

THE WHITE HOUSE WASHINGTON

MEMORANDUM OF TELEPHONE CONVERSATION

SUBJECT:

Telcon with Chancellor Kohl of Germany (U)

PARTICIPANTS:

The President

Helmut Kohl, Chancellor

Notetaker: Robert Hutchings, NSC Staff

Interpreter: Gisela Marcuse

DATE, TIME

April 25, 1991, 9:19 - 9:40 a.m.

AND PLACE:

The Oval Office

Chancellor Kohl initiated the call. (U)

The President: Helmut! How are you? (U)

Chancellor Kohl: Very good, thanks. I wanted to put a call in to give you a brief report of two telephone calls I had recently. Yesterday I had a long conversation on the telephone with Mikhail Gorbachev. He called directly after the meeting of the Central Committee. I gained the impression from the conversation that he made a lot of headway in this meeting. Apparently he has been able to strike a compromise with Yeltsin, and also a compromise on a new federal structure. He maintains that he will push through a number of new economic reform measures in the next few days. I said once again that he could not count on help from the West unless he put those reforms through and implemented them seriously. I said this was so also with regard to Germany. I said I was at the end of my tether if he did not seriously implement economic reform. Secondly, I mentioned the Kurdish situation. I said I hoped the Soviet Union was supporting our humanitarian efforts. My impression is that if we underline strongly that we are rendering humanitarian aid and assistance through all the efforts you have made (and that we are making in Iran), that this does meet with a positive response. At any rate, the impression I have gained is that if there are problems, you can address them with him and talk about them.

Second, the day before yesterday I talked again by telephone with President Rafsanjani, because of German assistance to Iran. I must say that he was quite helpful. You are perhaps aware that we a going to send units of the Bundeswehr, including helicopters, transport units, and engineers. He was quite helpful. Obviously, they have been sent to construct refugee camps. He was grateful for the help from Germany and other EC member states. George, I raised the issue of the hostages again.

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DECLASSIFIED PER E.O. 12958, AS AMENDED BIZI12009 I said that he must understand what sort of bad impression this will create in the world at large. His response, I must say, was a fairly poor one. He said Israel would have to fulfill the earlier demands. But I will raise this with him time and again. I don't know if it will do any good, but he will at least know that people do remember that there are hostages, so he won't think the world has forgotten. (3)

The President: Thank you, Helmut, for raising that with him. If he knows that others besides the U.S. are concerned, I think it will help. I am very grateful to you for that. $(\rlap/{t})$

Chancellor Kohl: George, I think what I told you about Gorbachev
is also quite significant. (♥)

The President: Yes, I think it is important. In that regard, there is a new wire service report that he has resigned as head of the Central Committee. I don't know if it is just a ploy; the report just came in. (2)

Chancellor Kohl: That obviously is something we are not yet in a position to assess. I think it may be a ploy or a maneuver. (£)

The President: It may be. His comment was that "70% of the people criticize me, so in the name of the people I resign." I do think, Helmut, that he is supportive of our relief efforts. Incidentally, we are very impressed with what you are doing on the Iran side. (2)

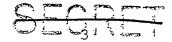
Changellor Kohl: George, I wanted to raise again the issue of Israel and the Palestinian Question. After all, it is a subject that also concerns me. The Israelis want to have support. They have asked for it especially in view of the expected one million Jewish refugees over the next few years. This year alone there have been 400,000, so obviously they need help. Our possibilities are not unlimited, but within those limits we will try to do all we can. My concern -- a question they have not yet properly responded to -- is that they will move these people into the occupied areas and use them to settle there. I would like to support you and Jim Baker in trying to promote a solution now. In Germany we have a saying, which dates back in our history, that we won the war but lost the peace. This is a very important thing indeed: I would like my friend George Bush, after winning the war, also to win the peace. In Europe there is massive support that you can tap into. I met with Francois Mitterrand over dinner last night, and I must say that I have rarely seen him as willing to support the policy of George Bush. very important political capital to draw on, and the same goes for all EC member states. (6)

The President: Thank you for those comments. Let me make a couple of points. First, your instincts were right on Mikhail Gorbachev. I just received a new, up-to-date wire story. The Party Central Committee rejected any suggestion of his resignation by an overwhelming vote, on the recommendation of the Politburo.

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Chancellor Kohl: George, I think we should introduce that kind
of maneuver into our party politics. (U)

The President: I'd be worried they might accept! (Laughter) I think Gorbachev is sincere on the refugee question. We are still trying to work with him on CFE and START, but no firm date has been set for a Summit. On Israel, we are very concerned about putting these settlements in the West Bank. We keep telling them that, but they rather arrogantly continue putting them there. I think we ought to say jointly that this doesn't help the peace effort. When Baker gets back, we will have a debrief and let you know where things stand. There is some good news, but also some bad. I don't think we are close to a breakthrough. Clearly, Germany has an interest in this. On the settlements issue, the more all of us say this is not helpful, the better. Jim Baker said so again yesterday. I believe our law prohibits us from helping if those people go into the West Bank. (%)

Chancellor Kohl: Yes, but unfortunately we can't control that. We will get in a very tight spot there. The worst situation would be, in the aftermath of the war against Iraq, for all this to be depicted as the West versus the Arab world.

 $\overline{\text{The President}}$: We will work on that. I am really looking forward to seeing you. By then, we will have more information to share with you. (U)

Chancellor Kohl: Very good, George. I will be very, very glad to see you. I also hope that we will have an opportunity to talk about the economic side. Perhaps Brady could be present at one of our meetings. You are aware that he was here. We had breakfast and a very good meeting. I want to avoid at all costs a controversy on the economic side. (?)

The President: I think I am inviting your Finance Minister and your Economics Minister to an affair at the White House on Saturday or Sunday. (U)

Chancellor Kohl: That is very, very good, George, because really we should avoid being led into a public controversy in the upcoming IMF meeting. (2)

The President: Right. We may have differences on interest rates, but I agree with you that we don't want an open controversy. I am very grateful to you for seeing Brady. I look forward to seeing you, my friend. Thanks for your report and for the phone call. (2)

Chancellor Kohl: Best to Barbara. Good-bye. (U)

-- End of Conversation --

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