

THE WHITE HOUSE
WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT: NATO Summit

PARTICIPANTS: The President
James A. Baker III, Secretary of State
Brent Scowcroft, Assistant to the President
for National Security Affairs
John H. Sununu, Chief of Staff
David Gompert, Notetaker

Germany

Helmut Kohl, Chancellor of Germany
Hans-Dietrich Genscher, Minister of Foreign
Affairs
Peter Hartmann, National Security Advisor to
the Chancellor

DATE, TIME November 7, 1991, 5:35 - 6:00 p.m.
AND PLACE: Sheraton Hotel, Conference Center, Rome

The President: (To the Press during the photo op) Chancellor Kohl gave an outstanding speech in the Bundestag on the subject of the Alliance and the future of European security. I thought it was an excellent speech, and I think it said everything that needed to be said about the issues that we are dealing with. So there is no difference between us, as evidenced by the Chancellor's remarks. He echoed the same remarks today in the NATO summit. (U)

Chancellor Kohl: I want to make it clear that we Germans owe both our freedom and our unification to NATO. Without NATO's stance, and the American stance, none of this would have been possible. As for the European Monetary Union and the European Political Union I would like to point out that this is something that the United States has wanted all along. This is not a question of either/or, but a matter of achieving both European Union and strengthening NATO. We need both a European Pillar of the Alliance and the Alliance itself. We need a strong U.S. role in Europe and a strong U.S. presence. I also think that the transatlantic bridge has never been more important. But it must be broadened to include cooperation in all fields, not just the military field. (U)

(press depart)

The President: I know that we have had some differences. I hope that there are no hard feelings about the letter I sent, but it looks like it is all cleared up. ~~(S)~~

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Chancellor Kohl: I have three points to discuss with you. Let me start with the GATT. I agree we are moving in the right direction. I promised movement, now there will be movement. It is important now that we make further progress in the U.S.-EC channel. We have to have intensive negotiations. (S)

The President: This is agreed. (S)

Chancellor Kohl: On both sides we should refrain from public statements on the Uruguay Round. (S)

The President: You mean making public demands of one another? (S)

Chancellor Kohl: Yes, but not only that. This is the time to work not to talk. We made severe psychological errors the first time around. We made noise but no progress. But I am optimistic now and I will remain personally involved. (S)

The President: I appreciate your key role, Helmut. You have managed to get it started. My negotiators are in The Hague right now, and I am on my way there. (S)

Chancellor Kohl: We need to develop a careful line on this toward the Elysee. They must be seen as successful. (S)

The President: Agriculture is the key issue at this stage. I realize that this is something that the French have to give. How can we achieve this and yet make it appear to be a French success? (S)

Chancellor Kohl: It is important that you talk a lot to Francois about this and find away to introduce your suggestions to him so that they come out as his own proposals. (S)

The second thing that I want to raise is Maastricht. All I want to say on this is that we will staying in very close contact with you in the run up to the EC summit. (S)

Third, I would like to talk about the USSR. A catastrophe awaits us if the USSR disintegrates completely. It will be disaster for Gorbachev. He should play the integrative role in a new federation if he stays. I've heard today that the G-7 deputies have come up with an agreement on Soviet debt. For us Germans, it is essential that we and you exert influence on this situation there in a way that reinforces cohesion. There is a rumor now in Europe that the U.S. is rethinking its policy toward the Soviet Union and that it has changed slightly. We have heard that you now pin your hopes on the Republics. We think that this is a mistake.. We should make our aid dependent on them staying under one overall roof. (S)

The Canadians have started contacts with the Republics of a more formal nature. I don't accept this. And I will be frank with Mulroney about it. (S)

We also have to keep the Japanese involved. The Japanese are the ones that got most of the benefits from NATO and had absolutely had none of the burden. So they are not going to be able to leave this problem to us. (S)

Tell me George, is the U.S. position on the Soviet Union still the same? (S)

The President: I support the Center and I support Gorbachev even though I am criticizing the United States for doing so. We have and we will continue to have contact with Yelstin, Kravchuk, Nazarbayev and others. Some people have said that the place is coming apart, but this is not my position. But we do have to deal with the Republics. For example, on the problem with regard to finances, the Republics have to be in on the deal; they are the ones with the assets and therefore they should pick up the liabilities. But, my answer to your question is yes. We support the Center or at least we support Gorbachev. Otherwise we could have anarchy. I will give you the George Bush theory. Gorbachev and Yelstin are not really getting along all that well. (S)

Secretary Baker: Just in the past 10 days we heard from the Vice President of Russia that Yelstin was going to announce RSFSR responsibility for the protection of the rights of Russians everywhere and that he was going to eliminate the Soviet ministry of foreign affairs. We sent our Ambassador to talk to him to say that this was a bad idea. As a result of our demarche they deleted these elements from the speech. (S)

Chancellor Kohl: We are also making clear that they must remain within reasonable bounds. Yelstin will come to Bonn in two weeks I think this whole situation seems like 1910. (S)

The President: We've sent out to all the foreign ministers a proposed paper on Alliance policy for the Soviet Union. (S)

Secretary Baker: The French bracketed a good piece of it. (S)

Chancellor Kohl and Genscher: We support the paper. (S)

Chancellor Kohl: Now we should talk about Yugoslavia. Let me ask Hans-Dietrich to describe our views. (S)

Minister Genscher: We will have EC foreign ministers meeting tomorrow. There are two questions on the agenda. We have to decide first on limited sanctions and second on the future of the peace conference. (S)

If the peace conference continues I think the Serbs will come around. At some point, they will be ready to talk, but we have to be clear about the facts. What sort of solution is possible in Yugoslavia? We have to recognize borders as they are and we have to guarantee minority rights. Any other ideas, such as putting Yugoslavia back together, are illusions. (S)

Secretary Baker: So I understand that you are talking about recognition. What is the difference between Canada recognizing Ukraine and your recognizing Croatia? (S)

Minister Genscher: There is a big difference. In the USSR, Gorbachev and the Center are looking for a new type of relationship with the Republics and trying to help fashion new inter republic relations. Gorbachev is trying to open up an opportunity for agreement. In Yugoslavia, the Center is the leadership of the army. There is no political legitimacy, and they are trying to prevent self-determination by the use of force -- something that is not happening in the Soviet Union. (S)

Secretary Baker: But if you back up three months and look at Yugoslavia you will see that the Government of Yugoslavia was calling for peaceful resolution. They were doing what Gorbachev is doing now, but the Slovenian and Croats took unilateral action back in June. That is what started this whole thing. (S)

Chancellor Kohl: These situations are historically different too. The decisive difference is that Serbians and the JNA accept Slovenian independence. (S)

Secretary Baker: We should be very careful about recognition. (S)

Chancellor Kohl: This situation is taking a turn. There is no doubt about it. There will have to be recognition by the end of the year. I think it is only fair that we be clear with you about this. (S)

General Scowcroft: If we extend recognition to Yugoslav republics that can't defend themselves, and then don't defend them, this will be a disaster. (S)

Minister Genscher: Precisely, this is why this peace conference must continue. (S)

General Scowcroft: You mean that it must precede recognition. (S)

Minister Genscher: Yes, of course. (S)

Chancellor Kohl: This is why we should not interrupt this peace conference. But the costs are rising, and eventual recognition with guaranteed borders and guarantees for minorities must come. We would like to keep in close contact with you. We are also faced with enormous domestic pressures concerning Yugoslavia. We have 700,000 Yugoslavs in Germany, two-thirds of whom are Croats. So there is a big uproar every night when we see these scenes on television. I must say I feel that the situation in Europe is beginning to resemble the Boxer Rebellion. (S)

-- End of Conversation --