MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with Michel Rocard, Former Prime Minister of France

PARTICIPANTS: The President
Brent Scowcroft, Assistant to the President for National Security Affairs
Earl Anthony Wayne, Director for Western European Affairs
Michel Rocard, Former Prime Minister
Jacques Andreani, Ambassador
Jean-Marie Ripert, Aide

DATE, TIME AND PLACE: November 22, 1991, 11:55 - 12:05 p.m.
General Scowcroft's Office

(The President joined an on-going meeting between Rocard and General Scowcroft.)

The President: Well, it's good to see you. I just wanted to drop in and say hello. What have you been talking about?

Mr. Rocard: Well, we've been spending a good deal of time discussing the GATT negotiations.

The President: Yes, it seems that things are blocked again.

Mr. Rocard: It's a costly affair for both of us. We need to find a way to resolve our differences.

The President: Yes, I know it's very difficult for both sides, but we need to act. The time is short.

Mr. Rocard: Part of the problem is that the cost is potentially very high electorally for both the United States and the Community. The cost can also be high in compensation for other areas.

General Scowcroft: I think there has been some progress in the other areas.

The President: What is the current state of play, Brent?

General Scowcroft: The US-EC talks in Geneva seem to have broken down over the last week. Dunkel is not able to report US-EC
agreement. He will just be able to report U.S. and EC differences on the key issues.

Mr. Rocard: I think that since there is not yet compromise on agriculture, we should ask the other GATT participants to give the U.S. and the EC several more weeks to try to work this out. We can't forget that agriculture accounts for only 13% of all the trade being discussed in the GATT round. We can't let that block progress on the other 87% of trade under discussion.

The President: Tell me about your future for a moment.

Mr. Rocard: Well, we're having local elections in France next spring which will be a disaster for the left. There will be parliamentary elections in 1993 and presidential elections are scheduled for 1995. However, as you may know, President Mitterrand announced two weeks ago that he was considering a referendum on constitutional changes. Though it's not clear, he may propose reducing the presidential term to five years. Some people are worried about this proposal. They see it as a move toward a U.S. system of divided government because it will align presidential and legislative elections. They are worried that France will not be able to cope temperamentally with a permanent split between the legislative and executive branches. In addition, there is the problem of whether or not the President will choose to resign. Right now, it's not clear that any proposed constitutional change would apply to him retroactively. As for myself, I might be a candidate for president. How is your situation?

The President: Well, as you know, the economy is very sluggish. I just came from a meeting with a number of our best non-governmental economists. None of them are very optimistic, but there is not much we can do. There are no quick fixes.

Mr. Rocard: Yes, when I met with some of the democratic Congressmen yesterday, I asked them about this, and they had no answers. But they were still complaining.

The President: Well, it's a political year, you know. I have to go to another appointment, but it was really good to see you.

Mr. Rocard: Thank you, Mr. President. (U)

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