

THE WHITE HOUSE

WASHINGTON

MEMORANDUM OF CONVERSATION

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

PARTICIPANTS: The President  
The Vice President  
Nicholas Brady, Secretary of the Treasury  
Richard Cheney, Secretary of Defense  
Lawrence Eagleburger, Acting Secretary of State  
John H. Sununu, Chief of Staff  
Brent Scowcroft, Assistant to the President for National Security Affairs  
Vernon Walters, Ambassador to the FRG  
Robert D. Blackwill, Special Assistant to the President for European and Soviet Affairs  
Gisela Marcuse, Interpreter

Helmut Kohl, Chancellor  
Hans-Dietrich Genscher, Foreign Minister  
Gerhard Stoltenberg, Defense Minister  
Hans Klein, Spokesman of the Federal Government  
Juergen Ruhfus, Ambassador to the U.S.  
Horst Teltchik, Security Advisor to the Chancellor  
Dieter Kastrup, Political Director, Ministry of Foreign Affairs  
Walter Neuer, Director of the Chancellor's Office  
Dorothee Kaltenbach, Interpreter

DATE, TIME AND PLACE May 17, 1990, 1:00 - 2:00 p.m.  
Old Family Dining Room

The President: I talked to Ronald Reagan yesterday, because Gorbachev is stopping in California. He had invited him to Los Angeles, but Gorbachev is going to San Francisco rather than Los Angeles. It is all quite confusing, but Reagan may have coffee with Gorbachev in San Francisco. (Ø)

Foreign Minister Genscher: How can he spend so much time abroad when he has so many problems at home? (Ø)

The President: Perhaps it gives him standing at home. But I hope he doesn't encounter folks shaking their fists at him because of Lithuania. Emotions are quite high. Helmut, do you or Hans-Dietrich know Ryzhkov or Yakovlev? (C)

Chancellor Kohl: We have met them. (U)

The President: They have just changed ambassadors here. Dubinin did a good job. Then just before the Summit they changed to Bessmertnykh. I wonder what's going on. (S)

Chancellor Kohl: They are trying to develop a new cadre of ambassadors, supportive of Gorbachev. (S)

Acting Secretary Eagleburger: And Vorontsov is coming to the UN. (C)

The President: Mrs. Gorbachev will travel with Barbara to Wellesley to give a speech. She was such a good Marxist then, but I think she has shifted gears. (S)

Chancellor Kohl: In the SPD, 40 percent of the posts have to be held by women. Its a quota. We have rejected that, but it continually comes up. (C)

The President: I can understand the aspirations of professional women, but that is another matter from denigrating the role of courtesy. (C)

Chancellor Kohl: Mrs. Thatcher feels strongly about this issue. (C)

The President: She has tough political problems because of the poll tax. She isn't always easy to deal with, but I am happy she is there now -- and not Kinnock, although he seems to have calmed down his left wing. (S)

Foreign Minister Genscher: Kinnock has come a long way. He is now quite reasonable regarding NATO. It is much different than before. This is an important reason why Labor is doing better now. (S)

The Vice President: He told me unilateralism was dead in his party. He also talked about a nuclear deterrent, although he used the words "for the time being." (S)

The President: Do you have any thoughts on China? Have you had any high-level contacts? (C)

Chancellor Kohl: It would be wrong to isolate China diplomatically. (C)

The President: We agree, but it's tough here at home. They react to pressures differently than others. They are the Middle Kingdom; we are the barbarians. We need to keep some contact. Has Mandela visited? (C)

Chancellor Kohl: A bit later -- next week. (Ø)

The President: Is anyone asking who should come first? (Ø)

Foreign Minister Genscher: It is not a problem. (U)

The President: I would appreciate a short cable after your meeting with him. (Ø)

Foreign Minister Genscher: I met with both at Windhoek. Each said the other was a serious person trying to make things better. (Ø)

Chancellor Kohl: I will call you next week to give you my impressions. Mandela is a human giant. After all the years in prison, he is not embittered. Amazing. But the Boers are very difficult people. (Ø)

The President: I agree with what de Klerk is trying to do, including deflecting pressures from his right. Some hotheads here want Mandela to come first, but I can't withdraw my invitation to de Klerk. I think things will work out, though. Is there anything else we should discuss? (Ø)

Chancellor Kohl: Perhaps I should say a few words about the EC. At the end of June we will be in Dublin for the EC Summit. The Irish are doing very well in the EC presidency. It is not an easy job. We will be discussing Lithuania. And drugs. We need something like an FBI within the EC to deal with drugs and crime, especially after the borders come down in 1992. We will also talk about the IGC on economic and political union that Francois Mitterrand and I are pushing. It will be an interesting debate. We are now in an interesting and much more important phase. (Discussion of budget summit exercise.) (Ø)

Chancellor Kohl: What are your economic prospects? (Ø)

The President: Most experts think we have passed the low point and that the economy will keep growing, perhaps at about 2 percent of GNP. But many still worry about a recession. Unemployment is about 5.2 percent. But even though things are going reasonably well, we want to work urgently on the deficit problem to forestall a recession. How is your economy? (Ø)

Chancellor Kohl: It is doing well. There is 4 percent real growth and the highest employment rate ever. I am very optimistic, including on the eventual economic prospects for the GDR. (Ø)

-- End of Conversation --