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MEMORANDUM OF CONVERSATION

SUBJECT:

Meeting with Helmut Kohl, Chancellor of the

Federal Republic of Germany

PARTICIPANTS:

The President John H. Sununu, Chief of Staff

Brent Scowcroft, Assistant to the President for National Security Affairs (notetaker)

Interpreter

Helmut Kohl, Chancellor

Horst Teltschik, Adviser to the Chancellor

Interpreter

DATE, TIME AND PLACE: December 3, 1989, 8:30 pm - 10:00 pm

Chateau Stuyvenberg, Brussels

The President: We had no particular agenda for our meeting in Malta, and President Gorbachev was very accommodating on that point. Gorbachev displayed little emotion, unlike my first meeting with him. The most contentious issues were discussed without rancor — the issue of Soviet bloc arms supplies to the Sandinistas, for example. This could have been a shouting match, but it was very calm. (5)

We spent much time on the German question. Gorbachev said you are in too much of a hurry. (S)

Chancellor Kohl: Can I tell you about what happened today in the GDR? Everyone has resigned. There is a crisis supposedly in just running the government. The people want to know about special privileges being given to the leaders. That is only the beginning. In Rostock people broke into a factory and found arms there. They will now want to find where the arms were going. (He then described Krenz' situation.) (S)

I told Gorbachev it was not in my interest to invite things to get out of control. I think Modrow will be the new General Secretary. I will be in Hungary on December 18 to speak to the parliament, and then will go to meet the new leaders of the GDR. (S)

We cannot pay the 100 marks for each visitor anymore. It already

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amounts to \$1.8 billion. (He then discussed how East Germans were taking advantage of this program.) It will be phased out at the end of the year. We will help the GDR in several areas; such as the country's big shortage of doctors, environmental protection matters, and building up the telephone system. (S)

Gorbachev said to me that he would not stand in the way of free, open elections. He has abandoned the old leadership. The Hungarians will be OK in two or three years; but this is not so in Poland. (5)

Let me say a word about my 10-point program. First, I want to thank you for your calm reception of the ideas. (S)

I will not do anything reckless. I have not set up a timetable. We are part of Europe and will continue as part of the EC. I have always planned carefully with Fresident Mitterrand. (5)

The ten points are <u>not</u> an alternative to what we are doing in the West. Those actions are a precondition to the ten points. The integration of Europe is a precondition for change in Eastern Europe to be effective. (5)

Yesterday some of my colleagues said the ten points were OK. Andreotti was most difficult. Everyone in Europe is afraid of two things: (1) that Germany would drift to the East -- this is nonsense; (2) the <u>real</u> reason is that Germany is developing economically faster than my colleagues. Frankly, 62 million prosperous Germans are difficult to tolerate -- add 17 million more and they have big problems. (S)

Once the GDR has a <u>really</u> free government, we could set up confederative structures, but with two independent states. Phase III is federation; that is a matter for the future and could be stretched out. But I <u>cannot</u> say that will never happen. (S)

The President: Gorbachev's chief problem is uncertainty. I don't want to say he went 'ballistic' about it -- he was just uneasy. We need a formulation which doesn't scare him, but moves forward. (S)

Chancellor Kohl: That is one reason I will do nothing to disturb the smooth running course. The CSCE [Helsinki Final Act] says the borders can be changed by peaceful means. I don't want Gorbachev to feel cornered. I need to meet with him. I don't want to create difficulties. Newspapers write such nonsense. Even Henry Kissinger mentions two years. It is not possible; the economic imbalance is too great. (S)

The President: What is the attitude of people in the GDR toward reunification? Are there difficulties between the parties in West Germany? (5)

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Chancellor Kohl: In the GDR they are badly informed about the issues. The East Germans need time to figure out what they really want. I need a period of quiet development. One year ago talk like this would have been crazy. (5)

In the FRG most people and parties are supportive. The Greens see an opportunity. They want the army abolished and neutrality. They are against reunification. The SPD agreed last Tuesday. Now there is a feeling that this is Kohl's victory. The liberals are in favor of the program but are angry because it is my success. The economy is good: never have my people earned so much as now, but now they want entitlements rather than work. (§)

The President: I think the answer is self-determination, and then let things work. Then avoid things which would make the situation immossible for Gorbachev. (5)

Chancellor Kohl: Did he talk about internal developments? (C)

The President: Oh yes. But that was very discouraging. (They then discussed how little Gorbachev knows about Western values.) (S)

Chancellor Kohl: We are helping Hungary and Poland. We are carrying the whole burden in Europe. Where is everyone else but you and me? It's going to be a tough winter in Poland. (5)

The President: And in the Soviet Union. Are any of the EC leaders opposed to your 10 points? (S)

Chancellor Kohl: Gonzalez was very positive. With respect to France, Mitterrand is wise. He knows it would be bad to oppose this. But he wants it to proceed moderately. On the future of the EC, Mitterrand also knows it will be difficult to maintain the current structure of the European Parliament. But he can remember, from the Fourth Republic, when the parliament was too strong. Now it is too weak. The attitude of the Benelux countries is fine. Great Britain is rather reticent. (S)

The President: That is the understatement of the year. (S)

Chancellor Kohl: Switzerland and Austria are OK. (S)

The President: Don't the Dutch still harbor resentments from the Hitler period? (S)

Chancellor Kohl: Yes, very much so. The Nazis were very tough on the Netherlands. They were the worst Nazis from Vienna. (S)

Thatcher says the European Parliament can have no power because Whitehall cannot yield a bit of sovereignty. Her ideas are

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simply pre-Churchill. She thinks the postwar era has not come to an end. She thinks history is not just. Germany is so rich and Great Britain is struggling. They won a war but lost an empire and their economy. She does the wrong thing. She should try to bind the Germans into the EC. (There was then a discussion of Thatcher and the EC, and of French pride.) (S)

Did Gorbachev talk about arms control? (C)

The President: Yes. (He described the discussions.) (U)

Chancellor Kohl: Was there a discussion of the follow on to Lance? (S)

The President: No. Did Cheney's comments here cause a stir? (S)

Chancellor Kohl: No. Reagan had the reputation as a hardliner. Toward the end he changed -- too quickly. Then you were elected, the Vice President to Ronald Reagan, and the groups under you just continued. Your visit last spring changed all that. Barbara helped that a lot. (S)

These days now will be very important. Your leadership is essential and you will have every respect from me. (S)

The President: (He elaborated further on the arms control discussions at Malta, mentioning agreement to a CFE Summit in 1990, START signed hopefully in 1990, and an agreement on chemical weapons -- which Kohl especially hoped could be concluded in 1990 for electoral reasons.) (S)

Chancellor Kohl: The schedule you outline would be fantastic. Let's work these things closely. If we can do something in CFE, chemicals, and START this would have a big impact on the Soviets and Eastern Europe. Nobody now believes that the East European troops would fight, so the numbers have changed dramatically. (S)

The President: That is true. But I will still feel better when the Soviet divisions pull back. (S)

The Chancellor: But that creates problems for Gorbachev. (S)

(End of conversation.)



