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THE WHITE HOUSE

WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT: Telephone Conversation with Margaret Thatcher
of the United Kingdom

PARTICIPANTS: U.S.
The President
Philip Zelikow, NSC Staff (notetaker)
Brenda Hilliard, NSC Staff (stenographer)

United Kingdom
Prime Minister Margaret Thatcher

DATE, TIME April 22, 1989, 10:17 a.m. - 10:34 a.m.
AND PLACE: Camp David

The President began by noting that he shared the Prime Minister's concerns about the SNF issue and was calling to bring the Prime Minister up to date.

Prime Minister Thatcher, after observing that she would be welcoming the new U.S. ambassador on Monday, thanked the President for his call and said she was deeply concerned.

The President thanked the Prime Minister for her courtesy to Ambassador Catto, commented that General Scowcroft was with him at Camp David during this call, and said he had some points he wished to make on the SNF problem.

Yesterday, the President continued, he had talked with Helmut Kohl. To put it diplomatically, he, the President, was annoyed. He had tried to get together with the Germans; Helmut had pledged to get together with the Americans; but for one reason or another Bonn had never let it happen. Now the Germans have arrived at this position. In the President's view, things had gotten to the point where there was not full cooperation.

During their conversation, the Chancellor and the President had agreed that Genscher and Stoltenberg would be coming to Washington to meet, not with the President, but with Secretaries Baker and Cheney and, of course, General Scowcroft. The President believed that the UK had the German language. The President thought it was very bad. He asked to list some of his concerns.

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The language calls for early SNF negotiations on missiles and artillery. The Prime Minister knew our views on this. The paper leaves open the possibility of a third zero for all SNF systems. It treats development of a follow-on to Lance as a purely U.S. decision. The President knew the Prime Minister agreed that this is an Alliance position. The German paper also postponed any decision on Lance follow-on, including whether it is necessary at all, until 1992.

The President was concerned about the unilateral way in which the Germans have been proceeding on the SNF issue. He was sympathetic with Kohl's internal political situation, but he told the Chancellor that he did not want to be confronted with a 'fait accompli.' The Chancellor asked what he meant by this term and the President had explained that this meant not having a position handed to the U.S.; it also meant no leaks. Sure enough, Bonn's whole position was in the German press today.

On SNF modernization, the President thought a pledge to keep systems up to date where necessary should suffice and, realistically, was the most the U.S. could probably expect to get -- as it was at Brussels last year. The situation has deteriorated since then and specific decisions on deployment could wait until 1991 - that was reality.

The President believed this view was consistent with the points Foreign Secretary Howe had raised during his Washington visit. The U.S. will also try to get the Germans to agree that the Alliance should support continuation of the necessary development work. We supported Foreign Secretary Howe on this point.

The President continued to believe that SNF negotiations at this time would be a grave mistake. There was no change here.

The U.S. would, of course, inform London of the tenor and results of the discussions with Genscher and Stoltenberg, although the President was pessimistic about the results, in order to help prepare the Prime Minister for her own, possibly unpleasant, meeting with Chancellor Kohl.

The Prime Minister was "a pro" on Summits. She would understand that it was absolutely essential that this Summit, although its timing could have been better, be a success, that it not be dominated by this contentious subject. The President would welcome the Prime Minister's help.

The President realized this was a "handwringing" call, but he wanted the Prime Minister to see how the U.S. was approaching this problem and the upcoming meeting with the Germans.

The Prime Minister said she was just as concerned as the President. Based on her experience, she wanted to comment on

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some of the human issues involved. She did not believe the German position reflected Kohl's views; rather, it reflected Genscher's views. Genscher was using the German paper as a device to win acceptance for his positions. Kohl may actually be relying on the U.S. and the U.K. to block Genscher's effort and be firm. These German ideas were worse than anything that the Prime Minister had ever heard from Helmut Schmidt.

The Prime Minister stressed that NATO was not Germany; it was NATO. The allies could not have Germany dictating to the NATO Alliance. In the last resort, if the U.S. and the U.K. could stand firm for NATO on its 40th anniversary, Kohl would not depart from his American and British allies. The consequences would be too horrific. It was up to Washington and London to rescue NATO on its 40th anniversary. We must deal firmly with the German actions. Bonn had been wrong to make its position public without proper advance consultations. If needed, the Prime Minister was prepared also to make her position public, but as the NATO position, reflecting the recently published views of, for example, General Galvin.

This was a NATO decision and the Allies should not be pushed around by the Germans. The message coming out of the Summit could not be that there was no spine among all of the NATO allies. That would not be a success; it would be a failure.

The Prime Minister added that there was no question, no question, of negotiations on SNF. Genscher wanted it, knowing that a third zero was a likely outcome. This would reveal NATO's weakness. We are working toward 50 percent cuts in U.S. and Soviet strategic missiles, verifiable controls on chemical weapons, and reducing conventional forces to parity. Then we could go further with nuclear weapons.

The Germans know as well as the U.S. and U.K. that flexible response depends on SNF and that, therefore, these forces must be kept up to date. General Galvin has said, and will say, so publicly. The Germans agree that we need a mix of nuclear and conventional forces in Europe, but they deny this principle by their position on specific weapons. That is not Kohl. It is Genscher trying to run the Alliance with his five percent of the German electorate.

The requirement for modernized SNF is a NATO requirement, not a German requirement. There should be no negotiations on SNF missiles. Our language should make clear that flexible response requires effective SNF, modernized where necessary. We should not backtrack from what was achieved at last year's Summit. SNF will remain a part of NATO forces in Europe. The U.S. should continue its work on the successor to Lance. The Alliance could leave off a decision on deployment at this NATO Summit because the U.S. and U.K. cannot get that language.

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It was bad for the German tail to wag the NATO dog. What was important was agreement between the United States and Britain, because without those two countries there would be no NATO. Washington and London should be very firm indeed. The Prime Minister had moved on the need for a decision on deployment -- that was as far as she could go. We could not turn over NATO to Genscher. Kohl needed stiffening. Helmut Schmidt would be horrified by these developments. The U.S. and U.K. must stand together. Kohl, in his heart of hearts, expects Washington and London to be firm. The idea that, through political devices and trickery, this position could simply be hoisted upon the Allies will not do.

The President said he was not surprised by the Prime Minister's reaction and was delighted with it. The U.S. would get back to the British after the meeting with the Germans.

The Prime Minister said she, and President Reagan, had faced a similar problem at last year's Summit. On the morning the Summit began she had been told she could get an agreed statement right away if she would only agree to give up SNF modernization. She had said no. It was fought out; the U.S. and U.K. stayed together, and got the communique they wanted. There would be no success through a communique of weakness. We should not give up the chance to fight this issue at the Summit itself if we could not get a satisfactory solution beforehand.

Continuing, the Prime Minister said she was horrified that the Germans had gone public with their views. There could have been good discussions behind the scenes. Would the President consider responding by agreeing to inform the press about this telephone call, showing that the U.S. and the U.K. were cooperating in dealing with this problem?

The President replied that he had asked Kohl not to go public. Kohl had answered that he could not control leaks. The President had understood and had elicited a commitment that Genscher would not be bringing a fait accompli, that the issue would be negotiable. He preferred then to wait until the talks with the Germans had occurred. The U.S. would keep the arrow of public opinion in its quiver but deal privately and in good faith with the Germans when they came. Kohl had promised that we would not be facing final official positions. The U.S. view was that we did not need to go public yet.

The Prime Minister remarked that, if the Germans publicized their view of the outcome of the talks in Washington, Washington and London could not stay silent. They could not let NATO go and allow a declaration of weakness to mark its 40th anniversary.

The President commented that other allies were beginning to

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falter, such as the Belgians and, to a lesser extent, the Dutch.

The Prime Minister said the Belgians were never strong. They are more likely to come along once they see the way the wind is blowing. They would see that one could not support flexible response without supporting SNF, which then must be kept up to date. Otherwise the Alliance would need an entirely new military strategy, which, to the U.K., was an alarming prospect. The United States and Britain had the same position, she said. The President's worries were her worries. Our two countries were, however, most powerful -- as was the U.S. alone.

Concluding, the President again promised to "get back" to London after the meeting with the Germans, to call right away.

The Prime Minister said should be waiting to hear from the U.S. and again hoped both countries would stay absolutely firm and together on this issue.

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