MEMORANDUM OF TELEPHONE CONVERSATION

SUBJECT: Telcon with Prime Minister Brian Mulroney of Canada on August 7, 1990 (U)

PARTICIPANTS: The President
Prime Minister Mulroney, Prime Minister
Notetaker: Philip D. Zelikow, NSC Staff

DATE, TIME AND PLACE: August 7, 1990, 11:59am - 12:06pm
Oval Office

Prime Minister Mulroney: Thanks for your hospitality. I spoke to President Mubarak this morning. Have you spoken to him lately? (U)

The President: I talked with him this morning at about 2:30am our time. (U)

Prime Minister Mulroney: About your visitor ... (U)

The President: Who was coming. (U)

Prime Minister Mulroney: I spoke to him since he saw the visitor. He said Iraq came in and announced that Kuwait has $500 million they can put their hands on. The first thing to do with that money would be to help Egypt. They were trying to tell Mubarak that there would be $20 billion for Egypt if Egypt supported Iraq. Mubarak said we won't sell our principles. I congratulated him for being against aggression. Mubarak said he was tough on Iraq. Privately, he said, all the Arabs support Egypt on this except King Hussein and North Yemen. (J)

The Iraqi response is that they're ready to die. They are most unreasonable. Militarily, what do you expect? Mubarak had heard all kinds of rumors. He told the Iraqi he thought they would be driven out of Kuwait. The Iraqi response was that they would never accept that. Mubarak said the UN resolution should be strictly executed. He said the Soviets agree with Egypt's position. A boycott, he said, is very important. Mubarak views the UN resolution as the most significant development so far. It will provide cover for whoever wants to come on the side. Such leaders now have all the legitimacy to do it. What clearly happened is that the Iraqis have just robbed the bank and will split it up with whoever will support them. (J)
The President: I spoke with the President of Yemen. He asked for more time, that we not enforce the UN sanctions. It was kind of a pathetic call. He and King Hussein are the only two on that wicket. I think it's money. (&) 

Prime Minister Mulroney: Mubarak told me we should make sure of the enforceability of the resolution. (&) 

The President: I talked to Mitterrand. He was supportive of a NATO meeting. 'We will be there,' he said. I took the Mulroney Plan. I'm feeling a little groggy, but it worked out. Mitterrand was pleasant and matter of fact. (&) 

Prime Minister Mulroney: You're handling this situation extremely well. Keep going and God bless. (U) 

The President: Thanks. Let me know if you get any more intel there. (&) 

-- End of Conversation --