MEMORANDUM OF CONVERSATION

THE WHITE HOUSE
WASHINGTON

SUBJECT: Meeting with President Mitterrand of France

PARTICIPANTS: The President
Brent Scowcroft, Assistant to the President for National Security Affairs (Notetaker)
Francois Mitterrand, President
Loic Hennekine, Diplomatic Advisor to the President
Christopher Thierry, Interpreter

DATE, TIME: November 18, 1990, 8:00 - 10:18 p.m.
PLACE: The Elysee Palace

The President: Czechoslovakia was wonderful but discouraging. Everything is not happening at once. 750 thousand people turned out for the anniversary of their revolution. From there I went to see Kohl at his home in Germany. He is comfortable about his election prospects.

President Mitterrand: Without a doubt! (U)

The President: He said the laws prevent his winning without having to form a coalition. Margaret Thatcher seems to be having a problem.

President Mitterrand: I never even thought she would have a competitor. She plans to be here for the CSCE conference. She is very skillful, and I can't believe that she is threatened from within her own party. She has had 8% inflation for a long time and, if we have a long period of tension, it could go way up. France is having 3 or 4% inflation.

The President: We beat you on this score, but we are heading into a recession. I believe the Fed will be lowering interest rates. One thing which hurts us is oil prices; they are based on pure speculation.

President Mitterrand: That's right, there is no shortage of oil.

The President: President Diouf of Senegal proposes to go to Saddam Hussein and tell him "you are killing us". President Havel said the crisis was costing him $1.5 billion in higher oil prices.
President Mitterrand: The Gulf crisis threatens to ruin a whole group of countries.

Gorbachev came to Paris for a visit 10 days ago. For the first time, I found him anxious.

The President: About his own position?

President Mitterrand: He was worried about the economy and about his nationality problems. We ourselves are having problems with the Balts because they want to come to the CSCE conference. They can only come as part of the Soviet delegation, although we never recognized their seizure by Moscow. We still have their gold.

The President: What did you do about this issue at the last CSCE conference?

(The move to the dinner table occurred at this point.)

President Mitterrand: The press will say that Saddam Hussein will be releasing all the hostages. What would you like to discuss?

The President: I have two principal topics: the GATT negotiations and the Gulf. On the Gulf, Jim Baker had a good visit with you to discuss the UN resolution. We don't want a war, but unless Saddam Hussein fears one he won't get out.

President Mitterrand: I told Baker that, subject to how it was drafted, the idea of a resolution was useful. We have used the cover of the UN, and it would be useful to continue this course. The second argument in favor is that Saddam Hussein will then know that there is no way out. Such a resolution will be hard to draft, but we will take part in the process and vote for it if it is well drafted.

The President: You know Saddam Hussein better, but I don't think he will leave unless he thinks we will fight.

President Mitterrand: I don't know him. Israel attacked the Iraqi nuclear plant just after I entered office. We helped his war effort against Iran and he wanted me to rebuild the nuclear plant. I refused, although I received several letters from Fahd and the Emir during the Iran war urging that I give Iraq more weapons.

The President: We were all guilty of this.

President Mitterrand: During the Iran war, we had a fixation on stopping the spread of Iranian fundamentalism.

The President: That is true, but Iran has been fairly supportive in the new Gulf crisis.
President Mitterrand: I would like to draw up a record to see how the embargo is working. It is very effective at sea.

(Further discussion of the naval blockade)

The President: I will be talking to Gorbachev about the situation. Jim Baker will be talking to the Africans and maybe to Salih. We are not anxious to use force, but I think that the resolution we are talking about is the best way to get Saddam Hussein out of Kuwait.

President Mitterrand: He could use it as a pretext to try to save face with his own people. He won't save face, however. That is the problem with dictators. They don't have the flexibility of democratic leaders. Let's look at a draft.

The President: Shall we get that darned agricultural problem out of the way? I know you have a problem. I have talked to Helmut Kohl about the issue, and to Andreotti and Delors. My concern is that the GATT round could blow up.

Delors said that we were provoking the Cairns Group and encouraging them to walk out. That is not true. We want the round to succeed. I am not a technician, but I would ask you please to try to get this mess off of dead center. Bob Hawke wanted to call a meeting for next spring and I think that would be awkward.

President Mitterrand: We don't support our farmers in the same way that you do, but both of us do support them. So you can't do away with one form of support without doing away with the other. What we do for our farmers is the essence of the Treaty of Rome. We have made concessions already on the agricultural issue. Cattle fodder comes into the EC freely. It is a difficult problem, but I think that we have made a compromise offer which the U.S. has turned down.

The President: (Describes the matrix comparing agreements in Houston to the actual EC offer) We are not virgins with regard to agricultural subsidies.

President Mitterrand: My experts tell me that a 90% reduction of commodities supports over 10 years covers only certain items, not all of them.

The President: I will be honest, I don't know.

President Mitterrand: Your negotiators have tough jaws.

The President: Carla is the toughest woman in the world.

President Mitterrand: What does Delors say?

General Scowcroft (Describes Delors' position and our view that if the 30% in internal supports would have an equal effect
on export subsidies and market access, why not commit to that outcome?)

President Mitterrand: That sounds reasonable to me. Let's look into it. Tell us your proposal.

The President: Shall we discuss Lebanon and the Arab/Israeli situation? I must say, I find Shamir difficult.

President Mitterrand: Me, too. However, I'm a friend of Israel. Let's talk about Lebanon. Kuwait leaves me cold, but Lebanon is the closest of these countries to France. There is a Catholic element, and the Lebanese are Francophones. That is why I sent troops to Lebanon when President Reagan asked me to. We stayed on alone when Ronald Reagan pulled out. The French are very sympathetic to Lebanon. We did not recognize General Aoun. We instead recognized Hrawi and the Taif Agreements. I was criticized for not supporting Aoun. He did represent the Christian minorities, which is why we offered him asylum. Now Assad will not let him come to France. Can we cool Assad down a bit?

I told Jim Baker that we had been asked to intervene in Kuwait where I have no interest, whereas no one helps us with Lebanon where I do have many interests. If we could get Assad and Hrawi to grant General Aoun safe conduct it would be very helpful.

The President: I can try to pursue the case with King Fahd and with President Mubarak, and I will do whatever else I can -- but I didn't think that it was the Syrians keeping him in Lebanon.

President Mitterrand: It is Assad.

The President: If Aoun comes out, what can we do to encourage peace in Lebanon?

President Mitterrand: I would prevent Aoun from fomenting trouble and from forming a government in exile. We have to push for implementation of the Taif Accords. These accords call for the withdrawal of all forces over time. We wouldn't have to rub the Syrians in the wrong way -- give them time. They should let Hrawi govern and let Aoun out of Lebanon. That would solve the problem, although the Lebanese nation will always be a difficult place.

The President: The Taif Accords get both Syria and the Israelis out of Lebanon.

President Mitterrand: Israel has nothing to fear from the new Lebanon. Assad will say yes, but he won't get out. He has said that both Lebanon and Israel are Syrian. He has said that Christ was a Syrian. I told him that if we all went back to our
historical boundaries, I would have to give back territory to both Germany and Italy. ()

The President: I haven't met him. We proposed his going to Cairo, but he didn't want to do it. (Further discussion of Assad.) ()

President Mitterrand: (Describes Jumblatt and other aspects of Lebanon.) ()

The President: Why was Lebanon tranquil in the 1960's? ()

President Mitterrand: There was an imbalance between the Muslim majority in population and the Christian political majority. The real change, however, was the massive influx of Palestinians. ()

The President: We will try to help on Aoun. ()

President Mitterrand: We must ask the Arabs to continue with the Taif process. ()

The President: Are they walking away from it? ()

President Mitterrand: Now that Aoun is out, the Muslim leaders are not in a hurry. ()

The President: I am discouraged about the West Bank. ()

President Mitterrand: I spoke to Shimon Peres. He has an interesting idea. He says that the West Bank has an historical connection to Israel, but the same is not true of Gaza. Therefore, Gaza is not a gut issue for the Israelis. Why not give Gaza to the Palestinians? This is obviously a private idea, but it would make for a Palestinian homeland. ()

The President: What about the Golan Heights? ()

President Mitterrand: They have never been Jewish. ()

The President: For security reasons, they will never give back the hills. ()

President Mitterrand: No, of course not, but give it time. (U)

The President: Does Peres have a chance of regaining power? ()

President Mitterrand: He thinks so, but I am less sanguine. (S)

The President: I don't know what it would take to get Labor back into office -- maybe more killings. The Temple Mount incident turned many Israelis off. (There was a discussion of Madame Mitterrand and the Kurds.) ()

SECRET
President Mitterrand: President Ozal has said that he would work things out with the Kurds but he hasn't done much. We need Ozal. (§)

The President: I like him. He has been strong on the Gulf. (§)

President Mitterrand: He has not done much on Cyprus either. Ozal says "Yes, but talk to Denktash." Denktash says "Yes, but talk to Ozal." (§)

-- End of Conversation --