THE WHITE HOUSE

MEMORANDUM OF CONVERSATION WASHINGTON

SUBJECT: Meeting with Foreign Minister Shevardnadze of the Soviet Union (U)

PARTICIPANTS: The President
James A. Baker, Secretary of State
Brent Scowcroft, Assistant to the President for National Security Affairs
Andrew H. Card, Jr., Assistant to the President and Deputy to the Chief of Staff
Dennis Ross, Director, Policy Planning Staff, Department of State
Raymond G.H. Seitz, Assistant Secretary of State for European and Canadian Affairs
Robert L. Hutchings, Director for European Political Affairs, NSC Staff
Interpreter
Eduard Shevardnadze, Foreign Minister
Aleksandr Bessmertnykh, Ambassador to the U.S.
Sergey Petrovich Tarashenko, Chief, Evaluation and Planning Administration, Ministry of Foreign Affairs
Interpreter

DATE, TIME AND PLACE: October 1, 1990, 1:15 - 1:50 p.m.
Waldorf Astoria Hotel, New York

Foreign Minister Shevardnadze: Congratulations on your brilliant speech. You must be very tired. (U)

The President: There are big domestic issues, with the budget situation. We are trying to get the deficit down. There will be a big fight with Congress, even in our own Party. (U)

Foreign Minister Shevardnadze: Still, you must be happy to know how many parties you have. We don't even know how many we have. (U)

The President: Ours sometimes act like more than two. On this budget agreement, only one third of the Republicans in Congress are for what I want to do. (U)

Let me start by saying that I meant what I said in the UN about U.S.-Soviet cooperation. I know your historic relations with Iraq have made your position difficult. Jim has filled me in on his many conversations with you. Let me say just one thing on the arms control front. As I said in Helsinki, it is important that both I and President Gorbachev push our bureaucracies to get
this done. Jim has a certain flexibility, because I want to see a successful conclusion. We will need to be as flexible as possible.

There are only two other subjects I would ask you to touch on if you would. First, on Salvador, we are troubled that the FMLN will not go forward toward a peaceful resolution of that question. Second, having seen the text of your outstanding speech, I want to ask if you have given more thought to what happens if sanctions against Iraq are not effective.

Foreign Minister Shevardnadze: Thank you, Mr. President. First, I would like to convey best wishes and best regards from President Gorbachev. Let me say at the outset, we regard as very timely your letter of September 17. It is an excellent idea to give the Secretary of State and me the necessary authority to make decisions -- not because we love power and authority.

The President: I'm not so sure about that on our side.

Foreign Minister Shevardnadze: We are at a stage when decisions must be taken. It is impossible to do in Geneva or Vienna, so we have to do it. I think we can now say, given what we have achieved, that we can confidently state that the Paris Summit will take place and be a success. There are still some problems with aircraft, but we can solve these if James helps.

Secretary Baker: Our flexibility is already on the table.

Foreign Minister Shevardnadze: Second, we have reason to hope for substantial progress on START. Two or three major questions can be settled soon, right away. Then there will be another meeting with James in November. I think we can resolve all questions, thanks to your support. This means in November we can probably discuss your visit to Moscow and the timing.

The President: I want very much to come.

Foreign Minister Shevardnadze: Let me again refer to your speech today. I think your UN address will be of great impact in the future in solidifying the positive trends we see in the world. I think it was very important what you said about U.S.-Soviet relations, because if we are to speak of a new world order, U.S.-Soviet relations will be the main support of that order. This is the sixth UNGA I have attended. Comparing the remarks made by the U.S. over the years, I note a new quality in our relations. I am emotional when I say that.

The President: I feel the same way.

Foreign Minister Shevardnadze: Thank you for what you said about the Soviet Union. If I may speak frankly and openly, it is very important for us, given the problems we face at home. I regard as very important the substantial support you expressed for the UN. I think I know the response, having talked to several of my colleagues. Your remarks were appreciated by everyone.
Concerning Iraq, it was difficult for us to take the initial decision. I knew Saddam was a difficult man. I remember the question James asked in Irkutsk: whether I thought that the concentration of troops would result in an invasion. I said no, because I didn't think it logical. But we took the right decision. Either we support the new world order, or we support the law of the jungle, as you said in your speech. It is either of those two. What we have done is right. It is very important that your speech was a clear, constructive stand in favor of a peaceful resolution. All points of emphasis were very important. I think a peaceful resolution is possible. I have been discussing this with James Baker.

I think the Arab factor is very important. We have to get them united against Saddam Hussein. I think this is possible. You know the position that Yemen took before, and I know that you worked with Yemen and others. We did, too. At the UN Security Council everyone thought Yemen would vote against. Even the speech of their foreign minister seemed against. When he raised his hand in favor, I was surprised. He hadn't had time to change his speech but must have received last minute instructions. I think Jordan will also take a more constructive stand, and we can work with the Algerians. Maybe we should discuss patterns of our work in parallel with the Arabs. I firmly believe we can realistically hope to make Saddam Hussein withdraw from Kuwait. He must see that there is no other way out. I know the capacity of that country. It is not so powerful. Grave internal problems are about to emerge. One danger is the risk of an adventurous step.

The President: Yes, a provocation. I worry about that very much. It might be a terrorist act. Terrorists were speaking at that conference in Jordan. This is very worrying. I share your concern that the man might act irrationally.

Foreign Minister Shevardnadze: Yes. He is capable of that, but if he gets no support from the Arab world it will be difficult for him to take such a step. Today you pointed to further steps in the process, including Arab-Israeli negotiations. You have stolen some of our important arguments.

The President: What we don't want is to let him link the invasion to Israel. That is not acceptable. But to hold out hope to get progress on the Israeli-Palestine question is correct.

Foreign Minister Shevardnadze: Yes, I think that's right. There will be further consultations with Jim about how to work with the Arabs, and also about how to act in the Security Council if there is not a successful result on the basis of the resolutions.

The President: I have seen your statement and appreciate it. I encourage you to talk to Jim Baker. I'm just not sure Saddam will act rationally. That is what is troubling me.
Foreign Minister Shevardnadze: Yes, indeed. There is this risk, this danger, but there is also another possibility. He could make a turnabout and leave Kuwait. He is a man capable of that kind of act, too. (☞)

The President: Someone else said that same thing. (☞)

Brent Scowcroft: Perez de Cuellar. (☞)

Foreign Minister Shevardnadze: I met Saddam eighteen months ago in the context of mediation between Iran and Iraq. I was trying to persuade him to take elementary steps, which he said were categorically impossible. Now two months ago he made a complete turnabout. So I would not rule this out if he feels he is in total isolation and if the Arabs indicate this to him. For self-preservation, he might reverse himself. It was important in your speech that you said there could be a discussion of broader issues after an Iraqi withdrawal. The Iranian factor is very important. There is certainly some reaction in the country to a foreign military presence, but as for Iranian attitudes toward the invasion and aggression their views are very clear. Both Rafsanjani and their foreign minister told me their views. (☞)

You mentioned Salvador. I will be discussing this with Jim Baker. There is some movement. We are working with the guerrillas. They are difficult, but the government, too, is not easy to deal with. We are ready to establish diplomatic relations with the Government of El Salvador. Yesterday we reestablished relations with Honduras. It is possible with Salvador, too. It would expand our ability for dialogue. Yesterday we also established diplomatic relations with South Korea and have established consular relations with Israel. (☞)

The President: I think this is very important. (☞)

Secretary Baker: On the Secretary General's mediation, Gonzalez, Salinas, and Perez have agreed to act as "friends of the Secretary General" to see if they can move forward. We need someone who can have influence on Cuba. (☞)

Foreign Minister Shevardnadze: It is difficult to find such a person. I will try. I will talk again with them, but I have done so a number of times. (☞)

The President: I know you have. (☞)

Foreign Minister Shevardnadze: They're in a difficult position, economically and socially. (☞)

The President: There are isolated, in this hemisphere at least. It is an irony: Cuba could be a wonderful participant in this hemisphere under different circumstances. (☞)

Foreign Minister Shevardnadze: It will take them some time to really comprehend what is happening in the world. He is a man with some vision, but it needs to change. (☞)
SECRET

The President: I appreciate you coming over. I am looking forward to hearing from Jim about your discussions.

Foreign Minister Shevardnadze: I think we will be able to discuss the entire range of issues.

-- End of Conversation --