATIONS WOULD GAIN TRADE AND INVESTMENT OPPORTUNITIES THROUGH THE TRADABLE EMISSIONS SCHEMES. HE ADDED THAT AMBASSADOR RAUL ESTRADA (ARGENTINA'S AMBASSADOR TO CHINA) HAD PLAYED AN OUTSTANDING ROLE IN KYOTO AS CHAIR OF THE AD HOC GROUP ON THE BERLIN MANDATE, AND SOUGHT DI TELLA'S APPROVAL FOR ESTRADA TO BE EMPLOYED AS A CHAIRMAN OF A WORKING GROUP, OUTSIDE THE PURVIEW OF THE SUBSIDIARY BODIES OF THE CONFERENCE, TO ENCOURAGE MEANINGFUL PARTICIPATION OF DEVELOPING COUNTRIES.

12. (C) DI TELLA CHARACTERIZED AS ABSURD THE THEORY THAT DEVELOPING COUNTRIES SHOULD BE ALLOWED TO POLLUTE FOR AN EXTENDED PERIOD BECAUSE DEVELOPED COUNTRIES WERE ABLE TO BEGIN POLLUTING IN THE EIGHTEENTH CENTURY. HE SAID THAT HE WOULD HAVE TO MAKE DECISIONS REGARDING AMBASSADOR ESTRADA'S DUTIES WITHIN THE NEXT FEW WEEKS.

NAZI GOLD

- 13. (C) U/S EIZENSTAT SAID THAT HE APPRECIATED THE SERIOUS EXAMINATION WHICH **ARGENTINA** WAS UNDERTAKING OF ITS WORLD WAR II ROLE, AND THAT THE USG WOULD PROVIDE IT WITH AN OPPORTUNITY TO READ THE CHAPTER ON **ARGENTINA** IN OUR "NEUTRALS REPORT" ONE WEEK BEFORE THE DATE OF ISSUANCE. HE ALSO EXPRESSED APPRECIATION FOR **ARGENTINA'S** INTENTION TO MAKE A CONTRIBUTION TO THE **NAZI** PERSECUTEE RELIEF FUND, AND INQUIRED ABOUT THE SPECIFIC AMOUNT THE GOA PLANNED TO CONTRIBUTE, NOTING THAT THE USG WOULD COMMIT TO USD 25 MILLION OVER THREE YEARS.
- 14. (C) DI TELLA GAVE U/S EIZENSTAT A COPY OF THE ARGENTINE COMMISSION'S NEW QUARTERLY REPORT. HE SAID THAT THE GOA WAS CONTEMPLATING A CONTRIBUTION TO THE PERSECUTEE FUND OF USD 250,000. HE SAID THAT THERE WERE SOME DIFFICULTIES AS ARGENTINA'S HISTORICAL REVIEW CONTINUED, AND POINTED OUT A GAP BETWEEN THOSE WHO WANT TO MAXIMIZE AND THOSE WHO WANT TO MINIMIZE THE DEGREE OF ARGENTINE INVOLVEMENT. AMONG THE LATTER ARE THOSE WHO DO NOT WANT TO SPECIFICALLY NAME JUAN PERON IN THE REPORT. DI TELLA EMPHASIZED THAT THE GOA, HOWEVER, IS ABSOLUTELY NOT INTENT ON DEFENDING "HIS MYTH." HE ASKED IF THE USG COULD SEND AN EXPERT "WITHOUT AN AX TO GRIND" TO HELP WITH ARGENTINE DELIBERATIONS. U/S EIZENSTAT ASSENTED TO THIS REQUEST.

IPR

15. (C) U/S EIZENSTAT RAISED USG CONCERNS ON ARGENTINE INTELLECTUAL PROPERTY RIGHTS PERFORMANCE, MENTIONING THE PENDING BILL RE-CRIMINALIZING SOFTWARE PIRACY AND THE NEED FOR IMPROVED MEASURES ON PROTECTING THE CONFIDENTIALITY OF PHARMACEUTICAL TESTING DATA. DI TELLA SAID THAT HE SAW "CLEAR WATERS" ON SOFTWARE PIRACY, BUT ADMITTED THAT THERE HAD BEEN DELAYS ON DATA CONFIDENTIALITY.

AG TRADE

16. (C) DI TELLA RAISED CONCERNS ABOUT PENDING USG DECISIONS AFFECTING THE IMPORTATION OF ARGENTINE CITRUS PRODUCTS INTO THE U.S. U/S EIZENSTAT SAID THAT HE

UNDERSTOOD THAT A FINAL RULE ON ARGENTINE CITRUS COULD BE PUBLISHED BY AUGUST.
ALBRIGHT

ADMIN END OF MESSAGE

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