APPROVED BY S/S - DAnderson 11/21/77
12/28/77

UNCLASSIFIED

7729595

CO[illegible]
MADE [illegible]
Date 23 DEC 1977
Initial [illegible]

[redacted]

AG014 PD MS MB FH MH File Argentina

MEMORANDUM OF CONVERSATION

DATE: November 21, 1977

SUBJECT: Private Meeting Between The Secretary and Foreign Minister Montes

PARTICIPANTS: Argentina: Foreign Minister Oscar A. Montes
Mr. Magnacca (interpreting)
Mr. Ferrari (notetaker for the Foreign Minister)

US: The Secretary
Notes by: Neil A. Seidenman, Interpreter, OPR/LS

DISTRIBUTION: S, D, P, S/P, NSC, S/S, ARA, INR, HA

Secretary Vance told the Foreign Minister that he wished to obtain clarification on several matters in the human rights area of current concern to the United States: the Timerman case, the Deutsch family case, and right of option.

Foreign Minister Montes replied that, as promised, he would discuss these matters willingly, and disclose classified information to Secretary Vance for purposes of clarification. He went on to say that Timerman's case currently came under the Institutional Responsibility Act, which also covered cases such as Mrs. Peron and other members of her government, based on summary proceedings instituted in connection with charges of crimes against the national economy. The Timerman problem was that he was involved with the daily, Opinion, with financing supplied by Graiver. Timerman supplied the ideas and the staffing, Graiver provided the money. Graiver held a majority of stocks in the daily, and Timerman a minority. Graiver had left Argentina, as one also being sought under charges of economic crimes, and could not return to the country. However, Graiver died in an airplane crash, following which Timerman convened all the stockholders of the Opinion, and managed to buy up all of the Graiver stock. The present situation was that the Argentine government must have Timerman disclose the source of the money he used to buy out Graiver's stock, and to whom in the Graiver family the money went. All of the stock was now in Timerman's name.

Secretary Vance asked if Timerman was accused of economic crimes or violation of the economic laws. FM Montes said he was.

[redacted]
GDS

81D208
Box 4966

ARGENTINA PROJECT (S200000044)
U.S. DEPT. OF STATE, A/RPS/IPS
Margaret P. Grafeld, Director
(X) Release ( ) Excise ( ) Deny
Exemption(s): _____
Declassify: ( ) In Part (X) In Full
( ) Classify as __ ( ) Extend as __ ( ) Downgrade to __
Date _____ Declassify on _____ Reason _____

UNCLASSIFIED

Secretary Vance said he was asking this in particular, because there was feeling on the part of the public concerned that Timerman was not actually charged with anything, and was being held arbitrarily.

Foreign Minister Montes replied that there was no formal charge against him, but that the foregoing was the current status of the case. There had also been allegations of torture, he said, conveyed to him by an American representative in Buenos Aires. He accordingly had met secretly with a representative of Timerman at the Ministry of Interior to ascertain whether there was any substance to the allegation of torture, and he was able to confirm that at no time had Timerman been subjected to torture, and that his physical condition was good.

Secretary Vance asked why no word of charges had been released to the public.

Foreign Minister Montes said it was in order to avoid maneuvering that could thwart the investigation into the source of the money involved, and to whom it was paid, whether or not the money had been properly or improperly acquired in the first place. Graiver and members of his family had connections with the terrorists. $17 million of Graiver money had been traced to an account with the Bank of Belgium containing $50 million that had been paid to the terrorists as ransom in the Born brothers kidnapping case.

Secretary Vance indicated that, as the problem was seen from the outside, since Timerman and the Deutsch people were Jewish, the impression had arisen that there was an anti-Semitic movement on the part of the Argentine government, a reflection of which was seen to be the seizure and holding of Timerman and the two members of the Deutsch family. For this reason, the United States hoped that Argentina would grant the right of option to these individuals so as to lay aside this problem and eliminate grounds for the accusation of anti-Semitism.

At this point in the conversation, a note was brought in to Foreign Minister Montes, who after reading it, informed Secretary Vance that Ambassador Smith wished to converse with him. Secretary Vance thanked him, but replied that he wished to continue the conversation on the matter at hand for as long as it might take them to achieve adequate clarification.

In reply to Secretary Vance's previous statement, Foreign Minster Montes said that the anti-Semitic image stemming from the Timerman and Deutsch cases had been conveyed to him on other occasions in conversations with American and local Jewish representatives. He had not been in a position to clarify the matter then to the extent he was attempting to do so with Secretary Vance, because of the confidential nature of some of the information involved. But in the case at hand, the Argentine government was practically acting on behalf of the interests of Graiver, a Jew, despite his having been linked to the terrorist organization. Regarding the Deutsches, the present situation had to do with Deutsch, Senior, and Deutsch, the daughter, who had come under the jurisdiction of the Executive proceedings, Second Court of Cordoba. As to right of option, Deutsch, Senior, was probably to be released by the Court, which had just initiated its inquiry upon receiving jurisdiction. His only act was to aid his son to flee the country to escape arrest for terrorist activities. On the basis of this act, it was unlikely that he would be prosecuted. In the case of the daughter, who like the son (now out of the country) had also been involved with the terrorists, she probably would be sentenced. This was the present status of the two Deutsches under custody.

Secretary Vance suggested that some additional action on the father's case would be highly significant for world public opinion, thus demonstrating prompt due process on the part of the Argentine authorities.

Foreign Minister Montes stated that the Court had only recently acquired jurisdiction, under the pertinent decree transferring the case from the Executive to the Court, and within a short period the magistrate would make the decision as to what information regarding the case should be released for publication and what should be withheld from the public for purposes of ongoing investigation.

Secretary Vance asked if the proceeding under the Court's jurisdiction was secret or in open court.

Foreign Minister Montes said the Court had just initiated the proceeding based on the investigative file received on the case from the III Army Command that had had original jurisdiction, and accordingly, the case had been entirely confidential heretofore. Now, once the magistrate has completed his

examination of the Deutsch file, he would make the decision regarding the extent to which the case would be made public. But summary jurisdiction of the Court would proceed from information in the file developed by the III Army Command, as explained.

Secretary Vance stated that this, of course, was a domestic issue involving the responsibilities and prerogatives of the Argentine government. It was, therefore, as a friend that he wished to suggest that one problem in the perception of the situation in the eyes of the outside world was the secrecy in which the case was being handled. This was contrary to a sense of due process, which usually operated in terms of an open trial. This aspect was a large part of the problem. It was the problem with the detainees who were being held but had not yet been identified as having been charged with any offense. And it was associated with the problem with the list of people who had disappeared and could not be found. It could be assumed that some of the people involved had fled to the ranks of the terrorists or had gone underground, and thus, could not be accounted for by the authorities. But to hold individuals in custody without charges, and not to make public charges against individuals created a negative impression. Secretary Vance stressd that he raised the question as a friend of the Foreign Minister, who had asked him to be frank.

Foreign Minister Montes replied that he was grateful to the Secretary for his last remark, and asked that he take into account the fact that he, the Foreign Minister, was striving to have these matters clarified for his own purposes, and accordingly, had been engaging in daily contacts with the Ministry of Interior in order to clear up the matters of the list of disappearances and charges for offenses. This was indeed a conversation between friends, and he was not offended, he said, by their dwelling on a strictly internal matter, inasmuch as he realized that he was not being forced to explain, but rather only discussing a matter to be clarified between the two governments, which would benefit both countries.

Secretary Vance went on to make reference to another problem area: the question of Argentina's having ceased to allow the International Red Cross to visit the jails. There had been no visits permitted since April 1977, and this too was a subject that had raised misgivings.

Foreign Minister Montes said that he had recently met with representatives of the International Red Cross on two or

three occasions, and as of three days before, "thanks to the Almighty," the problem appeared to be cleared up with the Ministry of Interior. As of the beginning of December, visits could be resumed. On the previous Thursday (November 17), the Red Cross representatives had met with him to thank him for his mediation and for the outcome of the matter. He, accordingly, trusted that there would be no further problem with the Red Cross.

Secretary Vance said that he considered this to be very positive, indeed. The Secretary then made reference to the right of option. He pointed out that on their visit to Washington in September, the Foreign Minister and President Videla had told him and President Carter that the right of option had been restored, and on the basis of that, the President and he had understood that prisoners would be free to avail themselves of the right of option. However, to date only about 20 cases had been reported in which the right of option had actually been exercised. He asked why it took so long for right of option actions to be completed, and inquired whether or not it would be possible to expand the process in terms of what he and President Carter had understood in Washington.

Foreign Minister Montes explained that under the right of option, any detainee could request the option of leaving the country. He could do this through legal counsel, through a member of his family, etc., in the form of a signed petition, the forms for which were readily available at all places of detention. The prisoner must sign the petition. As of the time, it was true that only 17 signed petitions had been submitted, as of October 24. This was because one problem standing in the way of many potential applicants was that they were classified as "dangerous," and accordingly were not able to find a host country to go to. The right of option required the signature of the Ambassador of the intended host country. And in this connection, Foreign Minister Montes asked whether the United States would be able to receive some of the prisoners classified as "dangerous," whom the Argentine government would be willing to identify so as to facilitate their exit, if U.S. regulations would permit.

Secretary Vance replied that the United States would be willing to study the matter and look into some of the background involved.

Foreign Minister Montes said that he would communicate with Ambassador Castro in regard to this matter.

Secretary Vance agreed to this. However, he asked why other cases, not classified "dangerous," could not be dealt with more expeditiously.

Foreign Minister Montes explained that, in all cases under the jurisdiction of the Courts, only the Court itself could make the decision as to whether the individual was eligible for right of option. In fact, of the 17 right-of-option cases processed to date, all were still under the jurisdiction of the Executive, not under the judiciary. Once under the judiciary, only the magistrate could decide whether right of option might be approved.

Secretary Vance asked if anyone arrested and jailed was not automatically eligible for right of option.

Foreign Minister Montes replied that anyone was automatically entitled to it, provided he applied prior to referral of his case to the judiciary. Because when the person was arrested, within a given region, he was still under Executive jurisdiction, which at that stage could consider the right of option request immediately. But once the case had been referred to the judiciary, only the Court could authorize it.

Secretary Vance asked if the Court was military or civilian.

Foreign Minister Montes said it could be either. But in the case where the military court still had jurisdiction, right of option was facilitated because the case would still be under the Executive, which could act more quickly.

Secretary Vance said he understood. He then asked what determined the placing of the detained under Executive authority, as opposed to the judiciary.

Foreign Minister Montes said that when an arrest was made, the individual was under Executive custody. Only the Executive could make a legal arrest. Given the nature of the fight against terrorism, only the Executive was in a position to legally arrest and detain individuals for a period of time that would allow for investigation of the individual's possible connections with terrorist organizations, something the Civil Court system could not do. When all connections had been traced, sometimes through friends of the arrestee as witnesses, then the case would be referred to either a military or civilian court.

Secretary Vance said he understood the procedure. He then asked whether it would be possible to do something towards clarifying the status of those who were under arrest to date, in order to eliminate one extremely serious source of international criticism.

The Foreign Minister replied that all of this might seem an easy matter on the face of it, but it was far from being easy in Argentina. For example, if an individual were arrested, say, in the northern region, III Army Command, it would likely as not be kept very confidential for a period of time. The government was infiltrated, and it would be necessary to take precautions so that news of the arrest did not leak out to friends and associates of the arrestee, because these people would all get away and the investigation would be frustrated. This was why the Foreign Minister sometimes had so much difficulty in tracking down names of people arrested submitted to him by various organizations -- Jewish, Catholic, Moslem -- on lists of people who might have been arrested but whose names had not been forwarded to Interior or Army in the Capital, and whose identity was being kept confidential owing to the nature of the struggle going on. This was one of the Foreign Minister's main problems in this area.

The Secretary replied that he could understand the Foreign Minister's problem. However, the fact of the matter was that the procedures described were one on-going source of problems for Argentina in world public opinion. Perhaps the Argentine government could find a way to make some quick progress in this area, which would be greatly effective toward improving public perception of Argentina.

The Foreign Minister replied that he was all too aware of his problems in the area of international relations. He was in fact having weekly meetings with the Ministry of Interior to try to get the clearest possible report as quickly as possible regarding the status of individuals under custody following their arrest. He had conceived the idea that it might be accomplished by means of special Army or Air Force couriers delivering unwritten notification, which could not be picked up by infiltrators who might alert others. He felt this might be a workable arrangement with the Ministry of Interior, and was making efforts in this direction.

The Secretary stated that, speaking as a friend, without intending to intervene in Argentina's domestic affairs, he would urge them to do something in this area, because if there was to be a change in world public opinion, some convincing

action would be necessary. A further issue that had arisen was the question of torture. The Secretary said that he knew the Argentine government was completely opposed to torture. However, stories continued to appear indicating that "some torture" occurred. Such statements might be false, but he inquired whether or not the Argentine government had been saying or doing anything of much significance about this.

The Foreign Minister stated categorically that there was no physical torture. He had himself tried to arrange interviews with individuals concerning whenever there had been allegations of torture, just as he had done in the Timerman case. Unfortunately, the organizations or representatives involved subsequently failed to make themselves sufficiently heard by the media regarding their findings. The Foreign Minister explained that he was convinced that a statement by the government denying torture or clarifying matters on the basis of these direct interviews would only be seen by the public as biased evasive attempts on the part of the government to wash its hands of the problem. His hope was that the organizations concerned, once having ascertained that torture had not been employed, would act as the spokesman for the government, as it were, which would be more convincing to the international public. Unfortunately, the representatives carrying out the interviews mentioned have often been rather bashful about revealing their findings.

Secretary Vance inquired as to whether the International Red Cross could be asked to make the necessary statement, saying that they had looked into a case and found that allegations of torture were unfounded. This could be of help to Argentina.

The Foreign Minister said that might be a way.

Secretary Vance indicated to the Foreign Minister that Senator Kennedy had mentioned concern about Hector Campora, granted asylum by the Mexican Embassy, and could he not be allowed to leave the country?

The Foreign Minister replied that as a friend he wished to clarify that Campora, a former President, his son, and Abal Medina, were self-exiled at the Mexican Embassy, and that long conversations had been held with the Mexican government in regard to them. President Videla had told Mexican Foreign Minister Roel that Campora, Senior, was considered to be compromised, because as former President he was seen to be responsible for the present situation in Argentina, and the Armed Forces of Argentina would not

consent to a safe conduct for Mr. Campora, Sr. Accordingly, the Foreign Minister wished to proceed in the following manner with the Mexicans: obtain safe conduct for Campora, Junior; eventually persuade the Armed Forces Junta to grant the same for Medina; subsequently, when the pschological climate was right within the Armed Forces Junta, eventually do the same for Campora, Senior. This was the way they were approaching the problem with the Mexicans.

Secretary Vance thanked the Foreign Minister, stating that with this he had covered all his points in this area. He went on to say that military cooperation and the question of international financial assistance would be based on the human rights problem. He was concerned about the future, because in the event that tangible, visible progress in the human rights field failed to materialize in a way that could be reported to the world, we would be in a situatin where we would have to vote against Argentine loans in the international financial institutions. Obviously, this would be painful to us. We wanted to vote yes. But this matter has become very serious in Congress, which has passed legislation recently that could still be amended in various ways during the year. So that, in regard to military cooperation, again if there were no progress, by October 1978 we would have to cut off all sales and training. The Secretary said that this was the last thing he would want to see happen. It would be extremely bad for our relations with Argentina. That was why he was concerned about the lack of substantial progress that would show the world that there was a basis for our telling Congress that we should lift our ban on military matters and we should vote to approve loans for Argentina.

The Foreign Minister said he understood the Secretary very clearly. At the same time, he hoped the Secretary understood his situation. He compared himself to a mattress, being buffeted from the top and from underneath. Assailed by the United States about human rights; by the Armed Forces, especially the Navy, about the lack of assistance from the United States. They saw the American position from a less enlightened viewpoint. They did not understand that the United States was not turning against Argentina, but rather that this was a particular line of policy being pursued by the USG. So they would attack the Foreign Minister, because his conception continued to be that Argentina's relations with the United States could not be allowed to deteriorate. In addition, he was pressured by the Ministry of Finance when there were reports that the United States would vote against credits for Argentina. So the Secretary could see why he felt like a mattress.

The Secretary said he understood this very clearly, and for this reason he was trying to discover with the Foreign Minister if there was not some way to do something tangible. He realized that it could not all be done overnight. But Argentina could help its own cause by demonstrating progress.

The Foreign Minister replied that at present the terrorist problem in Argentina is being cleared up rapidly, and he expressed confidence that his country's image would be quite different by October, 1978.

Secretary Vance mentioned that, when President Videla was in Washington, he had told President Carter that a large number of the detainees would be released by Christmas. He asked if the Foreign Minister thought this would happen.

The Foreign Minister replied that he hoped it would, but advised the Secretary to pose this question to President Videla himself.

Secretary Vance expressed his gratitude to the Foreign Minister for his candor in responding to his questions, thereby helping him to understand the problems involved. He tried himself to speak frankly as a friend, and shared the Foreign Minister's view that U.S.-Argentine relations were extremely important.