MEMORANDUM OF CONVERSATION

SUBJECT: Memorandum of Conversation between Prime Minister Shamir and President Bush (U)

PARTICIPANTS:

The President
James A. Baker, III, Secretary of State
Brent Scowcroft, Assistant to the President for National Security Affairs
Richard N. Haass, Special Assistant to the President and Senior Director for Near East and South Asian Affairs
Yitzak Shamir, Israeli Prime Minister
Benjamin Netanyahu, Deputy Foreign Minister
Zalman Shoval, Israeli Ambassador to U.S.
Eli Rubenstein, Cabinet Secretary
Yossi Ben-Aharon, Director of the Prime Minister’s Office

President Bush and Prime Minister Shamir met at the U.S. Ambassador’s Residence at 7:44 a.m.

The President: Thank you for coming in at this early hour. I know it is not easy for you and your delegation. But by coming you are doing the right thing. We are not trying to impose a settlement. We have longstanding policy positions. I am resisting the opportunity to repeat them. We want to be a catalyst. I’d like to hear from you if there are any problems. I will urge all parties to be flexible. My appeal is to keep our sights set on the big picture, on facilitating peace. That’s my speech; I didn’t even need cards to do it. (C)

Prime Minister Shamir: We are very grateful for your efforts. It is in the interest of all of us. There are many obstacles and differences to overcome. The first is terrorist attacks which have a tremendously negative impact. It is impossible to talk when one of us is killed. It is very difficult to think politically in such circumstances. We appreciate and admire the efforts of the Secretary of State. It is unbelievable how much one man can achieve. (C)

The President: As for killing and terrorism, we have nothing but condemnation. The only thing I can say is that if there is peace there could be a decline. People will try to disrupt the peace.
process and not only inside Israel. I can understand why it makes it more difficult for you. (C)

Prime Minister Shamir: The terror is being done by some people who are coming to the conference. They are negotiating peace and escalating terror, a strategy to use violence to aid their diplomacy. We will not accept it. It makes everything we are doing here more difficult. (C)

I know you are informed of the details. We have some logistical problems. We are determined to have bilateral negotiations--the most important ones--in the area. This is already a tradition: the 1948/49 armistice, and the agreements with Egypt and Lebanon. They create an atmosphere of progress for peace. It has an important psychological significance. Also, there is a logistical angle. We have three bilateral negotiations to conduct and multilateral talks involving hundreds of people on our side. There is the problem of communications between negotiators and the government. It is absolutely necessary to do this in the region. The other parties are not risking anything; we are the ones taking risks. Sometimes one has to take risks for peace, but they have only the chance of getting something. This is not a technical matter. We know how much you are investing in this. You and we want to succeed. (C)

The President: My only argument is that the Arab side also has a lot to lose. This conference is important. They do have a lot to lose. They have peace to lose. Everyone has something to lose. I don't worry about ourselves failing. Far more important than anything you have raised, is the need for this to go forward. Camp David was elsewhere. I know the history. But more important than any of this is the objective of getting to peace. We need to focus on this, on the overall result. (C)

Prime Minister Shamir: With Camp David, only the finale was in Washington after many meetings in the area. (U)

The President: But it was what moved it to conclusion. I'm not arguing that Washington is the only place, but the conclusion was key. (C)

Prime Minister Shamir: I imagine one day we will all meet in Washington at the conclusion. This might last years. But all this negotiation must be in the region. (C)
The President: I think we need to go step by step. President Gorbachev was happy when he was told there could be bilaterals elsewhere. We need to keep the focus on the big picture.

Prime Minister Shamir: We will have to work on it over a long time. It is important to start. (U)

The President: I would hate to think a rigid condition could dismantle the bigger objective. Far more important than where something takes place is that it happens. I would think people in Israel and elsewhere would look at it this way. I know this is a problem for you and I wanted you to know how we and the Soviets look at it. (CR)

Prime Minister Shamir: I would like to draw your attention to the extreme position of the Syrians on everything. They oppose peace treaties and multilateral talks. This was a U.S. idea; it is a great idea. (CR)

The President: They are very difficult. We have seen this. I expect them to come with red hot rhetoric. But we can help, as we have already been doing. Who would have thought they would even show up? We will be doing what we can. The Soviets can help too.

Secretary Baker: While we are disappointed with Syria's stance on the multilaterals, we are happy with the Arab participation: Egypt, Jordan, Saudi Arabia and the Gulf countries. This is a significant development. It splits them off and isolates Syria. There will be multilateral discussions which should help us on bilateral issues. Much of the world is ready to participate.

The President: They can't afford to be radically isolated forever. What good does it do them? There is great frustration with Syria but again we need to keep perspective. They are showing up, which no one thought they would a year ago.

Prime Minister Shamir: They are trying to pressure the other Arabs.

Secretary Baker: They are, but we have done a lot of work and we believe we will produce Arab countries.
The President: They cannot take isolation given the changes in the Soviet Union. They cannot reject every idea that leads to peace. And don't get mad if people say nasty things about you. There will be tests for us all.

Secretary Baker: The press is reporting that you and I refused to shake hands when we met yesterday. We are correcting the record. (U)

The President: We cannot let some press editorializing create roadblocks. We appreciate your coming over. The fact that you are here speaks more than any press item. I just hope it is worth your efforts. I am convinced it will be. We want to stay with you and talk sense to the others... We are not trying to dictate anything. We've got our positions. But more important than our strategy and our positions is being the catalyst.

Prime Minister Shamir: We appreciate it. (U)