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THE WHITE HOUSE
WASHINGTON

MEMORANDUM OF TELEPHONE CONVERSATION

SUBJECT: Telephone Conversation with President Mubarak

PARTICIPANTS: The President
President Hosni Mubarak of Egypt
Notetaker: John Montgomery

DATE, TIME: October 25, 1990; 1:32 - 1:39 P.M. EDT
AND PLACE: The Oval Office

The President initiated the call. (U)

The President: Hello Hosni, how's the world traveler? (U)

President Mubarak: Hello, I just got here ten minutes ago. (U)

The President: I just wanted to talk to you to get a sense of how your trip went and before you meet with Primakov (special envoy for Gorbachev). I just spoke with King Fahd and had a good talk and feel that despite some earlier confusion, we are pretty much together, don't you? (Ø)

President Mubarak: Yes, I spoke with King Fahd about his statement and think he gave a very good statement. (Ø)

The President: I also was calling to report to you that we have made some progress on the FMS debt cancellation. Last night, the Senate passed their version of the Foreign Aid bill, with a provision for the cancellation; the next stage is a conference committee to reach a compromise with the House. I am pleased with what the Senate has done and will keep on fighting. (Ø)

President Mubarak: Thank you. (U)

The President: On the Gulf crisis, I see a lot of maneuvering by Saddam but apparently no change in the substance of his position that Kuwait is part of Iraq. He's trying to split the international coalition by giving out hostages. They called a Canadian parliament member and said if you come over you will go home with hostages. They did the same with Genscher and Heath trying to divide us and parcel out these people in such a brutal way. On Primakov, I had a very candid and frank discussion with him and sent a very candid message to Gorbachev. I told them that going to Saddam with proposals that suggest what we would be prepared to do after withdrawal would indeed violate the basic principle of no concessions. Primakov said he understood. I wanted you to know I didn't show any flexibility and I've told Gorbachev the same thing. You know Saddam could present such a

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face saving approach as a reward. This is not the time to show any willingness to let him off the hook. I wanted you to know what I said to Primakov before you see him. Lastly, I am planning to send Jim Baker out early next month to see you, King Fahd, and others in the coalition about the next steps. We've got some good ideas but I can't talk about them on this phone.
(Ø)

President Mubarak: Primakov just met with my aide, and he (Osama el-Baz) told him there can be no rewards for Saddam. The second point was that there will be no negotiations before an unconditional withdrawal and the return of the legitimate government of Kuwait. I am going to take the same line. Afterwards, we could help in the negotiations, but to give him any reward for this could be very dangerous. (Ø)

The President: I'm delighted to hear your aide told him that. Primakov is a good man. We were impressed but he thinks he knows the area and maybe he does. We need the Soviets, they've been very good and I think they'll stay on the line. (Ø)

President Mubarak: I'm going to convince Primakov to be aligned with us on the situation. He should not separate with us. (Ø)

The President: How do you think the sanctions are working? (Ø)

President Mubarak: I think they're very good right now. (Ø)

The President: I'm more optimistic. They have imposed gas rationing and there are reports of machine parts shortages. (Ø)

President Mubarak: He's getting in a much more difficult position now. (Ø)

The President: We must stay together and in touch. Any time you want to call, day or night, do so. (U)

President Mubarak: I will call you after I meet with Primakov.
(U)

The President: Will you apologize to your beautiful wife for me. I saw her across the room at the UN but didn't get a chance to say hello. They rushed me out to some damn meeting. (U)

President Mubarak: She told me she saw you. (U)

The President: Well, I send her 1,000 apologies. Good bye and take care. (U)

President Mubarak: Good bye. (U)

-- End of Conversation --

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