MEMORANDUM OF TELEPHONE CONVERSATION

SUBJECT: Telephone Conversation with Prime Minister Felipe Gonzalez of Spain (U)

PARTICIPANTS: The President
Interpreter: Stephanie van Reigersberg
Notetaker: Adrian Basora, NSC
Prime Minister Felipe Gonzalez

DATE, TIME AND PLACE: May 23, 1989, 12:30 - 12:41 pm EST
The Oval Office

Prime Minister Gonzalez initiated the call, saying that he wanted to share his impressions from his visit the previous day to the Federal Republic of Germany and to Chancellor Kohl. President Gonzalez said that with the NATO Summit so close he wanted to convey the great concern and great tension he saw in Chancellor Kohl. He wanted to ask the President to make a special effort so there might be agreement on the SNF matter. Disagreement at the Summit would be terribly negative. (☞)

The President said he wouldn't want to exaggerate the negative impact. There were still some German differences not just with the United States but with the British and perhaps the French. But, the President said, he would be interested in hearing Prime Minister Gonzalez' impressions from seeing Chancellor Kohl. (☞)

Prime Minister Gonzalez said he really thought that when you looked at the current German situation closely the limit of any positive action within NATO was really defined by Chancellor Kohl himself. If NATO positions that have been stipulated up to now are maintained, a good road to solution could be found. (☞)

The President said he appreciated Prime Minister Gonzalez' views and that the U.S. and Kohl were not too far apart. In fact, when Stoltenberg was here and met with Secretary Baker and Brent
Scowcroft and others, we were very close. Then the Germans went home and pulled back a little from what was discussed. The President said we would keep working on this matter and he appreciated Prime Minister Gonzalez's advice and sound counsel.

Prime Minister Gonzalez said that the next day he would see Mr. Shamir, and also the King of Morocco dealing with the problem of the Arab Summit.

The President said that would be very interesting. He asked Prime Minister Gonzalez to take a look at a statement by Secretary of State Baker the previous day on the Middle East situation. It was a very balanced statement and one that he strongly supports. The U.S. is trying to encourage dialogues and to stop the violence, and encouraging the Israelis not to move forward with settlements. Secretary Baker's speech might be helpful to review so as to know the U.S. position before Shamir arrives.

Prime Minister Gonzalez said he would be certain to look at the speech. He added that he was continuing contacts with certain persons on the Panamanian scene to see if they could provide some impetus toward a solution.

The President added that the U.S. had no intention of escalating military action. But anything Prime Minister Gonzalez could do to use his prestige to get others to follow through on the OAS resolution would be helpful. We would be extremely grateful and the people who want peace in Panama would be too. The President appreciated Prime Minister Gonzalez' continued interest in that tough situation.

Prime Minister Gonzalez thanked the President and said that he wanted him to know that he would continue his work in this direction. If there was any news worth reporting he would be in touch.

The President said that if he had any thoughts, he would like to feel that he could call Prime Minister Gonzalez.

Prime Minister Gonzalez said he would be delighted and also thanked the President.