MEMORANDUM OF TELEPHONE CONVERSATION

SUBJECT: Telephone Conversation with President Mubarak of Egypt (U)

PARTICIPANTS: The President
                   President Mubarak
                   C. David Welch, NSC, Notetaker

DATE, TIME AND PLACE: May 23, 1990; 9:33 - 9:40 a.m. EST
                      The Oval Office

The President initiated the call to President Hosni Mubarak. (U)

The President: Hello, Hosni, how are you? Where are you? (U)

President Mubarak: Hello, George. I'm fine. I'm in Cairo. How are you? (U)

The President: Jim Baker filled me in on the good conversation you had in Moscow last week. As I expect you know from Jim's conversation with my good friend Abdel Meguid, we are very concerned about the increase in violence in Israel and the Occupied Territories. I am also worried about this long break in the peace process. I wonder if I can go through a couple of points on this, and get your ideas. (U)

President Mubarak: Go ahead, please. (U)

The President: We are somewhat relieved that Arafat has chosen on his own not to come to New York, because frankly, in my view, his coming would only play into the hands of those Israelis who are looking for excuses even now not to move on peace. A point might come when Arafat's visiting here would help but I am pleased that he decided not to do it now. We don't want to play into the hands of the radicals. We are concerned about Geneva as well, given the cost -- you know what we owe the U.N.; I'm embarrassed about it -- and the unhelpful rhetoric; so, there are misgivings about Geneva, but we will not pose a formal objection. I realize that passions and emotions are high. (U)
The President: I would also appreciate anything you can do to keep things calm and moderate in Baghdad (at the Arab Summit). I realize it might be a stormy session. But words count for a lot in the Middle East, and the last thing we all need are any more complications. I hope that any criticism of Soviet Jewish immigration can distinguish between people going to Israel and those settling in the Occupied Territories. That's one suggestion. I hope that you can make clear that the United States is opening up its doors to Soviet citizens. We are up from 20,000 two years ago to 70,000 this year. That's a little fact that you can use. I also hope that the Summit does not come out against what you and we have been trying to do in the peace process. We face enough challenges as it is. Those are just some of the points that I thought of. 

President Mubarak: These points I know very well, George. I realize your position on the immigration; we never speak of immigration in this way (i.e., to oppose Soviet Jews going to Israel). I am lobbying my brothers on these matters.

The President: That is encouraging, Hosni. On the UN resolution, as we have mentioned to you we are prepared to vote "yes" on a simple, clean Security Council resolution that deplores Israeli settlement activity in the territories occupied since 1967. If we can get wording that is simply a reiteration of U.S. policy, then we are not the obstacle, we would even be prepared to table our own text given my own concerns. But we can't be pushed beyond U.S. policy. If a statement of that nature helps...

President Mubarak: Be sure that I am doing my best. I am going to meet with Arafat and the others and we hope that the Summit comes out well. I expect so.

The President: We will try hard with Gorbachev next week, but there are some serious concerns with the Baltic states, financing arrangements, and Germany. Thank you for your cable about China.

President Mubarak: You are welcome. I had a good talk and they are pleased. I welcome your decision yesterday.

The President: Well, it's not quite all done yet. If you are talking to them, we need something from them -- they are holding a lot of dissidents and they should release them.

President Mubarak: I will speak with their Ambassador.

The President: So how are you doing?
President Mubarak: Things are going well. We are going to have elections for the Parliament in the fall. Everything is going smoothly. (U)

The President: Well, it was good to talk to you. If you ever want to talk to me, just pick up the phone. I appreciate your friendship and talking to you. (U)

President Mubarak: Thank you. Our best to Barbara and the family. (U)

The President: My regards to the boys and Suzanne. (U)