MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with Prime Minister Mitsotakis of Greece

PARTICIPANTS: The President
James A. Baker, Secretary of State
Brent Scowcroft, Assistant to the President for National Security Affairs
John H. Sununu, Chief of Staff
David C. Gompert, Special Assistant to the President for European and Soviet Affairs (Notetaker)

Constantine Mitsotakis, Prime Minister
Antonios Samaras, Foreign Minister

DATE, TIME AND PLACE: November 21, 1990, 8-8:30 a.m.
Ambassador Curley's Residence, Paris, France

The President: I am very worried about Gorbachev. He has tremendous problems. He told me that he is going to have to get tough when he gets home. The Soviet people want stability. They are very worried about the disintegration of the Soviet Union so he will have to stabilize the situation. But I still think he wants to move forward to a free market. I didn't get any requests for assistance from the United States, but if we are asked for emergency help, we will provide some. (S)

Gorbachev has been good for us, though we can't stake everything on one person. We will give him what support we can. (S)

Mr. Prime Minister, let me get a sensitive subject out of the way first. Because of Turkey's geography and its Islamic religion, we are paying a lot of attention to Turkey, especially in the midst of the current crisis in the Gulf. I hope I have not sent a signal of neglect to the Greek people. If I have, it has been totally unintentional. Ozal is in a front-line position and is important strategically. When we talk about "all options being open" Turkey is in a geographically important position. But this doesn't represent any shift in our strong attachment to Greece. (S)

Prime Minister Mitsotakis: I assure you, Mr. President, that there is no such misunderstanding. We appreciate Turkey's importance today. We want Turkey to have the right policy. Turkey is doing well. They are doing the right thing, but we
must be careful because eventually their religion could cause problems. We want to avoid friction with Turkey. Relations between Ozal and me are better than ever. (S)

We will do the best we can in our relationship with Turkey. After there is a solution to the Gulf crisis, then we should address the Cyprus issue. We trust that the United States will do what it can on Cyprus after the Gulf dispute is settled. (S)

The President: Do you have any ideas on Cyprus? We talk to the Turks about this every time we meet with them. We are open to suggestions. We should stay in very close touch about Cyprus. We don't necessarily want to wait until after the Gulf crisis is resolved. Maybe there is some way we can act now. (S)

Prime Minister Mitsotakis: It is Turkey's turn to take a step forward. The Greek Cypriots have already made a move: they decided not to go back to the United Nations. Now, it is Turkey's turn to move. The Turks should give back Famagusta. They are close to doing it. Ozal may be prepared to move on Famagusta. He asked for high-level talks, and I agreed. We are not intransigent and, I hope, neither are they. (S)

This problem is connected with Turkey's internal situation. Ozal does not have a strong domestic position. I have been in touch with his opposition. They could be in power within two years. When the timing is right, I think we can influence Ozal to move on Famagusta. (S)

Secretary Baker: Are you prepared to reconsider your position on the EC Fourth Protocol? (S)

Prime Minister Mitsotakis: Not unless Turkey takes the next step on Cyprus. Until then, we will not move on the EC Protocol. (S)

Secretary Baker: What is that next step that the Turks must take? (S)

Prime Minister Mitsotakis: Famagusta. Then we can alter our position on the Protocol. (S)

The President: Were we not close once on Famagusta? (S)

Prime Minister Mitsotakis: Yes. And I think we can achieve progress again. (U)

I want you to know, Mr. President, that our position is strong in Greece. The government is strong and steady even though we are taking a tough policy on inflation, the people understand. (S)

The President: Let me raise a trade matter. I would like to get Bob Mosbacher to lead a delegation on trade and investment to Greece in 1991. Would you be agreeable? (S)

Prime Minister Mitsotakis: We would be very happy to see him. We need investment. This is a very good idea. (S)
The President: Fine. We will do it. (U)

Prime Minister Mitsotakis: We want you to be aware of our concern about the balance of forces in our region, especially as a result of the cascading of equipment under CFE. I am asking that you assess the impact of CFE on the balance of forces. (S)

The President: We will bear that in mind. We think that the Turks' greatest defense needs are in the east. This should result in a reduced Turkish requirement vis-a-vis Greece. (S)

Prime Minister Mitsotakis: I would hope to have a DOD delegation come to Greece. We need more armaments. (S)

The President: We are very interested in maintaining a stable southern flank. (S)

Do the recent municipal elections in Greece send a good national signal? (S)

Prime Minister Mitsotakis: Yes. They were Athens elections and therefore very important. The point is that even after tough domestic economic measures, we are still very strong. Papandreaou is weak; also he is not well. (S)

The President: It is a joy to work with you, Mr. Prime Minister. The Greek-American community is entirely supportive of you. What else is on your mind? (S)

Prime Minister Mitsotakis: We have good relations with Bulgaria, but there are big problems there. Also there is very serious trouble brewing in Yugoslavia. (S)

The President: Yes, it looks like a very difficult situation. (U)

Prime Minister Mitsotakis: I think we can expect democracy to prevail eventually in Albania, but they will need humanitarian help, including food. (S)

The President: Do you see any ray of hope in Yugoslavia? (S)

Prime Minister Mitsotakis: I think that Yugoslavia is in grave difficulty. (S)

The President: It looks like we may see it fragmented. (S)

Prime Minister Mitsotakis: This is why we in Greece want good relations with Turkey. It is why we also want to solve the Cyprus problem because we have instability to our north. (S)

-- END OF CONVERSATION --