

## THE WHITE HOUSE

WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with Chancellor Kohl, Federal Republic of Germany (U)

PARTICIPANTS: The President.  
Brent Scowcroft, Assistant to the President for National Security Affairs  
Gisela Marcuse, Interpreter

Helmut Kohl, Chancellor  
Horst Teltschik, Security Advisor to the Chancellor  
Dorothee Kaltenbach, Interpreter

DATE, TIME May 17, 1990, 10:30 - 11:35 a.m.  
AND PLACE: The Oval Office

Chancellor Kohl: I will be here 6-7 June for the Harvard graduation. I would like to meet briefly with you and talk about Gorbachev. (Ø)

The President: What day? (Ø)

Chancellor Kohl: The 8th is the best for me. (Ø)

The President: I will be in Nebraska and also have some other stops. I could be back for an evening meeting. How about early supper? (Ø)

Chancellor Kohl: That would be fine. I would like four private hours to walk around Arlington. (Ø)

The President: You might go to the Vietnam Memorial. (Ø)

Chancellor Kohl: Good. Maybe Scowcroft could go with me. I am launching an initiative against the drug mafia. I am not satisfied. It is a big danger, including corruption. I read the Claire Sterling book and called her. I asked here to talk with my Minister of Interior and Justice. She told me this man Sapphos was one of the most knowledgeable men in the U.S. on drugs. She suggested this man get in touch with me. I would like to establish a link. (Ø)

The President: I will talk to Thornburgh and set it up. (Ø)

Chancellor Kohl: (Gives President a gift -- dry flies.) (U)

~~SECRET~~

Declassify on: OADR

DECLASSIFIED  
PER E.O. 12958,  
AS AMENDED  
8/21/2009

The President: Many thanks. I want to raise one sensitive issue -- SNF. We want to conduct ourselves in a way helpful to you and your elections. I noticed Genscher's comment on TASM. I would like your views. We are flexible and want to be helpful. I want to protect TASM -- not to talk about it but to reach an understanding. (S)

Chancellor Kohl: Not before the elections? (S)

The President: No. (U)

Chancellor Kohl: First, all Germans want to remain in NATO with U.S. forces remaining. I am not talking about numbers. Second, there is no substitute for NATO. Third, NATO must adjust to developments. Just one year ago we argued about FOTL; now the issue is gone. I would like to take a low profile publicly. I will defend myself and not cause myself unnecessary trouble. We should stay in close touch. I can't say what kind of elections there will be. Over the next few weeks I would like to call frequently about the Two Plus Four. I am going to sign a treaty between the two Germanies next week. There will be a big noise when the treaty goes into parliament. Then there will be the D-Mark conversion and the conversion of existing companies in East Germany. That will take about 14 months. Many are saying that all-German elections should be held as soon as possible. I will have to hold elections before January 14 -- that is how we set a date. The CDU in the GDR has two tendencies. The first is for merger with the CDU in the FRG in October. That will be a big signal, and other parties will follow. The second is to institute the old Laender. The tendency is strong to have municipal elections and Laender elections together. So we probably will have all-German elections before the middle of January. (S)

You must know -- as I know -- who has helped us. Bush is a very lucky thing for us. (S)

The question of Lithuania is important. I met Prunskiene and we had a congenial conversation. She speaks German. We were able to speak frankly. I told her they had done almost everything wrong. I told her that we all sympathize with you, but if you push Gorbachev into a corner you hurt your cause -- as in East Germany in 1953 and Hungary in 1956. She asked my advice. I said you can't take back your decision, but you can freeze it. Don't ask him to take off the boycott. You can't talk with the boycott on, but if you will talk, international opinion will get the boycott lifted. Then you can play for time. She said she would do it this way. (S)

The President: Your statement was helpful. We are in a tough position. (S)

Chancellor Kohl: I told her that. (U)

The President: Did she think we were sympathetic? (S)

Chancellor Kohl: Oh, yes. But I told her sympathy won't do it. But on Gorbachev, we are having surprising talks. He told us -- and I have told no one this -- he told Horst Teltschik on Monday that next week he will announce a reform program. He says openly that he has enormous problems with his credit line, short- and medium-term. He really was asking for help from commercial banks and larger financial help. He asked whether German banks could give him 5 billion D-Marks with a Government guarantee. He is also thinking of 10-15 billion from other banks, including U.S. banks. This is for purchases of wheat from the U.S., which Ryzhkov wants. My reaction was that he must also make some concessions. Is that feasible? It is not a financial problem for us. As a debtor they have been good. (S)

The President: We would have problems. It is impossible now, given Lithuania. Second, what we hear about the Soviet economy is very discouraging. I understand why he would want dollars. The banks, without a Government guarantee, would not think the Soviet Union a good risk. I want Gorbachev not to fail. But first, the situation in the Baltics must be solved. Then we can energetically move forward. But on loans, I don't see it without reform. He sounds desperate. (S)

Chancellor Kohl: My question is do we want to help him or see someone else? I think it is him. (S)

The President: Probably, but I can't say who would replace him or how the economy would go. (S)

Chancellor Kohl: I think we could calm the Lithuanians. I think he would like to find a solution. (S)

The President: Yes, but Lithuania is not alone. There are all the others. (S)

Chancellor Kohl: But I think Lithuania is different. I told Prunskiene that if soldiers in the Soviet Union serve only in their areas they would be national armies. They can't have that. They can't do this all at once. They should move gradually. (S)

The President: There is also the question of Russians in the Baltics and minority rights. (S)

Chancellor Kohl: I am very aware of the problem, but we can't afford to prejudice our policies on account of Lithuania. (S)

The President: True, but we can't grant MFN now. I am trying to keep the relationship on track and am continuing with arms control. I am troubled by what you say about financial issues, though. They haven't approached us. (S)

Chancellor Kohl: They will -- at the Summit. (S)

The President: I don't think they can repay right now. They need resources first. (S)

Chancellor Kohl: I don't share your concern about risk. My message to them is you must reform or it won't work out. Where is the greater danger -- supporting him or waiting for someone else? A successor won't be better. (S)

The President: Your people think the military would take over? (S)

Chancellor Kohl: Yes, but not with force. It would be a civil group, but backed by the military. It is not a problem for us, but Poland and others will be upset. (S)

The President: How about Soviet troops remaining in the GDR? (S)

Chancellor Kohl: It is a public relations problem for Gorbachev. He does not want it on substance, but he does have a domestic problem. It is not like the Stalin days. At home he must face some public opinion. I think his meeting with you will be very important, not on substance but appearance. That is because he stands beside you as an equal. He has big problems. His East European allies say they want to be in NATO. (S)

The President: We will treat him as an equal. If only we could solve the Lithuanian problem.... There is one big issue. We probably can't give him money. But we will address regional issues, arms control, and so forth. We don't want the Summit to be a failure. (S)

Chancellor Kohl: If you agree, I can tell him what I think about this issue, that it will be incredibly important if he could deal with this issue ahead of time. (S)

The President: I have a lot of pressure on this issue. (S)

Chancellor Kohl: Okay. I will use my influence on Gorbachev and also press on economic reform. But this should be just between the two of us. My cabinet doesn't know. (S)

Let me give you a short report on the GDR and Two Plus Four. Our position on NATO is unchanged. In the Two Plus Four I propose to accept for troops to remain for a limited period if that is necessary. In the long run Soviet troops there would become demoralized. It would be the same as in Hungary. The situation there got terrible for Soviet troops. (S)

The President: I am on a different wavelength. I know your position but think they should get out. I want you to tell me in June your honest view about U.S. troops remaining in Germany. I think I can convince Gorbachev that U.S. troops should stay in Germany, but I must know that Germany would want U.S. troops. (S)

Chancellor Kohl: On that point, the U.S. troop presence is related to NATO. What sort of NATO would it be, leaving U.S. troops aside? If the U.S. left, NATO would vanish and there might be only CSCE. Where would be the security for Norway or

the Benelux? That is a big argument. A second argument is that if the Soviet Union withdraws, it is still in Europe. If the U.S. withdraws, it is 6,000 kilometers away. That is a big difference. The presence of U.S. troops and NATO give us options. As I look at the future of Europe, I see the U.S. there. In the year 2000 it must be a matter of course to have the U.S. there. (S)

The President: But we can't predict the political climate here or in Germany by then. There are slight isolationist tendencies here. How about in Germany? It would be understandable if they didn't want U.S. troops. (S)

Chancellor Kohl: True, but we can create facts. I will talk at Harvard about my U.S.-German educational project. These things will work against isolationism. What we are setting up now is a Franco-German brigade to do the same thing with the Europeans. In the future we should have German troops exercising on French soil, and so forth. We cannot leave history behind. We must achieve normalization. If the Europeans allowed the Americans to leave, it would be the greatest defeat for us all. Remember Wilson in 1918. (S)

The President: In the large group, we shouldn't talk about SNF. (S)

Chancellor Kohl: No. We should stay in close touch on these issues. And for Gorbachev, it is important that we make a point that Germany in NATO is indispensable. (S)

The President: Good. And we will meet on June 8 at about 6:30. (S)

Chancellor Kohl: Okay. And I will teach Scowcroft about Arlington Cemetery that afternoon. (S)

-- End of Conversation --