MEMORANDUM OF CONVERSATION

SUBJECT: Telephone Call to Prime Minister Andreotti of Italy (U)

PARTICIPANTS: The President
Giulio Andreotti, Prime Minister
Robert Hutchings, NSC Staff (Notetaker)
Sim Smiley (Interpreter)

DATE, TIME AND PLACE: August 6, 1990, 11:33 - 11:47 a.m.
The Oval Office

The President: Good morning, or afternoon to you. I am calling because I thought it important to talk to you about the deteriorating situation in the Gulf. (U)

Prime Minister Andreotti: Thank you. (U)

The President: First, we have been following the decisions of the European Community carefully and want to commend you and thank you for your strong response. It is an extremely important element of the international pressure on Saddam. (U)

Prime Minister Andreotti: I wanted to tell you that yesterday there was a special session of the Foreign Affairs Council. The decisions taken have now been applied. (U)

The President: That is very good, very encouraging. I am pleased with the way most countries of the world have come out for strong pressure against Saddam Hussein. I am sure you agree that the status quo is totally unacceptable and presents a very fundamental threat to the free world and the security of our friends in the region. Everyone is threatened by what this madman has done. Our bottom line, and I think you agree, is that Iraq must withdraw unconditionally and that the legitimate government of Kuwait must be reestablished. (Z)

The Community really has done a great deal to put economic pressure on Saddam, but, as we analyze the situation, I have no confidence that economic pressure alone will force him to withdraw. I have made a series of telephone calls to Thatcher, Mitterrand, Kohl, Ozal, and Mulroney and will see Thatcher this afternoon. All agree that whatever actions we take must be taken quickly. I would encourage you to keep up the pressure on Saddam and to consider other measures that the Community might take multilaterally as well as what Italy might do. Again, I salute your leadership of the EC. (Z)
It is vital from our viewpoint that Turkey knows that, as a member of NATO, it will have our support if Saddam threatens it or tries to keep it from fulfilling its international obligations to do what it can to put pressure on Iraq to withdraw from Kuwait. Ozal is strong, and I am sure he will be very strong if NATO stands with him in the event of a threat. (C)

I might note, Giulio, that I am very satisfied with the position taken by Toshiki Kaifu and the Japanese. We have Dick Cheney talking with the Saudis. As you know, they are very concerned. There is incontrovertible evidence that instead of moving out, the Iraqis are moving new forces in near the Saudi border. Today, Woerner will be here, Thatcher will come on her way back from Colorado, and Mulroney is coming down for dinner. (C)

Let me just say that it is important to stay in close touch -- either you and I or our representatives. Once again, this is a matter of grave historic significance, not just one incident. We don't need another invasion of the Rhineland. But I am anxious to get your viewpoint, my friend. (C)

Prime Minister Andreotti: First, I am of the same opinion regarding the extreme gravity of the situation. I say that for another reason: in the past, in our fight against Khomeini, we may have helped Saddam too much. As far as more decisive measures, beyond the economic, the UN Security Council is moving along, because most except Cuba and Yemen agree. (C)

The President: I think that is true. Are you sure about China? (C)

Prime Minister Andreotti: According to the last information I had, China would also take part in a general condemnation. We can also put some pressure on the Chinese. (C)

The President: I think that is right, but I have no direct information. (U)

Prime Minister Andreotti: I will try to get more information and let you know. My last point is psychological. We need help in convincing world public opinion that the problem is freedom of world trade, not that we are trying to defend the riches of feudal states. The question is economic liberty, not the riches of the Emirate families. (U)

The President: That is a very important point. I agree. (U)

Prime Minister Andreotti: I will remain in touch, so that the situation goes back to the status quo ante. (U)

The President: Thank you for your leadership in the EC. If you have any reason to call, do so. I will do the same. (U)

Prime Minister Andreotti: Thank you. Goodbye. (U)

-- End of Conversation --