

~~SECRET~~

2149

THE WHITE HOUSE

WASHINGTON

~~SECRET~~

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with President Chaim Herzog of Israel (S)

PARTICIPANTS: U.S.
The President
James A. Baker III, Secretary of State
John Sununu, Chief of Staff
Brent Scowcroft, Assistant to the President
for National Security Affairs
James A. Kelly, NSC, Notetaker

Israel
President Chaim Herzog
Nissan Limor, Director General, President's
Office
Naham Eshkol, Ambassador to Japan
Yosuf Hadas, Assistant Director General for
Asian Affairs, Ministry of Foreign
Affairs

DATE, TIME February 23, 1989, 8:42 p.m. - 9:07 p.m.
AND PLACE: Ambassador's Residence, Tokyo, Japan

The meeting began when the President thanked President Herzog for coming. He said he always appreciated the President's sage view of the world scene. (U)

President Herzog said he had just spoken to Foreign Minister Arens and had received a very upbeat report on his recent talks in Cairo, and he had received the same report that evening when he saw President Mubarak. He thinks that something good is going to happen. President Herzog said that he felt the Taba affair would be wrapped up by March 5th, and that the Israeli side was going to hand over title at that time. The deal was practically concluded and Mubarak had not raised it with him. President Herzog said he had thanked Mubarak for a recent letter he had sent and for arranging the Arens-Shevardnadze meeting in Egypt. He commented on the central role of Egypt in the Middle East process. The late President Sadat, he said, had understood and spoke for his people and had communicated to the people of Israel. Mubarak could do that too. He mentioned the Shevardnadze plan which had been given to Secretary Baker in Geneva. It had been published, without American knowledge or

~~SECRET~~

Declassify: OADR

~~SECRET~~

DECLASSIFIED
PER E.O. 12958,
AS AMENDED
2000-0429-F
01 11 00

~~SECRET~~

~~SECRET~~

2

approval. The plan had not met with Israeli approval and he did not think that Prime Minister Thatcher would approve either. Foreign Minister Arens did not believe normal relations between Israel and the Soviet Union were likely very soon, but Austria was acting as an honest broker in the matter. He said Shamir would sometimes try to rush into things and Arens would cool him off on such occasions. (S)

President Herzog continued that the fact of the meeting in Cairo was itself a measure of the immense changes that had taken place. (S)

President Bush asked whether there has been a change in public opinion in Israel, particularly on the idea of the international conference. (S)

President Herzog said that this reminded him of some discussions he had had with Prime Minister Thatcher about British public opinion on the INF agreement. She mentioned the ill-formed opinions of some dock workers. People want peace but they are not very sure of the details. The international conference, he said, does not turn so much on public opinion as on certain key factors. The debate on this in Israel focuses particularly on the influence of two countries which have no relations with Israel. These are China and the Soviet Union. (S)

President Herzog said Mubarak had said that the meeting is part of the ongoing process in the Middle East. The international conference had, of course, been an election issue in Israel. President Herzog offered a personal view, which is that Israel and the U.S. should not rush into the conference. Israel, he said, must live with the results. There is a big debate in Israel which is not only across parties, but within the political parties as well. Asked if this debate existed even within Likud, President Herzog said Prime Minister Shamir is one of a new generation of leaders in Israel. He is much more advanced than the old die-hards, and the political picture in Israel is aligning itself. Shamir maintains that he is of the center, and that this has a logic when you see that he has a right-wing as well as a left. The mainstream in Israel is moving to the right. (S)

President Herzog said the present government, to the surprise of some, is working much better than its predecessor, but that a divided public continues in all areas. President Herzog noted that Prime Minister Shamir does try to "bulldoze" everyone and is a true workaholic, but that there was an agonizing reappraisal going on within the parties. This exists for the Palestinians, too. But frequently, they are unable to express their views publicly because of a reign of terror. President Herzog noted

~~SECRET~~

~~SECRET~~

Secretary Shultz, when he visited the East Bank, was prevented from meeting with moderate Palestinian to have more respect for democracy. dissenting views were afraid to come admitted, however, that Israel had in the occupied territories in public that there was more moderate thinking in the East Bank. He recalled a discussion. Such people are important in the line. There were problems, he said, with extremists and extreme Shiites. Both are internally, led. They were controlled in Israel and Gaza. (S)

East
or
West?

↓
East
or
West?

essential with Herzog "sing" Arabs said ong those d with the important in he said, with Both are They were controlled (S)

Pr... that the Rushdie book highlighted the booksellers are so easily intimidated, it should be no surprise that West Bank residents can be intimidated even more easily. (S)

Secretary Baker asked President Herzog if he were to write a peace plan what he would include. (S)

President Herzog said that his emphasis would be on moving the process along very slowly. Opinion is starting to jell within Israel and new realignments are likely. The same thing is occurring and must occur among Palestinians. President Herzog offered some "personal opinions." Defense Minister Rabin's ideas which do not support a Palestinian state, but rather a Jordan-Israel joint role, is one approach. There is talk of democracy, and, as the mayor of Bethlehem had mentioned, municipal elections would be first, then larger areas. Rabin was a particularly effective source of ideas, because he is seen as a law and order tough guy. This puts him in a good position to make proposals and he has a lot to offer. Eventually Jordan must be brought in. It is not clear at all now who will join in to support these views, if moderate politicians cannot talk to or speak for Palestinians in the occupied territories. (S)

On the PLO, President Herzog said it was a loosely aligned organization and is not easily controlled. People talk about the control of the PLO by Arafat, but the PLO is more a concept and many are disenchanted by the leadership and Arafat is more a part of the concept than a leader. President Herzog asked rhetorically why Israel should not look after the occupied territories on behalf of people who are not such a violent opposition. They say, "you twist our arms, so we say we are not concerned with you." President Herzog expressed his concern for the very serious economic disruption in Jordan. He believes that

~~SECRET~~

~~SECRET~~

4

the process is making an improved atmosphere, but that the basic assumptions have still not been fully crafted. This must be done, said President Herzog, in stages. Behind the transitional arrangement, before some final arrangement, the timing will be slow. He noted a French example in which Premier Rocard had arranged a settlement for New Caledonia which has ten years to take shape. The Israelis and Palestinians must live together. Each side has "nuts" and they must learn to live with them. (S)

President Bush mentioned, speaking of "nuts," how about Meir Kahane? (S)

President Herzog said yes, Kahane was now trying to set up a new organization. But to Israel's credit, he had no credibility in the Knesset. (S)

At this time President Bush mentioned that he would soon be seeing the King of Spain and that the Spaniards cannot control Basque terrorists. (S)

The meeting concluded in a friendly manner. (U)

~~SECRET~~

~~SECRET~~