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<td>Re: Meeting with Egyptian Foreign Minister Esmat Abdel Meguid (4 pp.)</td>
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Collection:

Record Group: Bush Presidential Records
Office: Scowcroft, Brent, Files
Series: Presidential Correspondence
Subseries: Presidential Memcons
WHORM Cat.:
File Location: Presidential Meetings - Memorandum of Conversations 5/17/90 - 6/26/90

Date Closed: 1/26/2009
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RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P-1 National Security Classified Information [(a)(1) of the PRA]
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P-3 Release would violate a Federal statute [(a)(3) of the PRA]
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P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [(a)(5) of the PRA]
P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

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MR Disposition Date: 8/21/2009

PRM. Removed as a personal record misfile.
MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with Egyptian Foreign Minister Esmat Abdel Meguid (U)

PARTICIPANTS: The President
James A. Baker, Secretary of State
John H. Sununu, Chief of Staff
Brent Scowcroft, Assistant to the President for National Security Affairs
Robert M. Gates, Assistant to the President and Deputy for National Security Affairs
John Kelly, Assistant Secretary of State for Near Eastern Affairs
Dennis Ross, Director, Policy Planning Staff, Department of State
Richard N. Haass, Senior Director, Near East and South Asian Affairs (Notetaker)
Ahmed Esmat Abdel Meguid, Minister of Foreign Affairs
El Sayed Abdel Raouf El Reedy, Egyptian Ambassador to the U.S.
Osama el-Baz, Special Advisor to President Mubarak
Ahmed Abul Ghait, Aide to Foreign Minister Meguid

DATE, TIME AND PLACE: June 26, 1990, 10:07 a.m. - 10:30 a.m.
The Oval Office

Minister Meguid: We consider the peace process to be essential for the area. We will use the next few weeks to see what can be done. (U)

The President: How much trouble do you think we are in as a result of our decision to suspend the U.S.-PLO dialogue? I know it sent bad signals to our moderates friends in the area. What has been the reaction and what should we do? (E)

Minister Meguid: The reaction was one of regret. We believe dialogue between the United States and the PLO is essential. We are aware of the mistake behind the terrorist attack. But the problem with the decision was that it penalized the moderates in the PLO. Our goal now is to resume the dialogue. The PLO deserves credit for its November 1988 decision to recognize Israel's right to exist and UN (SCR) 242. (E)

The President: They also agreed to renounce terrorism. (U)

Minister Meguid: Yes. I was involved in the process leading to their decision. The PLO had rejected UN 242 for 21 years. (U)
242 is essential for the peace process. By accepting it, they paved the way for the dialogue, which was a real breakthrough. Suspending it was regrettable even though you have a point.

The President: What can the PLO council do to reiterate their disapproval of terrorism? We made clear our decision was only a suspension. Can the PLO Executive Committee say he did the wrong thing and put him on probation?

Minister Meguid: They are investigating. We are urging Arafat to discipline Abu Abbas and oust him.

The President: That would be acceptable to us, right?

Secretary Baker: Those are the conditions we have announced publicly. But there are other indications of terror, involving Force 17. What needs to be done publicly is just what we've said. But privately, we also need to end the toleration of Force 17's activities.

Minister Meguid: I agree with Secretary Baker. We will discuss this at length this afternoon.

The President: Does Arafat express any regret for what has taken place?

Minister Meguid: Yes. But Arafat does not have full control. There is a long history of trouble created by Abu Abbas.

The President: If Arafat and the Executive Council kick him out, are you worried over the reaction of the extremists?

Mr. el Baz: Legally speaking, Arafat cannot act without the PNC. The PNC is not meeting until October. We in Egypt are looking for how to fill this gap. We are speaking with the PLO. Arafat is now back in Tunis to consider what to do, away from Iraqi pressure.

The President: We're trying to keep things on track with Iraq, something that is tough given Saddam.

Minister Meguid: It takes patience.

The President: It's not easy given his long gun that stretches out from here to the Washington Monument. Admittedly, some of what he has said he'd do was in response to Israel, but it sounds bad. On another subject, I spoke to King Hussein. He is worried. What should we be doing?

Minister Meguid: He needs public and private assurances.

Mr. el-Baz: Especially public assurances that you are committed to Jordan's integrity.
The President: Do you see him being pressured by radicals? (U)

Minister Meguid: Yes -- Islamic groups. (U)

The President: What is the worst case scenario? (U)

Mr. el-Baz: That the King will be toppled by the Israelis who think Jordan is a Palestinian State. Hussein believes that the U.S. would not come to his aid. (C)

Dennis Ross: It goes back to 1970, when some Israelis like Sharon said that Israeli should not have helped Hussein. (C)

Minister Meguid: The more assurance you give him the better. (U)

The President: Let's think how we can do this. Do his fears apply to Israeli armed forces? (C)

Secretary Baker: He worries that Israel might encourage forces inimical to him. (C)

The President: I'm glad we have had this talk. (U)

Secretary Baker: Was there a suggestion at the Baghdad Summit that Hussein might step down in favor of the Saudis? (C)

Minister Meguid: It was a rumor that was denied. (C)

Mr. el-Baz: (C)

The President: Let's consider what we can do to help him. (C)

Minister Meguid: I'd like to raise a second point, on economics. We just had a mission from the IMF. We will go into the details with Jim Baker. The situation is very serious. We are facing heavy installments in the next three months. About $500 million is due. We don't have the money. We need a Brooke waiver and FMS debt relief. We also want a new IMF agreement and rescheduling. We are taking steps toward economic reform, including price increases. Our hope is that the G7 when it meets in Houston will consider how to assist us. Our position is comparable to Poland's. I hope you'll look into it Mr. President. (U)

The President: Are you seeing the Treasury people? (U)

Secretary Baker: We're working with Treasury on an approach to the IMF. (U)

The President: We want to help. To be candid, though, the whole aid program is under review since so much of it goes to a handful of countries, including Egypt. But this does show that Egypt has strong support in the Congress. We'll talk about this. (U)
Minister Meguid: We were very pleased by the AID Director’s visit. Some flexibility on aid will help us. (U)

The President: I’m glad you came. Please give my respects to your President. Maybe we can do something with the PLO dialogue. (U)

Minister Meguid: You can count on us. (U)

The President: What did you make of Sharon’s statement? (U)

Minister Meguid: Not much Mr. President. (U)

Mr. el-Baz: We should take him up on it and move things further. (U)