## THE WHITE HOUSE

WASHINGTON

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MEMORANDUM OF TELEPHONE CONVERSATION

SUBJECT:

Telephone Conversation with Brian Mulroney,

Prime Minister of Canada (

PARTICIPANTS:

The President

Brian Mulroney, Prime Minister Philip Zelikow, NSC (Notetaker)

DATE, TIME AND PLACE:

February 24, 1990, 9:28 - 9:47 am

Camp David

The President: Helmut is coming in to see me today at Camp David. I think we will have a good discussion. I just talked to Margaret Thatcher. I have not yet talked to Mitterrand. We will probably have to reach him after the meeting with Kohl. (%)

This will be a very small meeting between myself and Kohl. I want to get him to level with us on real plans for how German unification will play out--from his standpoint. He would not want to do that if Genscher was also participating in the meeting. And I will push Kohl on the issue of participation in NATO. For our part, we will try to hold the line on defense and maintain substantial forces in Europe at reduced levels. It will be difficult here at home; I am not naive about that. I would like to have your thinking on this subject. I know these changes have been coming faster than any of us could have predicted.

Prime Minister Mulroney: I talked to Genscher at the Open Skies Conference. Helmut called me on the phone the day before yesterday and we talked for half an hour. We are for German unification, like our allies. I was startled by the velocity of the changes in Europe. No one has predicted or can predict what the outcome will ultimately be. (8)

I am concerned personally that unification for Germany appears now to be fueled not just by the legitimate and proper desire of the two states to come together, but by the total collapse of the economy of one state and the economic strength of another. I do not know what that does to the long-term marriage; I have not had enough experience to know. I told Genscher you're not really about a merger here; this is a takeover. He allowed that that was true, As an illustration, I asked Genscher "What would you do in your foreign ministry if you unified the two German states?

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Would you merge departments from the two ministries?" He said "No, no." I asked, "Would you take their best people into your ministry?" He said, "No, we'll keep all of mine and some of theirs." I think that says it all. This is no surprise, given the strength of West Germany. It does not appear, though, to be exactly what is suggested by the term "unification". (2)

My own view is that the problems with these developments in Germany are not immediate ones. They will appear down the road in areas like the Common Market. The Community was never designed with the possibility of having such a great European power as a member in mind.  $(\mathcal{S})$ 

The President: I am worried about how all of this will work. Margaret mentioned her concern about East German agricultural subsidies and EC agricultural policy. We have serious trade problems with agriculture now. There could be big problems down the road. I do not think we can stand in the way of unification. Helmut has a deep emotional commitment to the fatherland. (%)

I talked to Jim Baker. He wants us to let the Soviets stay in East Germany. It gives me heartburn, though, if we suddenly, in an effort to get German stability, acquiesce in or advocate Soviet troops remaining in Germany. That is what we have been against all these years. (\$\mathbeloe{\mathbeloe}{\mathbeloe})

Prime Minister Mulroney: I don't see how, in fairness, we can accept that. The minimum price for German unity should be full membership of Germany in NATO and full membership in all the Western organizations and full support for American leadership of the Alliance. I indicated to Genscher, and I have indicated to others, and I will tell you: we are not renting our seat in Europe. We paid for it. If people want to know how Canada paid for its seat in Europe, they should check out the graves in Belgium and France. We were there in two wars, and paid an enormous cost. It is not unreasonable to say that it is fine if change comes about, but NATO got us this far. Solidarity of the Alliance will get us further. (%)

The President: There is a philosophical revulsion in the GDR to the continued presence of Soviet forces. A lot of this revolution is about imposed Soviet domination. Now some want us to reverse field and say that in a reunified Germany the Soviets can help with the reunified Germany. I told Jim Baker we should not advocate this. (3)

I agree on the importance of NATO. Manfred Woerner also strongly feels that way. He feels there is no alternative here to Germany being a member of NATO. Yes, the CSCE has its part to play, but we are having big differences politically here in getting the proper support for defense from the American people. NATO is important for keeping our troops in Europe. I think I can keep a

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reasonably sound defense. We will have trouble with the two missiles and the B-2, but we can emerge with a sound defense. But we need NATO, not because the Soviets are in Central Europe, but because of unpredictability and the need to preserve stability. (%)

<u>Prime Minister Mulroney</u>: I remember Lester Pearson and his work in the Atlantic Alliance. He got NATO to include responsibilities other than the military ones. The Alliance is designed to deal with an era like that of today. NATO is no less needed now. On Poland, I can't believe the Polish people believe the way their Prime Minister does about the need to keep Soviet troops in Poland, in spite of their fears about the border issue.

<u>The President</u>: These are difficult times, but they are fun problems to wrestle with. No one could have anticipated these challenges three years ago.  $(\mathscr{F})$ 

Prime Minister Mulroney: The situation does not lessen our need for prudence. We could be back where we were three years ago, three years from now. The linchpin is NATO. (2)

The President: I think we are OK with Helmut on that issue. We will talk about his domestic political situation, taking advantage of the small group of people who will be up at Camp David.

Prime Minister Mulroney: That would be fascinating to hear. I always thought Kohl was the most insightful of the G7 leaders in Europe. I'd like to hear what he thinks about the potential inclusion of millions of new voters in Germany who will all vote for the opposition. What will be the impact on his political future? (3)

The President: His hope is that the socialists in East Germany have more in common with his views. The Socialist Party in West Germany has opposed German unification. Kohl will try to make a campaign issue out of it. We'll see. (%)

Prime Minister Mulroney: I appreciate your call. Jim Baker got the job done here at the Open Skies Conference here. He and Shevardnadze appeared to have a really quite indispensable relationship. It will be good for what you are trying to do.

The President: My concern was that you are hosting this conference with an Open Skies agenda, and it looked like we were replacing the focus from Open Skies to this fascinating discussion of the Two Plus Four and taking it away from what Brian Mulroney wanted the conference to be. (3)

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<u>Prime Minister Mulroney</u>: That was OK. I thought the conference went well. (\*\*)

The President: I don't want you to feel that we think we are such a big deal that we leave others out. I will tell Chancellor Kohl the same thing. We all need to consult with each other.

(\$\mathcal{E}\$)

Prime Minister Mulroney: You might tell him that. At a Foreign Ministers' Meeting in Ottawa, there was some real irritation about a remark that Foreign Minister Genscher made to the Italian Foreign Minister, telling him that: You're not in the game. (3)

The President: Those were his words. (%)

Prime Minister Mulroney: Foreign Minister Clark said that is what the Europeans fear. It is an attitude. The Germans should do what you do so well, which is to consult with your colleagues.

The President: Genscher did go too far. His saying that to the Italians was just too much.

-- End of Conversation --