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THE WHITE HOUSE

WASHINGTON

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MEMORANDUM OF TELEPHONE CONVERSATION

SUBJECT:

Telcon with President Boris Yeltsin of

Republic of Russia

PARTICIPANTS:

The President

Boris Yeltsin, President of Republic of

Russia

Interpreter: Dimitry Zarechnak

Notetaker: Ed A. Hewett

DATE, TIME

AND PLACE:

November 30, 1991, 9:42 - 10:19am

Camp David

President Yeltsin: Hello? (U)

The President: Boris? Can you hear me? (U)

<u>President Yeltsin</u>: I hear you Mr. President. I'm happy to hear your voice. (U)

The President: First, I want to convey my personal greeting. Then I want to give you comments on Ukraine so that there are no differences between us on this.

<u>President Yeltsin</u>: First Mr. President I want to ask, did you see Kozyrev, and did he pass my letter to you? (e)

The President: We had a very good visit. I've studied the letter, spelling out your aspirations for Russia. I appreciate very much that detailed account.

President Yeltsin: I want to again confirm that we have made a final decision that on December 16 we will take major steps in the reform. We will boldly start the reform by freeing up most prices.

The President: That is a very courageous step. I also noticed you felt you'd be able to create an economic community with equal rights for the Ukraine and other republics, and a political union...

President Yeltsin: OK, let's talk about Ukraine. 407

The President: Let me walk through the talking points, and then I would welcome your response and critique. #87

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President Yeltsin: Please. (U)

The President: First, with relation to your response to Sunday's referendum. We think there will be a strong vote for independence. This will be a powerful signal from the people of Ukraine, and really a celebration of the new atmosphere you created when you led the forces that put down the attempted coup.

I hope you understand that as a democratic nation, we must support the will of the Ukrainian people. But we want to do so in a way that encourages a peaceful transition to a new order, built on a strong, friendly, Ukrainian-Russian relationship. (8)

My visit with Kozyrev was very good. I assured him we don't want to support interactions that play into the hands of radicals in Russia or Ukraine. (8)

We do think it would be a mistake to take actions that would appear to resist, or somehow punish through economic sanctions, this vote for independence. We feel Ukrainian independence is inevitable, and we regard it as a tribute to the defeat of the coup in which you played such a pivotal role. We also think that the priority should be on making sure that independence advances the cause of peace, freedom, and democracy in Ukraine, and in Russia. (8)

As we move towards recognition I want to be sure that the arrangements which emerge provide for:

- -- collective, central control over nuclear weapons;
- -- a non-nuclear Ukraine, which is signatory to the NPT;
- respect for human rights, with equal rights for minorities; and
- -- implementation of existing treaties (START, CFE).

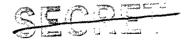
I have asked Jim Baker to send a special emissary to Kiev to begin discussions with the Ukrainian leadership. (S)

I placed calls to you and to Gorbachev, and I just hung up with Gorbachev. He says you intend to sit down with the newly-elected leadership soon. (8)

But we will be making a statement after the referendum that explains our approach. The statement will also note our desire to work closely with you and President Gorbachev. It will not be recognition, but rather a statement about independence. (8)

We are also consulting with NATO allies to coordinate our approach to this new situation. (8)

We believe that the links between Russia and Ukraine are strong. A declaration of independence will not change that.



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Those are the main points. I am most anxious to get your very frank views on the U.S. position, but mainly about how things will work out. (8)

<u>President Yeltsin</u>: I understand, Mr. President, your concerns over the situation now with our union. Right now the draft union treaty has only seven states ready to sign up -- five islamic and two slavic (Byelorussia and Russia). That concerns me a great deal. (8)

I will be very frank with you, as always. I believe that if Ukraine won't be in the union, then this will be a rather weak union. I told Gorbachev today, and I said yesterday in a newspaper interview, that if Ukraine will not join the Union, then that is a problem for Russia.

Gorbachev is always telling me that he'll get together with Ukrainian leaders and they will sign the agreement. But if the referendum shows that the majority of the people of Ukraine are for independence, then that means that Ukrainians will not sign the treaty now in preparation for a Union of Sovereign States.

That would dramatically change the balance in the Union between slavic and islamic nations. We can't have a situation where Russia and Byelorussia have two votes as slavic states against five for the Islamic nations.

Moreover, after Russia, Ukraine is the largest state, and we've had good relations. We don't want to lose those good relations; we want them to develop.

I told Gorbachev that I can't imagine a union without Ukraine. Of course it is still early today to reach conclusions without the results of the referendum. (3)

I agree that the U.S. -- which has always supported human rights, the right to self-determination of people, and democracy -- the U.S. cannot simply disregard the desires of a large people for independence. The process we followed in the Baltics where Russia, and then the U.S., recognized independence -- when the Baltics logically asked for U.S. support -- supported democratic processes.

I think the new Ukrainian president will not begin negotiations with Gorbachev, but will begin talks with Russia.

On nuclear weapons, I agree that this is a truly necessary condition. All four conditions -- I won't list them now, but I remember them -- are important. But at the same time Russia cannot place similar requirements vis-a-vis Ukraine in the current context.

If Russia, after the referendum (if it is a positive outcome) does not recognize the independence of Ukraine, it will make

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relations with Ukraine difficult. It will also create new pressures from extremists if we do not recognize.

So we believe it is more proper, if people vote say 70% for independence, that Russia should recognize the independence of Ukraine, whether or not they've signed the political union treaty.

The President: Right away? (U)

<u>President Yeltsin:</u> Yes, we need to do it immediately. Otherwise our position is unnecessarily unclear, specially since we are approaching the new year and a new reform: Gorbachev does not know about this. He still thinks Ukraine will sign. (8)

We will meet with the new president of Ukraine in the beginning of December to discuss the principles of relations between Russia and Ukraine. We need to discuss:

- -- central control of strategic nuclear weapons.
- -- the removal of nuclear weapons from Ukrainian territory, even though this will cost R25 billion and require several years.

They have very modern installations there -- large silos. (8)

Of course we'll talk about Ukrainian acceptance of all international agreements regarding nuclear weapons. We also want to have an agreement between ourselves on the size of military forces or national guards.

When I was in Germany I talked with Kohl about the possibility that perhaps the U.S., Germany, and France, along with the remainder of the G-7, could urge Ukraine to come to an agreement along these lines. But now I think that is totally useless; it would only strengthen extremist groups.

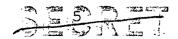
If we don't recognize the independence of Ukraine, even with conditions -- and the conditions you list are necessary -- that would have a very negative effect on democracy. It would cause an uprising in extremist forces, especially since Ukraine is willing to recognize all international agreements regarding human rights.

But you are right: we cannot lose ties between Russia and Ukraine. I am now thinking very hard with a very narrow circle of key advisors on how to preserve the union, but also how not to lose relations with Ukraine. Our relations with Ukraine are more significant than those with central Asian republics, which we feed all the time. On the other hand, we can't forget the Islamic fundamentalist factor.

In this difficult situation, it is not easy to come up with an optimal solution. In any event we need to await the results of the referendum. We do need to recognize the independence of Ukraine.



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I am asking you, Mr. President, not to reveal the content of this discussion until the results of the referendum are published.

The President: I give you my pledge. 437

President Yeltsin: OK. Are you satisfied with my explanation of Russia's position? 487

The President: Yes. I assure you that we do not want to play into the hands of extremists in Russia or anywhere else. (S)

President Yeltsin: Of course. (U)

The President: I appreciate this. We should stay in close touch.

<u>President Yeltsin</u>: Mr. President, I am glad to be in contact by phone. I assure you that right now we are beginning a serious reform which will radicalize Russia, and make Russia the engine which will pull other republics along the democratic path. It begins December 16, and will be very difficult. There will be critical moments where people could be out in the streets. I hope we can count on the support of the G-7 during these critical moments.

I also want to say that I met with Gorbachev and leaders of the union government on the budget, since the budget is on the verge of collapse. The union has no money to pay for the army, science, culture, or for others. Russia, on the other hand, has a budget surplus. So only Russia can save the entire country.

We have agreed to create a consolidated Union/Russia budget. All republics have agreed to guarantee a credit which only Russia will give to the Union. In this way we can support the Soviet Union so we won't be bankrupt in our obligations to the rest of the world. So Russia will transmit R60 billion to the union budget. But all must fully understand that we cannot always be so altruistic.

So in 1992 all republics must be responsible for their own affairs. The transition to reform must be very severe and realistic. We cannot allow a deficit of more than 4%-5% of the budget.

I was glad to talk to you on this. We'll continue this practice of mutual consultations. 487

The President: We certainly will, and thank you. Goodby, Boris. (U)

<u>President Yeltsin</u>: Thank you, and I wish the American people success. (U)

-- End of Conversation --