

THE WHITE HOUSE

WASHINGTON

MEMORANDUM OF TELEPHONE CONVERSATION

SUBJECT: Telcon with Chancellor Helmut Kohl of Germany
(U)

PARTICIPANTS: The President
Helmut Kohl, Chancellor
Notetaker: Robert Hutchings, NSC Staff
Interpreter: Harry Obst

DATE, TIME December 17, 1990, 8:37 - 8:50 a.m.
AND PLACE: The Oval Office

The President: Helmut! (U)

Chancellor Kohl: Hello, George! How are you? (U)

The President: Good. How are you? I hope you have the Christmas spirit. (U)

Chancellor Kohl: Everything is going smoothly. Winter has come early here. There is snow everywhere. All in all, things are going quite well. (U)

One thing I wanted to tell you about is the EC Summit in Rome, particularly questions concerning the GATT. First, we issued a statement saying that we want to see the GATT end successfully. No one said that we should try to keep a low profile. We want to make full use of the time throughout January. The general opinion was that we should use a more global approach -- dealing not just with one subject but including all questions, obviously including agriculture. Second, we said that all sides have to be ready for compromise. That means also the Europeans. Third, we said we want to make full use of the remaining time before negotiations resume. We want to find out beforehand how progress can be made so that we prevent a possible collision. We want to prepare the ground so things run smoothly. (U)

The President: That seems encouraging. You know I have been very concerned about the breakup of the talks. We feel the Hellstrom text offers us a way out. It is not what we had hoped for, but we are willing to accept it as a basis for the kind of negotiation you are talking about if the EC will do likewise. We did take steps to address your concerns about trade in services. These were not easy steps, but we told our trade representative to do everything within reason to get these talks back on track. Perhaps what you told me about what the Community has done will help unblock the stalemate. If we cannot unblock, I am afraid it could mean the end of the Round, and that would be bad for everybody. (U)

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Helmut, we are talking with the Japanese and think they will come along. That would be good news, but on the other hand we don't want to see the EC isolated. This would be very bad before world opinion. I am counting on you to use your influence, especially with the French, to move things along, recognizing that you have domestic difficulties. I think it would be good if you could take the initiative, even if only on the basis of the Hellstrom text, which could form the basis to move the dialogue to more fruitful negotiations. If we can agree on the Hellstrom text, it would be seen as a compromise by all sides. (Ø)

Chancellor Kohl: George, let me say that I will try very hard. After the holidays, I will meet with Jacques Delors once again and will also meet with others. Then I will try to get in touch with you again between January 6 and 9. (Ø)

The President: Helmut, let me ask you a personal question, as a friend. Do your negotiators think the U.S. is being too rigid and inflexible, too ideological? (Ø)

Chancellor Kohl: Yes. You have been very frank with me, so I will be equally frank. We do think so. (Ø)

The President: Is this because we want agriculture included, or because we want too much out of agriculture? (Ø)

Chancellor Kohl: The latter. Obviously agriculture has to be included; but, to be very frank, it seems to me that it is above all the tone of the negotiations which seems to rankle. Of course I cannot give you my personal impression, because I was not at the negotiating table. I am simply telling you what my negotiators have told me. (Ø)

The President: Maybe this time off for the holidays will help create a calm atmosphere, and this calm atmosphere will help move things forward. (Ø)

Chancellor Kohl: Yes, that is certainly true. Another thing that would possibly be quite beneficial and useful would be for you to talk with François Mitterrand over the holiday period. You could talk not just about this issue. (Ø)

The President: That is a good suggestion. I have just gotten a nice letter from him regarding the Middle East and the UN resolution and need to talk to him about the Gulf. I have talked to him in the past and he knows my position, but I think that would be a good idea. (Ø)

Chancellor Kohl: I think it will be useful in any case. (U)

The President: I appreciate your phone call and update. We have got to get this thing resolved. If you get any new ideas, or if I do, we should be in touch by telephone. (Ø)

I hope you get some rest over Christmas. You have worked so

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hard, and you've had such a wonderful year. Bar and I sent our Christmas love. (U)

Chancellor Kohl: Thanks, George. Please give our love to Barbara. I hope you will have a good rest, too. I will call again. (U)

-- End of Conversation --

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