MEMORANDUM OF TELEPHONE CONVERSATION

SUBJECT: Telcon with President Mubarak of Egypt on September 1, 1990 (U)

PARTICIPANTS: The President
President Mubarak of Egypt
Interpreter: None
Notetaker: David Welch

DATE, PLACE AND PLACE: September 1, 1990, 6:23 - 6:32 a.m.
Kennebunkport, Maine

The President initiated the call. (U)

The President: Hosni, how are you? Good morning. Where are you? (U)

President Mubarak: Fine, George, I’m in Alexandria. (U)

The President: I’m calling, Hosni, about the FMS debt. I want to tell you that as soon as Congress reconvenes, I’m recommending that the entire debt be written off, unconditionally, $6.7 billion. Of course, we need to get Congress to approve it. (2)

President Mubarak: George, thank you very much. I’m seeing 35 of them Monday. (2)

The President: Please don’t mention this call. It is appropriate to mention the issue, but I need to consult with them first. Please do not say that I’m going to take this step. I got your cable last night and I realized again just how important this is to you. So, I will recommend it and push it very fast. All I ask is that you not mention this conversation. (2)

President Mubarak: Be sure, George, I won’t speak about it. (2)

The President: I am confident that we will get this done. The Administration’s position is that the debt should be completely forgiven. (2)

President Mubarak: Be sure. I will never mention it. (2)

The President: So, what else is going on? (U)
President Mubarak: There is nothing new from the Arab League, but the Arab League is to meet again on September 10. (U)

The President: Perez de Cuellar is not getting anywhere. He had to listen to a long diatribe spelling out the Iraqi position. I don’t think he (Saddam Hussein) will accept the UN resolutions. (☑)

President Mubarak: I don’t expect anything now from them. They are terrified now. When they withdrew from Iran, they exposed themselves to their people -- they gave up the Shatt and all those people killed, for nothing. Now, if they withdraw from Kuwait, his people will kill him. He will face his fate if they do that. He is in a tight corner, he cannot afford to pull out of Kuwait. It would be suicide. (☑)

The President: Now, run that by me again. Because he pulled out of Iran, he can’t pull out of Kuwait? (☑)

President Mubarak: He struggled eight years for the Shatt which he claimed, saying that the 1975 treaty was wrong. Because he invaded Kuwait, he said that he would get out of Iran and accept the 1975 treaty. Then he invaded Kuwait. So, after eight years of war, $200 billion spent, he cannot also leave Kuwait. He would look silly in front of his people. (☑)

The President: I see. Libya, we can’t really talk about it on this line, but Libya is breaking the sanctions. This is a difficult channel to discuss it. (☑)

President Mubarak: Yes, I know. I’m sending him a message today. (☑)

The President: That would be very good. We are going forward with our program for Egypt, Turkey, and Jordan now. Baker and Brady are going out. I talked to the Japanese, the Germans, and Maggie Thatcher. There is a genuine desire to coordinate, so countries like Egypt can get relief, and some help for our forces as well. We have a tremendous amount of forces over there. (☑)

President Mubarak: Good. (U)

The President: On the other, don’t worry, we will do the whole thing. (☑)

President Mubarak: Yes. (U)

The President: Just a moment -- someone wants to say hello. (U)

The First Lady then speaks to President Mubarak. The remainder of the conversation concerns family and social matters.