

THE WHITE HOUSE

WASHINGTON

DECLASSIFIED
PER E.O. 135262015-0776-M (1.57)
7/31/2018 KBH

MEMORANDUM OF TELEPHONE CONVERSATION

SUBJECT: Telcon with German Chancellor Helmut Kohl
(U)

PARTICIPANTS: The President
Chancellor Helmut Kohl

Interpreter: Gisela Marcuse
Notetakers: Anthony Campanella, Doug
Bayley, Robin Rickard, Tom Crowell and
Donald Bandler

DATE, TIME September 9, 1998, 4:00 - 4:16 p.m. EDT
AND PLACE: Oval Office

The President: Hello, Helmut. (U)

Chancellor Kohl: Hi Bill, glad to hear your voice. I hope you got that whole mess behind you. We need a strong American President. I can't repeat that often enough. If you think there is anything I can do, let me know. (Ø)

The President: Well, I think the most important thing is that if your people can get a comment to that effect to the American press. Any comment that your people can get to the American press, I think that would be helpful. (Ø)

Chancellor Kohl: I am going to do that and I am going to say that publicly. But, you know, American journalists are lazier than German journalists. I've been saying that in speeches. The world really needs a strong President. It is the most important job in the world, especially at a time like this. If there is anything else you need, let me know. (Ø)

Another reason I called you is that I'm going to call Boris Yeltsin tomorrow. It's almost midnight in our country now. I just came back from campaigning and found important news. The picture as I have it before me is that Boris' advisors are apparently split into two camps. One group says he should

~~CONFIDENTIAL~~

Reason: 1.5(b,d)

Declassify on: 9/10/08

nominate a candidate for Prime Minister regardless of whether the Duma likes it or not, regardless if the Duma is dissolved. This would be the worst approach, driving instability and strengthening the position of the Communists. Then there is a second group arguing that he'll have to come to terms with the Duma and find a compromise. As far as I know, he's not clear what he wants. (S)

Since I'm traveling again tomorrow, perhaps Bitterlich could talk directly to his American counterpart following my call to Boris. If you agree, Bitterlich could convey precisely what feelings I have after talking with Yeltsin. (S)

I must tell you quite frankly that I don't know what kind of candidates he has at this point. I don't quite know what is going to happen. It appears the Head of the Security Bureau, Kokoshin, who was a deputy defense minister previously, is now being discussed. There are rumors that he might be someone the Duma could agree to. (S)

Looking in from the outside, Bill, so just as an outsider, I'd say the Duma at this point does not want to be dissolved. They have tremendous privileges, and are well taken care of. And even if the Parliament is reelected, there's no guarantee that the same individuals will remain in office. I need not emphasize the whole thing is immensely important. (S)

Jacques Chirac was in Kiev recently, and you know I am expecting an assessment. Concern in Poland is also growing enormously. They are concerned about what is going on in a neighboring state and in the Baltics. All these developments I'm observing with increased attention. So I think, Bill, in coming days, regardless of our problems, and we do have problems (and we do have problems). It is a very serious and grave matter. (S)

I might add I have talked for a long time with my Japanese colleague, and it is my impression that he is a long way from doing the necessary economic reforms. I hope I am wrong, but our economic people, including the ones working in banks over there are very reserved and very cautious about saying anything positive about what is going on over there. So what is important is that key people, those with common sense, are working together. (S)

The President: Thank you. First of all, let me just say one brief word about Japan. Treasury Secretary Rubin met with his counterpart Miyazawa in Japan, and had the same impression you

had. As of today they have not made a decision to make the necessary changes. (C)

Chancellor Kohl: So your finance minister had the same impression as I do? That it is hopeless, really miserable? (C)

The President: Yes, but I think what we might be able to do in the next month or so is to go to the Japanese and say look, the world is really in trouble and the United States has to do certain things, Europe has to do certain things, and Japan has to do certain things. What if we had a grand plan such as in 1993 when they opened their markets and we got our deficits under control, and you began to ease interest rates, something like that. If they thought they were part of a multilateral plan, instead of thinking we were ordering them around, we might be able to get better results. (C)

Chancellor Kohl: I have no objections, but it must be a plan that's handled discreetly and must work. If it doesn't work, things will only get worse. (C)

The President: I agree with that. Let me say one thing about Russia. I'm glad I went to Russia. It showed we still support them and we are their friends. I don't have any better information than what you gave me on who Yeltsin might choose. I asked Yeltsin to choose a government quickly and not do anything to threaten his legacy as the father of Russian democracy. (C)

Chancellor Kohl: Very good. (C)

The President: I think the best thing we can do and the only thing we can do is to tell them we will be energetically supportive of them when they tackle the decision head-on and take the necessary steps to survive and eventually succeed in today's economy. We have to give the reformers hope. (C)

Chancellor Kohl: That's exactly my opinion and that's what I'm going to tell him tomorrow. I will hear what he has to say and will let you know tomorrow. (C)

The President: Well, give him my regards and I hope you are well. (U)

Chancellor Kohl: I'm doing well and fighting hard. Goodbye. (U)

-- End of Conversation --