Originally Processed With FOIA(s):
2009-0275-S

FOIA Number:
2009-0275-S

FOIA MARKER

This is not a textual record. This is used as an administrative marker by the George Bush Presidential Library Staff.

Record Group/Collection: George H.W. Bush Presidential Records
Collection/Office of Origin: Scowcroft, Brent, Collection
Series: Special Separate USSR Notes Files
Subseries: Gorbachev Files

OA/ID Number: 91128
Folder ID Number: 91128-001

Folder Title:
Gorbachev (Dobrynin) Sensitive July - December 1990 [1]

Stack:	Row:	Section:	Shelf:	Position:
G	34	3	4	7

Withdrawal/Redaction Sheet
(George Bush Library)

Doc. No. / Type	Subject/Title	Date	Restriction	Classification
01a. Memcon	Re: Memorandum of Conversation (13 pp.)	2/9/90	(b)(1)	S
01b. List	Re: Persons listed above [FOIA EXEMPTIONS REDACTED] (1 pp.)	n.d.	(b)(1), (b)(6)	
02a. Memcon	Re: Meeting with President Gorbachev (6 pp.)	5/31/90	(b)(1)	S
02b. Handwritten Notes	Re: [Meeting Notes] (15 pp.)	n.d.	(b)(1)	
03a. Memcon	Re: Meeting with President Gorbachev (6 pp.)	5/31/90	(b)(1)	S
03b. Handwritten Notes	Re: [Meeting Notes] (15 pp.)	n.d.	(b)(1)	
04a. Memcon	Re: Meeting with President Gorbachev (3 pp.)	6/1/90	(b)(1)	S
04b. Handwritten Notes	Re: Friday 11:00 One-on-One (4 pp.)	n.d.	(b)(1)	
05. Memcon	Re: The President's Meeting with President Gorbachev of the Soviet Union (13 pp.)	6/2/90	(b)(1)	S

Collection:

Record Group: Bush Presidential Records
Office: Scowcroft, Brent, Files
Series: Special Separate USSR Notes Files
Subseries: Gorbachev Files
WHORM Cat.:
File Location: Gorbachev (Dobrynin) Sensitive July - December 1990 [1]

Pinksheet Number: cap1075
OA/ID Number: 91128-001
Date Closed: 4/10/2009
FOIA/Sys Case #: 2009-0275-S
Re-review Case #:
P-2/P-5 Review Case #:

~~SECRET~~/SENSITIVE

THE WHITE HOUSE
WASHINGTON

MEMORANDUM OF CONVERSATION

PARTICIPANTS: Robert M. Gates, Assistant to the President and Deputy for National Security Affairs

V.I. Kryuchkov, Chairman, State Committee for Security (USSR)

PLACE and TIME: KGB Headquarters (New Building)
Dzerzhinskaya Square, Moscow
1500 - 1715, 9 February 1990

Kryuchkov received Gates in his office in the New KGB Building. After exchanging greetings, Gates informed Kryuchkov that he had just left the meeting between Gorbachev and Secretary Baker, which was still underway after more than three hours. Gates said that Gorbachev had been explaining what had taken place during the just concluded Central Committee plenum, joking that the latter had been so eventful that it would take all day for Gorbachev to finish.

Kryuchkov said that the plenum had been heated and had accomplished a great deal. It had not, he added, satisfied those who had hoped to see a change of leadership, or some kind of scandal. There had of course been sharp discussion, even between members of the Politburo. This was not the first time that had happened, of course, but never before had the details of such disagreements been published in the press. Kryuchkov continued that he had just come from a Politburo meeting, and knew from many such meetings that discussions there were often sharp over interpretations of law, personnel changes, and so on. He assumed that such things happened in the U.S. as well.

Kryuchkov continued that all of the materials of the plenum would be published. Hundreds of suggestions had been submitted

DECLASSIFIED
PER E.O. 13526
2001-0841-NR
ES 6/18/13

for changes to the political platform, and they would be published as well, though in the Izvestiya of the Council of Ministers, not in the daily press. Everything, he grimaced, was now published. He said this made things easier for the US "Services" and therefore hoped they had a proper understanding of developments in the USSR.

Gates said that this public debate made it more difficult for foreign analysts to understand what was happening, because there are now several versions of events available. In the old days it was simpler -- only one version.

Kryuchkov thanked Gates for that idea, and said he would use it next time he had to justify a request for personnel or budget increases -- the more information was available, the harder it was to understand. Gates said this was especially the case now in the Soviet Union, with so many important events taking place all over the country.

Kryuchkov said "of course, perestroyka is encountering problems," and that had been reflected in the debates at the plenum. We should have planned for the changes to take place over a longer period of time, he said, because the hardest thing of all to change is the way people think. It takes time, especially to bring about substantial changes. We had hoped to bring about large-scale change quickly, but it was more than our people could take. Change should be applied gradually, like oxygen. Too much too quickly could make one dizzy. Nevertheless, he continued, there is no way back now. We must push ahead. We will make adjustments as we go, making sure we remain in touch with the people, checking their views and attitudes. We had to do this so the leadership would not go one way, the people the other.

Kryuchkov argued that Article Six of the constitution, which gave the party the leading role in the society, need not be "eternal." It had been inserted in the new constitution in 1977, but no longer corresponded to reality. It should be either changed or omitted entirely. Doing so would present no big problem. Its presence had spoiled the party. Party decisions were too easily turned into law. The party was not then or now equivalent to society as a whole, and neither was the Central Committee. Since the article no longer corresponded to reality, if it remained in force it could cause philosophical and practical problems.

As for establishment of a multi-party system, he said, many informal organizations already exist which function like parties. Nevertheless, a multi-party structure should be introduced gradually. Standards and regulations should be established

concerning registration, minimum requirements for membership, etc. A monarchist "party" now exists which wants to restore a monarchy. That obviously is not in keeping with the times, and such a party is out of place. Nevertheless, all such groups have a right to exist. There are some quite extreme groupings -- anarchists, for example. Formal requirements should be put into place governing their activity. They are not, he continued, like companies. The U.S. had many companies -- 15 to 18 million, he understood, some of which lasted only a few days, some for decades. But parties should not be such temporary phenomena....

Kryuchkov said that the plenum had also decided to move the party congress forward, from fall to summer. This was done because of the heightened political activity of the people. Moreover, the role of the party is changing, so party statutes and basic documents should change as well.

Kryuchkov said that of course there had been disagreement at the plenum on perestroyka, but only one delegate had spoken out against perestroyka itself. But others criticized or doubted one aspect or the other -- certain policies, or the pace of change. My own attitude, he continued, was made clear in my presentation, which was printed in the press. "I argued that we should take stock, see exactly where we were in the process of change so we could be very careful in the further steps we took." I said also that while we were creating a state in which law ruled, we had to develop means within the law to deal with violence. We had laws, but they were not sufficiently specific. We should especially strengthen our criminal law.

For many years we should have been paying more attention to interethnic disputes. But we had this idea that everything was developing without a problem. We were wrong. In regard to Eastern Europe, we should let things take their own course, give them a chance to develop normally. But of course we could not "forget the results and costs of the war." Kryuchkov noted that that had been a brief outline of his thinking and his presentation. He assumed that U.S. analysts would take a closer look at the latter and the results of the plenum.

Kryuchkov added that Gates should know that this plenum would continue to work for a few more months in its present composition, but with the report/election campaigns and the congress coming up, a new central committee would soon be in place. What would it be like? That's a valid question for both Soviet and U.S. analysts. There are many variables. If U.S.-Soviet relations improved, and we concluded agreements, that would present good prospects for the future, and would help those who support new thinking. If, on the other hand, the U.S. "tried to corner us, to exploit our current difficulties, or put us in

awkward situations," that would influence the attitude not only of the party but also the people.

The economic situation is also important, of course, and would influence the make-up of the committee. The Soviet government, and its intelligence services, are studying the experience of the West in extricating itself from difficult economic situations. And despite our problems, the Soviet leadership believes that we could find ways to resolve our economic problems fairly quickly. Not all problems, of course, but enough to begin the economy moving. "We will soon engage these problems in a big way."

In response to the notion of the U.S. exploiting Soviet problems, Gates replied that Kryuchkov should know that the President had spoken the truth when he had said that he supported perestroyka. The President's attitude was clear. He has handled problems and challenges in the relationship with caution and prudence, and had not attempted to take advantage of Soviet domestic troubles. Gates said he could assure Kryuchkov that no element of the U.S. government is engaged in activities in the USSR harmful to perestroyka or to cause difficulty for reform. He continued that the possibility of real instability in the Soviet Union is frightening, and the U.S. would do nothing to encourage it. The President supports perestroyka because it is in our mutual interest, and because it serves peace in the world in general.

Gates said he would like to outline briefly for Kryuchkov three general problems he sees the USSR facing now. The first concerns interethnic relations. Gorbachev had inherited the problems of an Empire in this regard. Many of the regions that now made up the USSR had not joined the Empire voluntarily, but by force of arms. Many now want independence, and want it quickly. The time needed to work out a form of voluntary federation thus might not be available.

Second, political developments are outrunning economic developments in the society. And the problem is that many of these economic problems need to be tackled at the same time. Moreover, many of these changes are such that they require painful adjustments by the people. Thus, this process of change is indeed difficult.

Third, reform is weakening the old institutions before new institutions can be put in place. The society's ability to implement necessary change is thereby also weakened.

Gates said one thing is difficult to understand, however. What has caused the recent, sharp increase in crime, especially

large-scale, organized crime? There have even been reports of hijacking of trains.

Kryuchkov said that Gates' observations deserve serious study. But they represent a view from the outside. And for all of us, our analysis is supplemented by our emotional reactions. History has it uses. Gates is correct when he says that not all of the regions had incorporated themselves voluntarily. There are perhaps no parallels easily drawn between the U.S. and the USSR, but the Civil War in the U.S. indicated that not all of the fifty states had agreed to their incorporation either. History was history, but it could not by itself be allowed to be a determining factor. History could not be ignored, but "if it is put up front, it just complicates our life." New factors always arose.

In the case of the USSR, over the past seventy years, growing interdependence among the republics had increasingly tied them together, especially economically. The Baltic states, for example, got more from the rest of the Soviet Union than they gave. Estonia got cotton, oil, energy, grain, forage, non-ferrous metals, and so on. Of course it also contributed to the rest of the USSR, but not as much. The most dependent of all of the republics was Lithuania, which was paradoxical, for it is exactly there that the drive for independence is most developed. But the interdependence of all of the republics is now very strong. It had developed because of an intentional policy, the result of a conscious effort by the center to develop the outer periphery of the country. No republic can leave tomorrow without feeling this interconnection. Interdependence painfully affects the Union. Armenia now wants to shut down a plant that is polluting the area. But the plant produces something on which seven hundred fifty other plants depend.

Nevertheless, there is much in what Gates had to say. Much effort has to be devoted toward developing a new federation as soon as possible. Some areas want political independence, with continuing economic interdependence. Even that possibility cannot be rejected out of hand.

Concerning shortages in goods, Kryuchkov said, we in fact have increased the number of goods considerably in the past five years. The problem is the enormous increase of money in people's hands, plus our "atrocious" pricing system. Wage and pension increases have contributed to the problem of the ruble overhang, but the main culprit is conversion of very large amounts of what in the past had been non-liquid funds -- columns of figures in accounting books -- to cash. In the old days if an enterprise had 50 million rubles, 40 million would have been non-liquid. Under the new system much more of it was available in cash. So

now we have hundreds of billions of rubles of "bad money" -- money not backed up by goods -- circulating in the system.

The FRG after the war had had a similar problem, and had carried out a money reform which left each person only forty marks in his pocket. If we could do the same, we could return to the situation as it was in 1987, when we were not managing badly. But such a reform would not be popular. Another source of excess money is of course the cooperatives. They take one billion worth of products and sell it for ten billion. For this reason everyone hates the coops. Kryuchkov said he personally supports the concept of coops, but they must be closely regulated. But some say that we should let them operate like in the West, without regulation. He added with a smile that while we were breaking our heads here over how to make firms operate with less regulation, in the West the governments are trying to increase public regulation of business.

Gates said that in fact most states in the West are now concerned with reducing state involvement in their economies. France, the UK, Mexico, and others are selling state enterprises.

Our price system, Kryuchkov continued, is terrible. A foreigner had told him that the Soviet Union would never get rich with such a pricing system. Bread cost nothing. The poorest person could buy a kilo of bread and throw it away.

Kryuchkov said that these economic anomalies coupled with democratization, taken together, have brought about a sharp increase in crime. Nevertheless, while the Soviet Union wished to overtake the U.S. in some indicators, it did not want to do so in all -- especially in crime. And so far it was still lagging behind. The KGB is now engaged against large-scale crime. Gates had mentioned a train hijacking in the Soviet Union? Kryuchkov said he had not heard of such an incident. If it had happened, it would have been publicized, because everything was these days.

Kryuchkov related that a foreigner had recently been apprehended with three million dollars in contraband. Had he been able to sell it here, he would have realized twelve to fourteen million rubles. If he had then converted that back into goods, and smuggled it into the U.S., he could have ended up with twelve to fourteen million dollars. The U.S. and Soviet Union should work together against such traffic in contraband. Perhaps we should consider an agreement regarding national treasures -- if when stolen they ended up here we would return them, and you would do the same for us. It would be worth considering.

Kryuchkov said that frenetically active rumor mills are characteristic of our situation here now. We are hearing about

alleged pogroms. An official report is under preparation in the KGB denying that such pogroms would take place. In the past such rumors had been short-lived. Now, because of instability in the society, they fall on fertile soil and prosper. In the U.S. rumors are confined to stock markets. Now, the entire Soviet Union is a stock market.

Gates asked how Kryuchkov personally viewed prospects for reestablishing order, putting the economy on the right track, and resolving the interethnic problems. Is he a pessimist or an optimist?

Kryuchkov replied that the German philosopher Berghoff had discussed the problem of pessimism and optimism in a treatise. He had concluded that a pessimist lost nothing, for if he was wrong, he simply shrugged his shoulders and no one paid attention to him. An optimist, however, staked everything on his bet, and stood to lose it all. Nevertheless, Kryuchkov continued, I am an optimist. We have no choice but to change the system, because other kinds of change in the USSR and around its borders make change in the system inevitable. It was unfortunate that some of this change had come about only after loss of life. But we should strengthen our laws to avoid such loss. And we had to continue with politization of the people to create the need for enterprise among the people, and to transfer power to individual enterprises and local councils in order to develop responsibility at those levels. With increasing frequency this was now happening. In a number of areas around the country local citizenry or local party members have risen up against inefficient or corrupt party organs and booted the rascals out. That is encouraging, and a sign that what we want to happen is happening.

In the past, all decisions and political power flowed from the top down. Now it is beginning to flow in the other direction. Most elections are now multi-candidate. A process of democratic education is underway. It would take time to reach the level of the U.S. But once it reached a certain level, the situation here would stabilize. When we met last May, I asked you how officials in the U.S. could respond to insults in the press. You told me they could do nothing, not even sue for libel. Here it should be different. Take those two crooks, Gdlyan and Ivanov, two prosecuting attorneys who used demagoguery to assure their political success. In the old days it would have been different. There would have been no publication of their remarks, no slander, and they would simply have been fired. Now we could not do that "because Mr. Gates tells us not to."

Gates asked Kryuchkov what would happen if an election were held in the Soviet Union in which the communists lost -- as had happened in Eastern Europe.

Kryuchkov (misunderstanding the question) responded that as for Eastern Europe, "the changes are not agitating the public here." The people there would decide their own fate. But we should not be passive. We are not making use of our influence and capabilities. It is important that there be no revenge, no persecution of communists. If they are jailed or otherwise harassed (as the Romanians had almost done), that would be the best way to compromise the new democratic movements from the outset. If that happened, the time could come "when all of the political movement in Eastern Europe would go backward."

As far as we are concerned, he continued, the situation in Eastern Europe is not destabilizing. Our people are concerned, but willing to let events their take their normal course. But they should not be determined by people in the streets.

Kryuchkov went on, it is the case here, and probably elsewhere as well, that very active, sometime extreme minorities establish the course for a society, because the majority is passive. These extremist groups could cause authorities to react against them. Sometimes it is forgotten that the years of socialism had done much good for Eastern Europe -- they had done away with unemployment, provided free medical care, jobs, etc. Moreover, people had had no fear of the future. Now change is unsettling these people, making them uncertain. The best course is simply to be patient with them, let events proceed. That had proven the best course on Afghanistan. Events eventually forced a solution. But we would maintain a wide range of economic ties with Eastern Europe. What did Mr. Gates think, should we sell them our goods cheaply or go to world prices? The USSR sold them cotton, oil, timber, non-ferrous metals, and so on cheaply. If we charged more it would cost them billions of dollars. Perhaps the U.S. could help them in that case.

Gates replied that we are already helping. Kryuchkov said "not very much." Gates responded that we are a rich society, but our government resources are limited.

Gates asked again, what would happen if many communists in the USSR were to lose in free elections. Kryuchkov responded that most candidates for elections in the USSR were now members of the party. Actually, fewer non-party members were now being elected than in the past -- only about 10% now compared to 27% in the past. But that of course was no accident. "Not the worst people go into the party," pointing to himself and the KGB interpreter. But the proportions different among the republics.

In the Baltic states people often had party cards, but could not be considered communists. The same in Azerbaydzhan. But even the non-party people were for the present order. Few were against perestroyka, though they might have a different understanding of it.

But what would happen to communists in a full-scale, multi-party election? Good question. Communists had no experience in political campaigns. They are not skilled at persuading people. But they are learning fast -- even the KGB. We have found that with our new open attitude toward the public we gained from the 90% of the material we made public, while losing only 10% of the time.

Perhaps, jibed Kryuchkov, we should divide the party into two parties with identical platforms. Then we would be like the U.S., where nobody could tell the difference between the two parties. Gates asked whether one of the parties could be capitalist.

Kryuchkov said that there was already much socialism in Western parties. He had always thought that private property in the West was sacred, untouchable. But he was learning that relatively little property was indeed held "privately" -- much is held collectively -- stock in companies, for example. Moreover, there is state provided insurance, law-enforcement (sic), and so on. You in the West would reach socialism faster than we in the Soviet Union.

Gates asked if the Soviet Union would permit private property -- the large scale ownership of land and equity. Would peasants be able to pass land on to their children?

Kryuchkov said that cooperative land-holding is now possible, and groups of 15-20 people in essence control the land they farmed. But we wish to protect our people from exploitation in the Marxist sense, when people could enrich themselves purely from the labor of others. Your political systems in the West are more sophisticated. In most countries there are two parties, liberal and conservative. After several years of moving toward the left under liberal democrats, the conservatives were voted in to provide the people a rest. A great system. Thatcher had now been in power for what -- thirteen years? It was time for a change.

Kryuchkov said that the question of selling land is not yet decided. There are two points of view -- one for, one opposed. Peasants could not be given the land free of charge. But if they were asked to pay for it they would reply that they should not pay for something they -- "the people" -- already owned. The new

laws on land and on property would include provision for leases unlimited in time. But people would be reluctant to leave the kolkhozes, especially the more economically stable. In Eastern Europe they would not dissolve the kolkhozes, especially in Czechoslovakia and the GDR, where there was an ideal proportion of collective and individually-owned land.

Gates said he would like to pursue that issue further, but knew that Kryuchkov was busy, and would like to move on to two other subjects. First, the German question. Events are moving faster than anticipated. We might see some GDR initiative after the 18 March elections. Under these circumstances, we support the Kohl-Genscher idea of a united Germany belonging to NATO but with no expansion of military presence to the GDR. This would be in the context of continuing force reductions in Europe. What did Kryuchkov think of the Kohl/Genscher proposal under which a united Germany would be associated with NATO, but in which NATO troops would move no further east than they now were? It seems to us to be a sound proposal. There are in any case only three options for a unified Germany: either it would be a member of NATO, neutral, or a member of the Warsaw Pact.

Gates said that alignment with the Warsaw Pact clearly was not possible in terms of present realities. A neutral Germany would suffer from the same insecurities and uncertainties regarding its security that Germany had experienced before World War I. In an effort to assure its security it would be tempted to develop nuclear weapons and turn in different directions, seeking reassurance. A large, economically powerful Germany just could not be neutral. The third option, membership in NATO, would provide for a secure Germany integrated in Western Europe which the Soviet Union would have no reason to fear. It would anchor Germany in a way that would leave it secure, able to exercise a positive economic influence (including in the East), and without being a security problem for the USSR.

Kryuchkov replied that as Gates should know, the events in the GDR concern the Soviet people. The other countries are different. But the USSR had paid a terrible price in World War II -- 20 million killed. "We can't exclude that a reborn, united Germany might become a threat to Europe. We would hate to see the US and USSR have to become allies again against a resurgent Germany."

"Germany's technical possibilities and intellectual potential are well known. It is difficult to predict what directions its military and technology might take." That is no idle question, for "influential forces in the FRG do not wish to recognize the results of the War or to accept the post-World War II borders." The Poles are also concerned. We never said that

Germany could never reunite -- but the basis on which reunification took place was always important to us. Trust between the US and USSR is growing, true, but that trust still had to be "materialized." The Soviet Union, under present circumstances, could have "no enthusiasm" about a united Germany in NATO. We should look for other options. You, Great Britain, and France would develop a common view, and we in the Warsaw Pact would do so, and we would discuss them. We need not hurry so much. Kohl and Genscher had interesting ideas -- but even those points in their proposals with which we agree would have to have guarantees. We learned from the Americans in arms control negotiations the importance of verification, and we would have to be sure.

The U.S. had to participate in World War II even though it had been protected by oceans. Now the oceans were meaningless. An interdependent world would not allow any great power to escape involvement in a new war. "People here say that we have had peace for forty-five years because Germany is divided." And of course Japan did not become a military superpower. But the question of German unity is a very serious one, and requires far-reaching, frank exchanges of opinions between the US and USSR.

Gates said he had two points to make on professional matters.

First, Kryuchkov would have noted that Vladimir Apinidze had returned to the USSR, without any publicity. Kryuchkov nodded assent.

Second, could Kryuchkov frankly state what had happened to Major General Dimitry Polyakov ("Donald")? Kryuchkov replied that he had been shot in 1988. He added that Polyakov had "told all." "We know everything, and you know everything."

Gates said that Kryuchkov occupied an especially responsible position at this time of momentous happenings. It was very important that our foreign ministers and heads of state met to discuss matters of mutual concern. It was also important that he and Kryuchkov be able to discuss matters in this channel. Gates said that if ever Kryuchkov believed that a special meeting was necessary, that could be arranged through existing channels. We preferred not to use the intelligence channel for political issues. And, of course, we should not meet without the knowledge of our foreign ministers. Kryuchkov nodded assent.

Kryuchkov thanked Gates for his observations, which were useful, whether or not one necessarily agreed with them all. Though he was an optimist, he continued, that does not mean that he is not aware of the many problems the country faced. There is

a struggle underway between those who want change and those who do not. Each side might have to make concessions. "A political climate is being formed in which on occasion certain actions might have to be taken. The external reaction would be important. It would be one thing to understand our actions, perhaps even to support us. It would be another to attempt to take advantage of our problems." We heard nice words from you, but if there were no corresponding action -- for example, development of good trade relations -- your intentions would be interpreted differently. We are not asking for material assistance, "for anything free." Our resources are such that we do not need that. Our increasing contacts with the U.S. had helped us increasingly to understand the U.S. and its foreign policy, though we could not approve of Panama, where you invaded a small country in order to try one possible criminal. Noriega may be a very evil fellow, but that was too much. On the other hand, we understand and support your struggle against narcotics trafficking.

Kryuchkov then handed Gates a list of names prepared by the KGB which he said were persons engaged in drug running operations in Europe and the U.S. They happened to be members of the Afghan opposition. He added with a smile that it was a rare opportunity in which he could kill two birds with one stone -- promote the struggle against drugs and show the U.S. the true face of its alleged friends. He asked that Gates not reveal the source of this information. How Gates used it was of course up to him. If the U.S. did nothing more than end that supply channel that would be enough.

Gates said he would quickly respond to four points Kryuchkov had made. First, he noted that twice in the discussion Kryuchkov had made reference to the possibility that the U.S. would be tempted to take advantage of Soviet domestic troubles for its own ends. He said he wished to repeat with all seriousness that the President did not want to cause problems for Gorbachev or perestroyka. He supports perestroyka as something very much in our mutual interest. Gates added with a smile that sometimes he thought Gorbachev regarded him as a "bad influence" in Washington. Gates continued that that was not the case. He supported the President's view on perestroyka fully.

Second, as the President had made clear in Malta, we are prepared to move ahead in some areas of trade. He recalled the Presidents' comments on MFN, the Stevenson amendment and a new Trade Agreement.

Third, he also wanted to emphasize that the U.S. was aware of Soviet security concerns about a reunified Germany, and understood that they must be treated seriously.

Fourth, on Panama, the U.S. had Treaty arrangements authorizing our presence and that, in violation of those rights, Americans had been harassed and even killed. We had intervened to protect our citizens, our Treaty rights, and to remove an indicted drug dealer who had thwarted a free election. The Panamanians received us as liberators. Our troops would be out by the end of February.

Kryuchkov said he would pass all of these messages to Gorbachev without fail.

Kryuchkov noted that it was a sign of the times that 24 years ago his predecessor, Semichastnyy, had harshly criticized Pasternak. Tonight, he, Kryuchkov, was attending a gala at the Bolshoi in celebration of the centenary of Pasternak's birth.

In parting Kryuchkov asked Gates to pass his greetings to "Mr. Powell," and, if possible, to the President.

Attachment:
As Stated

Withdrawal/Redaction Sheet
(George Bush Library)

Document No. and Type	Subject/Title of Document	Date	Restriction	Class.
01b. List	Re: Persons listed above [FOIA EXEMPTIONS REDACTED] (1 pp.)	n.d.	~~(b)(1),~~ (b)(6)	

Collection:

Record Group: Bush Presidential Records
Office: Scowcroft, Brent, Files
Series: Special Separate USSR Notes Files
Subseries: Gorbachev Files
WHORM Cat.:
File Location: Gorbachev (Dobrynin) Sensitive July - December 1990 [1]

Document Declassified
(Document Follows)
By _____ on 4/14/14

Date Closed:	4/10/2009	**OA/ID Number:**	91128-001
FOIA/SYS Case #:	2009-0275-S	**Appeal Case #:**	
Re-review Case #:		**Appeal Disposition:**	
P-2/P-5 Review Case #:		**Disposition Date:**	
AR Case #:		**MR Case #:**	11-0841-MR(500.01)
AR Disposition:		**MR Disposition:**	Released in Full
AR Disposition Date:		**MR Disposition Date:**	6/18/2013

RESTRICTION CODES

Presidential Records Act - [44 U.S.C. 2204(a)]

P-1 National Security Classified Information [(a)(1) of the PRA]
P-2 Relating to the appointment to Federal office [(a)(2) of the PRA]
P-3 Release would violate a Federal statute [(a)(3) of the PRA]
P-4 Release would disclose trade secrets or confidential commercial or financial information [(a)(4) of the PRA]
P-5 Release would disclose confidential advice between the President and his advisors, or between such advisors [a)(5) of the PRA]
P-6 Release would constitute a clearly unwarranted invasion of personal privacy [(a)(6) of the PRA]

C. Closed in accordance with restrictions contained in donor's deed of gift.

PRM. Removed as a personal record misfile.

Freedom of Information Act - [5 U.S.C. 552(b)]

(b)(1) National security classified information [(b)(1) of the FOIA]
(b)(2) Release would disclose internal personnel rules and practices of an agency [(b)(2) of the FOIA]
(b)(3) Release would violate a Federal statute [(b)(3) of the FOIA]
(b)(4) Release would disclose trade secrets or confidential or financial information [(b)(4) of the FOIA]
(b)(6) Release would constitute a clearly unwarranted invasion of personal privacy [(b)(6) of the FOIA]
(b)(7) Release would disclose information compiled for law enforcement purposes [(b)(7) of the FOIA]
(b)(8) Release would disclose information concerning the regulation of financial institutions [(b)(8) of the FOIA]
(b)(9) Release would disclose geological or geophysical information

(b)(6)

I. [redacted]

2. [redacted]

3. [redacted]

4. [redacted]

5. [redacted]

6. [redacted]

7. [redacted]

8. [redacted]

9. [redacted]

I0. [redacted]

II. [redacted]

I2. [redacted]

I3. [redacted]

I4. [redacted]

I5. [redacted]

I6. An Afghan emigrant, resides in Peshawar

I7. An Afghan emigrant, resides in Peshawar

I8. An Afghan emigrant, resides in Peshawar

Persons listed above are involved in manufacture of narcotics and their trafficking within the region as well as to the U.S.A. and Europe.

~~SECRET~~/SENSITIVE

THE WHITE HOUSE

WASHINGTON

DECLASSIFIED
PER E.O. 13526
2011-0841-MR
BS 6/18/13

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with President Gorbachev

PARTICIPANTS: The President
Brent Scowcroft, Assistant to the President for National Security Affairs

President Gorbachev
Anatoliy Chernyayev, Aide to the General Secretary

DATE, TIME AND PLACE: May 31, 1990, 10:54 - 12:45 p.m.
Oval Office

The President: Welcome. We can open with anything you wish. We want this meeting to be seen as successful. We will try hard for a sense of success to present to the outside world. One more thing: we have this meeting, then expanded meetings, then Camp David, with you and me, then Baker and Shevardnadze. I think the private sessions will be most remunerative. There should be no press and no leaks. That is how I see it unfolding. (S)

President Gorbachev: My sincere greetings. It is good to be here in the White House. I am not a diplomat -- you have studied me -- I have no intention of becoming one. I believe the current time is such that we need to understand each other and to develop policies with respect to each other, and to others, which are predictable. I share your approach to this meeting. It should have a positive result. I am sure we can achieve that. (S)

I think our colleagues can complete the reviewing work. Our mission is to complete the philosophical discussion on issues we discussed even in 1987 and then at Malta. We said in the former meeting that if you were elected we would want to continue the work begun with President Reagan, and we took a further step at Governor's Island. Then, I believe we did the right thing at Malta by not waiting for a formal meeting. (S)

I would like to salute you. After Malta, events were developing, and they could have gone differently without Malta and the understandings we reached there. The processes continue, putting an even heavier load on us. That makes this meeting even more important. Let me make several points to begin our philosophical exchange. I think you agree that the center of world politics is the Soviet Union. What happens there is of monumental importance for you and the world. I value the positions you have stuck to. I know it is not easy, as it is not easy for me. (S)

While giving credit to our predecessors, we have to accept that

we have a special task at this watershed in history. We cannot avoid that responsibility. The fact that we are using all forms of dialogue is appropriate. Let me outline the first point of my thoughts; these have not changed basically since the Reagan period. (S)

First, since we are in a radically new phase of our relations, we need a radically different view of, and approach to, each other. You may or may not agree, but the confrontation we got into after World War II wasted our time and energy, while others -- the former vanquished -- were moving ahead. Now they (the vanquished) are behaving very arrogantly. Japan's empire is now extending to you, to us, and to Western Europe. Germany likewise is a very powerful center in Europe and areas around Europe. Even countries like China and India in the developing world are moving. The world is changing in dramatic ways. The U.S. alone, despite its power, can not lead the world by itself. Playing "cards" against each other is not the way to go. (S)

What kind of country would each like the other to be? We don't want a weaker U.S. with infringed interests -- this would create instability -- and in U.S. political circles it is gradually becoming popular to see a stronger but democratic Soviet Union developing. Perestroika is how we hope to make that happen. We are moving toward a Soviet Union that is progressive, dynamic, free and turned toward the outside world and the U.S. If you analyze our statements and our initiative, you will see that we are not trying to infringe upon U.S. interests, especially security. (S)

This is our choice, and we are trying to get all sectors of Soviet society to accept this. It is not easy, but we are making progress. As a result, the image of the U.S. as a hostile and aggressive power is fading. But, realistically -- I must be honest -- every day I get reports; there are many in the Soviet Union telling me the U.S. is continuing to move and is trying to take advantage of perestroika to seek unilateral advantage. That is not surprising; you must have the same kind of people. (S)

The President: Why do your people think this way in a period of budget cuts and so forth? (S)

President Gorbachev: Public opinion as a whole is supportive and backs our policy. But at the same time some signal vigilance and are suspicious, for example war veterans, the military, and also the military/industrial complex. On balance, most want a good relationship and are for expanding cooperation. I believe our policy will be getting more and more support, but our people will follow very closely the steps taken by the U.S., especially in the security field. Let me conclude on this first point. I think we should build on what we have started, keep it going, and accelerate it. People in the Soviet Union will judge your policy by your attitudes towards perestroika and towards trade and finance. (S)

The most harmful thing right now as our system is moving to open

up is that there is not fair play. That could lead to a reversion to old ways, a sliding back from the ambitious policies we want to pursue. I say this because some in your press say that Gorbachev is weak and you should press your advantage. I am glad you have taken a firm policy line in favor of better relations and support of perestroika. That was in the U.S. interest, but I want you to know we appreciate it and I am sure the world does as well. As we take steps in various areas that will stimulate more contact and a better interrelationship, I have told international business that those who are with us now will be remembered, and those who stayed on the sidelines will lose out in the long run. (S)

This is a central point in my observations. All other points are subsidiary, so I would like to re-emphasize it. There is a regrouping in the world, and U.S.-Soviet relations are vital in this process -- the question is, can we cooperate? When we do, people feel better, except for fears of condominium; but when we quarrel, people worry. Our conduct thus far has avoided the condominium idea. We cannot freeze our relations, however; we must move forward or we will fall behind. (S)

The President: I am most worried that we will not have enough time. This is fascinating. We need time, because under these philosophical points lie many specific issues. (S)

There is a significant change in U.S. attitudes toward the Soviet Union, although there is emerging suspicion. I was looking at some polls; they show strong personal support of you. This is partly because of the way you personally interact, but also because you have done things which only recently would have been impossible for Americans to contemplate. (S)

You wondered at Governors Island whether there were elements that wanted perestroika to fail. I said that, if so, it was very much a minority view; it is even more so today. We do have elements, in my party, who are still suspicious and don't want to deal from equality and mutual respect. They are a small minority. We do not intend, either directly or indirectly, to play "cards" against you: China, India, etc. That is offensive to me, and I will not engage in it. Our people are probably not sufficiently sensitive, for example, to Soviet losses in World War II. (S)

As we wrestle with arms control, not only have I become more sensitive to that issue, but all my people have as well. We are attuned to that driving point for the Soviet Union, the fact that so many lost their lives. I wanted to get that comment on the table before we get -- inevitably -- to Germany, so you would know that I am sensitive to that historical fact. (S)

We do not want winners and losers. I wrote into my arrival comments the disproportionate responsibility that the Americans and the Soviets have for world structure. We respect the standing of the Soviet Union. Yes, you have problems, but you should understand that as long as I am in this office there will be no attempt to downgrade the position which the Soviet Union

rightly occupies. You must believe my sincerity on this point as we get into detailed issues. You gave me that map at Malta with the blue flags. I asked the CIA to see how accurate your intelligence was. They gave you high marks. (S)

President Gorbachev: I am sure your data on us is even better, because your technology is better. (S)

The President: But you get it all from Congress. (S)

President Gorbachev: Not all. (S)

The President: I told Brent that we have to convince you that these flags don't mean that we are trying to surround, to encircle the Soviet Union. Some of it we can do by words; some must be by actions. The U.S. has not been a historic threat to the Soviet Union, nor vice versa. Problems arose only when the Cold War developed. (S)

I would like to go back to your first point. Obviously our commitment to democracy and freedom is well known. As we adhere to those principles, we are not trying to complicate life for the Soviet Union. (S)

There are several problems we need to discuss, here or in a bigger meeting -- however you wish. Germany heads the list of difficult questions. CFE is very important, and maybe we can make progress. I understand you have hangups there which tie into the German problem. We don't want a Soviet Union that is threatened by any power. We may have very different ideas about the future of Germany. Will they return to their old ways, or have they learned and paid their dues? I am of the latter view. I think that, after 40 years, Germany is different now. But I wouldn't want to see a Soviet Union threatened by some new force. Nor do I want to single out Germany in a way which threatens to make history repeat itself. (S)

The last point I would make is that I am respectful of the internal affairs of another country, and I know the Lithuanian problem is extraordinarily difficult. We are looking at your economic reforms to see how they will help cooperation and deepen our relationship. Gorbachev has 70% approval in U.S. opinion polls because Americans are saluting what you are doing. We want these trends to continue -- we relate to all that -- but that is entirely your business. (S)

We visualize a Soviet Union which does not seek regional gains. If you see us doing things like putting in a radical Afghan regime which seems to be against your interests, that is bad. The same is true for us with respect to Cuba. (S)

My last point brings us back to the Baltics. To the degree that we see a commitment to your own principles of self-determination, we can cooperate. I have tried to conduct myself in a constrained way because I know you have big problems. But I am being hit both on my left and on my right by those who say that I

am subordinating U.S. dedication to principle. I will be honest: some of Landsbergis' moves could look to you like putting a finger in your eye. (S)

President Gorbachev: When I have wanted to speak in strong terms on this issue, I have said that Bush would settle this in 24 hours, because in the U.S. the Constitution is respected. The pre-perestroika leadership did not have respect for our Constitution, so the people don't. Now we are moving to become a people with respect for laws. (S)

The President: I understand, but you saw Landsbergis equating me with Chamberlain because I showed too much understanding of your position. I am getting into too much detail, but I see a world in which these fundamental principles continue to be worked out in your country. We need to work together. (S)

One last point. You mentioned the arrogance of some nations. In some of our speeches we too may seem that way, although I think we are not. Many in the U.S. think the Japanese are that way, but it is in the U.S. and Soviet interest that we work together with Japan. I have recently come to that point of view, although in the war I was shot down by the Japanese. What I see is a Soviet Union which can shed its historic fears, just as the U.S. is shedding its historic fears of Japan. (S)

This is the end of my speech. I am not sure I have covered your points well; if not, we can continue. (S)

President Gorbachev: I welcome this kind of discussion. Let me take five minutes more. (Continues, despite General Scowcroft's discouragement.) The phase of perestroika that we are now going through is probably decisive. Our political system has changed in a decisive way. In the elected bodies, all the way up, we have totally new people. Those functions which were the province of the party are now done by the Supreme Soviets. This is now formalized in constitutions and in local government statutes. (S)

Looking at our union, we are now in the actual process of reforming that federation. Now we have adopted measures, which now means we must implement them. This means more self-government, etc. I sent a letter to the Council of Federations to prepare for a discussion of all this, to rebuild our federation. The difficulties will be fundamental. Different Republics may have different relationships, but our basic decision is for a free market economy. (S)

Two thirds of the speakers at the Ryzhkov plan's presentation were negative, but the next day it was 50-50. Some started to comment on the positive aspects and on how to improve them. I was in the country, but thought I should talk to the people. So I dictated something and then talked simply and directly. I think people are beginning to understand what it means, the market. I said that those who work hard and put out quality products will profit by markets. Others will have to change so

as not to be left behind. I said, let's organize a market economy -- so the next day the Supreme Soviet debate was very different. They even took the notion of a referendum off the table by a 3-1 margin. They decided that the government and the parliamentary committees will work on it together for a week and try to come together. We are not ready yet for a market economy. We have a centralized economy and we must take account of this as we move. It seems easy to you. (S)

The President: I see. But it's like being pregnant: you can't do it half-way. (S)

President Gorbachev: But neither can you have a baby in the first month. We want to avoid an abortion. We are beginning with bread because it was so distorted. I am trying to get people to understand, and it is beginning to work. We need about two years for the transition. Kendall wants to tell the two of us how to interact on this. I told him to find a time. (S)

The President: He will be here tonight; I am drinking his vodka. (S)

President Gorbachev: For us, the decisive issue is the transition to a market economy. We hope to interact with you at this moment. (S)

The President: We should talk about the practical end of it. Jim has described your talk with him. We have differences, but let's talk about them. (S)

President Gorbachev: We need maneuvering room during this transition. The sums are not very big, but it is important that they be available. The U.S. would not need to provide it all, but you should be supportive. It is important that we not fail in this effort. (S)

The President: I agree, but you must know about my political constraints. At the plenary, I will call on you to discuss what you wish and we will go on from there. I have no surprises. (S)

President Gorbachev: Good. (S)

The President: Our Vice President is very well connected to our right wing. He has had a difficult time with our press, but he can be very helpful with arms control, etc. I wanted him to be involved as much as possible for that reason, and I would like to have him join us for a moment. (S)

(End of one-on-one)

(At the end of the one-on-one discussions, the Vice President joined the meeting for a few minutes.)

1/15

P Welcome - open as/along this your neighborhood.

We want neighborhood as successful. No hidden agenda & will be brief. Invited Princesses to present

To outside world

One more thing - we have this mtg, then 4 guided mtgs then CD, w/ you not Thurs Robin Edward. & think a great reason will not recommended. No press, no leaks - just put reporters feet & talk. That is how & see it unfolding.

Similar questions: could be in W.H. & not a deployment have studied now - & have no intention of becoming one. & believe current time is such we need to understand each other allies as/ respect to each other & others which are problematic. Discuss your approach to this mtg. It should have a positive result. & yes we need a decision that ___

2/15

I think our colleagues can complete
our revising work. Our mission
is to complete our phil discussion
we discussed even in 87 &
then at Malta. We said
in 92 if you were
elected we would want to
continue our work w/ Reagan.
Then we took the step
further at Cross Island. Even
I believe we did a report thing
at Malta - not admitting PR
moral unity.
I would like to salute you. After
Malta, events were dallying &
then I could have gone directly to
Malta & smiled knowing there
The process continue pushing
one step beyond Reagan. That
makes this trip even more
important
Let me make several points to
begin our phil exchange
I think you agree that
center of world politics is in S.U.
What happens there is of vital con-
cern for you & me world. I
realize & politics you have
stuck to. I know it not easy

3/15

as it is vast for me. Giving credit to our predecessors, we have to accept that we made special gifts at this watershed of history. Our position & response remains in history. We cannot avoid that resp. The fact not using all forms of deciding is inappropriate.

Let me outline a 1st point of my thesis - they have not changed basically since Reagan period.

(1) Since we are in radically new phase our relations are ruled radically by views of & approach to each other. You may or may not agree, but a confrontation we got into after WW II would cost time & energy while others - France remained - were moving ahead. Now they (many of them) are behaving very arrogantly. Yap everyone is more effectively to Syria, US, & to Europe. Even though it's a very powerful center in Europe & areas around Europe countries like China, India & developing world are moving. The world is changing in dramatic ways. US alone stays

4/15

its power, can't lead a world order. Playing "cards" against each other is not the way to go. What kind of country would we be if the other to lose.

We don't want a weaker US, as / unfriendly interests would create instability and in US political circles it is gradually becoming ~~not~~ popular to see a stronger and democratic SU developing. Perestroika is how we hope & want that happens. Towards SU progressive, dynamic, pro turned to outside world & US. If you analyze our statements & activities you will see we are not trying to surprise US interests, esp security. This is our choice, & we are trying to get all sectors of our society to accept this. Not easy but are making progress. As a result, a image of US as hostile & aggressive power is fading. But, realistically, - I must be honest - ~~every~~ day I get reports that there are many in SU telling me US is continuing to arm & is trying to take advantage of perestroika

(3)

5/15

to seek unilateral advantage. That not surprising - you must have a same kind of people.

P why do people think this way in a period of budget cuts + so forth.

G Public opinion as a whole is supportive + supports our policy. But at sometimes some (4) special interests & are suspicious - eg vocal veterans, c military & also in mid-size business complex. Our lawmakers must want predictability & (5) guarding e.g. I believe our policy will get more + more support. But our people will follow very closely + steps taken by US, esp in security. Let me conclude on this 1st point. I think we should build on what we have started, keep it going, + accelerate it. People in S will judge your policy by your attitude toward perestroika + trade & peace. Most important right now as our system is moving to open up is that there is not fair play. That could lead to a reversion to old ways, a sliding back from c accelerations policies we want to pursue.

6/15

I say this because news in our press says Gorb is weak & you should press your advantage. I read your task to this policy for better relations & supported perestroika. That exists for US intellects, but won't get us to where we approach it & I am sure world does as well. As we take steps in various areas that will stimulate more contact & better understanding. I have told Soviets that those who w/us now will be remembered - those who stand on sidelines will lose in a long run.

This is a central point in my observations. All other points are subsidiary so I would like to emphasize it. There is a reshaping in a world of US-Sov relations are vital in this - can we cooperate, when we do, people feel better, even for years of confrontation, but when confronted, people worry. Our task for this world of confrontation ideal. We can't freeze our relations, we must move forward as

I'll be back

P & must worried we won't have

7/15

every time. This fascinating. We read this because under these plot points lie many specific roots.

There is no change in US attitude toward S.C. tho there is ongoing suspicion. Jews looking at sure polls - they are strong in personal support for you. Partly because of c many you personally entrust, but also cause you Israel & Thing which only recently would have been impossible for Arabs. To contemplate. You did at Camp D. and identify there were elements wanting peace to fail. I said if so it was very minor - never more so today. We do have elements - in my party - who are still sceptical don't want to deal from equality & mutual respect. They are a small minority. We do not understand clearly or underneath - To play "cards" against you - China, India, etc. That is of genuine to me & I will not engage in it.

8/15

Am people prob not suf. sensitive to Sov losses, for example, in WW II. As are ~~we~~ irritated w/ P.C., not only have I become more sensitive to that issue, but all my peeps as well. We are turned to that known point for SC - that so many lost their lives. I wanted that comment on a table before me yet - inevitably - to be sure you would know I am sensitive to that historical fact. We don't want winners & losers. I made into my remarks a disproportionate resp. the US & Sov have for world structure. (Reads 2 sentences from cards).

(Speech writers comment) ↑ (4) → annual

We respect & standing of SC. Yes you have pols. Understood, so long as I am this office there be no attempt to downgrade or position which SC rightly occupies. You must believe my sincerity as this point as we get into detailed issues. You gave me a map of Malta w/ blue plays. I asked CIA to see how accurate your intel. They gave you high marks.

↳ I sure your data are as is even better cause your Tech is better.

9/15

P But you get it all your way (5)
G not all
P I told Brent we have to convince you these flags don't mean we are trying to surround, to encircle - S.U. Sure of it we can do by words, some must be by actions. The U.S. has not been hostile to S.U., & vice versa. Only before Cold War end.

Back to your 1st point. Obviously our extent to diversion & pressure is well known. As we adhere to those principles we are not trying to antagonize Sig for S.U. The are several points we need to discuss - like, ex: Angola etc - however you wish. Genscher heads a list of dip. questions. CFE is very important & maybe we can resolve prog - understand, you have [barriers] those which tie into Geneva ppb.

We don't want SU threatened by our goals. We may have very diff ideas about future of Ger. Will they return to their old coop or have they learned paid their dues. I of the latter view. I think

10/15

after 40 yrs, that can is big now. Kent wdn't want to see a SC threatened by some new force. Don't want to bungle out Cen in way which threatens to make history repeat itself.

The last point I would make is I am respectful of internal affairs of another country + I know Lith is extraordinarily def. We look at ecn reforms + see how that will help cooperation + deepen our relationship. Only 20% in US polls because US admiring what you are doing. We want this trends to continue - can relate to all that - but that is all your business. We recognize a SC which doesn't seek regional gains. If you see ics doing things putting in a rapid regime seem to be like Afghan + Chechnya against your interest - that bad. Likewise is Cuba for us.

My last point - back to Baltics - to deepen ties see content to your own principles of self det's, we can coop. I have encouraged ppl to with - I have tried to conduct myself in a constructive way cause I know you have big probs. But I bring it to my

11/15

both left + right by those who say
have subordinating US dedication
to principle. Del be hurt, ~~serve~~
~~Hands~~ moves could look to
them like he putting finger in
your eye.

G When I wanted to speak in strong terms on this issue, I say Bush would settle this in 24 hrs because in US Const is repealed.
The pre-peres leadership didn't have respect for our laws, so - people don't. Now we running to a people w/ respect for laws.

P Understand - but you saw hands exerting me to Charleston cause I should too much understand your position.
Getting into too much detail, but I see a world in which these fundamental principles continue to be worked out in your country.
We need to work together
Not persist. Your unanimity encouragement of your values. Re some of our speeches we may seem that way, tho I think we aren't. Many in US think Japs see that way. But it in US / SC interest that we work

12/16

w/ I agree together. I ~~was~~ have recently come to that point — I was shot down by Japs.

What I tell is a SU which enriched its historic peers, just as US is shedding its historic peers I began. End of speech. Not sure I answered your point well, but we can continue.

I welcome this kind of discussion let me take 5 min. more (1 discussed at a time)

The phased peers we were going there is pro-democracy. Pol system has changed in deep int way. In elected bodies all ~~were~~ reps can and totally new people. Those functions which were Party are now done by Soviets. This were formalized in Cons & local govt statutes. No thing at our door, we now in actual process of reforming that federation. Now we have adopted measures which now we must implement them. More self govt, etc. I sent a letter to Council of Fed to prepare for discussion of such ideas, to rebuild our federation. The dy will be

fundamental. Dif. people may have dif types of relationship. But our basic decision is for market economy. 2/3 of speakers at Rayburn plan presentation were negative. There was a lot of shops. But next day it was 50-50. Some started to concentrate on positive aspects & how to improve them. I was in country but that I should talk to people - so I debated something & then talked simply & directly. I think people beginning to understand what it means - the market. I said those who work hard & protect quality, they will profit by markets. Others will learn to change so as not to be left behind. I said let's organize a market economy. So next day I debate in Sup Soviet was my dif. They even took a motion of referendum off - Table by 2-1. They decided a Court & part. Russ will work out it together for a week & try to come together. We not ready yet for market economy. We are Cent Govern & we must take account of this as we move. It seems easy to you.

P I see. But it's like like being preg. Can't do it half way

G But within can you have a baby 1st month. We don't to avoid an abortion.
We beginning w/ bread cause it so destorted. Trying to get people to understand - beginning to work. We will about 2 years to transition Kendall wants to talk 2 of us how to contract in this. I said let him finish - time

P He will on here Tonight. Dis drinking his vodka.

G For us, a decision issue is a transition to market economy. We hope to interact w/ you at this moment

P We should talk about a practical end of it - Jim has described your talk. We handle but let's talk about them

G We need maximum coordinating this transition. The seems decent very big but it important they be available - US not to provide at all, but be supportive. Important we not lose this effort

P Agree, but you must have a dont any political constraints.

157
115

at plenary I will call on you to discuss what you wish & we will go from there. Thank no surprises.

G Good

P Our VP is very well connected D our right wing. Had dif time W/ over pres, but he can be very helpful w/ AC, etc. Wanted him to be

---

Good points
endorsed to begin discussion
of all issues

Corr. Review of U.S - Sov + regional
+ other affairs.

Columbia translation
equip

~~SECRET~~/SENSITIVE

DECLASSIFIED
PER E.O. 13526
2011-0841-NR
BS 6/18/13

THE WHITE HOUSE

WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with President Gorbachev

PARTICIPANTS: The President
Brent Scowcroft, Assistant to the President for National Security Affairs

President Gorbachev
Anatoliy Chernyayev, Aide to the General Secretary

DATE, TIME AND PLACE: May 31, 1990, 10:54 - 12:45 p.m.
Oval Office

The President: Welcome. We can open with anything you wish. We want this meeting to be seen as successful. We will try hard for a sense of success to present to the outside world. One more thing: we have this meeting, then expanded meetings, then Camp David, with you and me, then Baker and Shevardnadze. I think the private sessions will be most remunerative. There should be no press and no leaks. That is how I see it unfolding. (S)

President Gorbachev: My sincere greetings. It is good to be here in the White House. I am not a diplomat -- you have studied me -- I have no intention of becoming one. I believe the current time is such that we need to understand each other and to develop policies with respect to each other, and to others, which are predictable. I share your approach to this meeting. It should have a positive result. I am sure we can achieve that. (S)

I think our colleagues can complete the reviewing work. Our mission is to complete the philosophical discussion on issues we discussed even in 1987 and then at Malta. We said in the former meeting that if you were elected we would want to continue the work begun with President Reagan, and we took a further step at Governor's Island. Then, I believe we did the right thing at Malta by not waiting for a formal meeting. (S)

I would like to salute you. After Malta, events were developing, and they could have gone differently without Malta and the understandings we reached there. The processes continue, putting an even heavier load on us. That makes this meeting even more important. Let me make several points to begin our philosophical exchange. I think you agree that the center of world politics is the Soviet Union. What happens there is of monumental importance for you and the world. I value the positions you have stuck to. I know it is not easy, as it is not easy for me. (S)

While giving credit to our predecessors, we have to accept that

we have a special task at this watershed in history. We cannot avoid that responsibility. The fact that we are using all forms of dialogue is appropriate. Let me outline the first point of my thoughts; these have not changed basically since the Reagan period. (S)

First, since we are in a radically new phase of our relations, we need a radically different view of, and approach to, each other. You may or may not agree, but the confrontation we got into after World War II wasted our time and energy, while others -- the former vanquished -- were moving ahead. Now they (the vanquished) are behaving very arrogantly. Japan's empire is now extending to you, to us, and to Western Europe. Germany likewise is a very powerful center in Europe and areas around Europe. Even countries like China and India in the developing world are moving. The world is changing in dramatic ways. The U.S. alone, despite its power, can not lead the world by itself. Playing "cards" against each other is not the way to go. (S)

What kind of country would each like the other to be? We don't want a weaker U.S. with infringed interests -- this would create instability -- and in U.S. political circles it is gradually becoming popular to see a stronger but democratic Soviet Union developing. Perestroika is how we hope to make that happen. We are moving toward a Soviet Union that is progressive, dynamic, free and turned toward the outside world and the U.S. If you analyze our statements and our initiative, you will see that we are not trying to infringe upon U.S. interests, especially security. (S)

This is our choice, and we are trying to get all sectors of Soviet society to accept this. It is not easy, but we are making progress. As a result, the image of the U.S. as a hostile and aggressive power is fading. But, realistically -- I must be honest -- every day I get reports; there are many in the Soviet Union telling me the U.S. is continuing to move and is trying to take advantage of perestroika to seek unilateral advantage. That is not surprising; you must have the same kind of people. (S)

The President: Why do your people think this way in a period of budget cuts and so forth? (S)

President Gorbachev: Public opinion as a whole is supportive and backs our policy. But at the same time some signal vigilance and are suspicious, for example war veterans, the military, and also the military/industrial complex. On balance, most want a good relationship and are for expanding cooperation. I believe our policy will be getting more and more support, but our people will follow very closely the steps taken by the U.S., especially in the security field. Let me conclude on this first point. I think we should build on what we have started, keep it going, and accelerate it. People in the Soviet Union will judge your policy by your attitudes towards perestroika and towards trade and finance. (S)

The most harmful thing right now as our system is moving to open

up is that there is not fair play. That could lead to a reversion to old ways, a sliding back from the ambitious policies we want to pursue. I say this because some in your press say that Gorbachev is weak and you should press your advantage. I am glad you have taken a firm policy line in favor of better relations and support of perestroika. That was in the U.S. interest, but I want you to know we appreciate it and I am sure the world does as well. As we take steps in various areas that will stimulate more contact and a better interrelationship, I have told international business that those who are with us now will be remembered, and those who stayed on the sidelines will lose out in the long run. (S)

This is a central point in my observations. All other points are subsidiary, so I would like to re-emphasize it. There is a regrouping in the world, and U.S.-Soviet relations are vital in this process -- the question is, can we cooperate? When we do, people feel better, except for fears of condominium; but when we quarrel, people worry. Our conduct thus far has avoided the condominium idea. We cannot freeze our relations, however; we must move forward or we will fall behind. (S)

The President: I am most worried that we will not have enough time. This is fascinating. We need time, because under these philosophical points lie many specific issues. (S)

There is a significant change in U.S. attitudes toward the Soviet Union, although there is emerging suspicion. I was looking at some polls; they show strong personal support of you. This is partly because of the way you personally interact, but also because you have done things which only recently would have been impossible for Americans to contemplate. (S)

You wondered at Governors Island whether there were elements that wanted perestroika to fail. I said that, if so, it was very much a minority view; it is even more so today. We do have elements, in my party, who are still suspicious and don't want to deal from equality and mutual respect. They are a small minority. We do not intend, either directly or indirectly, to play "cards" against you: China, India, etc. That is offensive to me, and I will not engage in it. Our people are probably not sufficiently sensitive, for example, to Soviet losses in World War II. (S)

As we wrestle with arms control, not only have I become more sensitive to that issue, but all my people have as well. We are attuned to that driving point for the Soviet Union, the fact that so many lost their lives. I wanted to get that comment on the table before we get -- inevitably -- to Germany, so you would know that I am sensitive to that historical fact. (S)

We do not want winners and losers. I wrote into my arrival comments the disproportionate responsibility that the Americans and the Soviets have for world structure. We respect the standing of the Soviet Union. Yes, you have problems, but you should understand that as long as I am in this office there will be no attempt to downgrade the position which the Soviet Union

rightly occupies. You must believe my sincerity on this point as we get into detailed issues. You gave me that map at Malta with the blue flags. I asked the CIA to see how accurate your intelligence was. They gave you high marks. (S)

President Gorbachev: I am sure your data on us is even better, because your technology is better. (S)

The President: But you get it all from Congress. (S)

President Gorbachev: Not all. (S)

The President: I told Brent that we have to convince you that these flags don't mean that we are trying to surround, to encircle the Soviet Union. Some of it we can do by words; some must be by actions. The U.S. has not been a historic threat to the Soviet Union, nor vice versa. Problems arose only when the Cold War developed. (S)

I would like to go back to your first point. Obviously our commitment to democracy and freedom is well known. As we adhere to those principles, we are not trying to complicate life for the Soviet Union. (S)

There are several problems we need to discuss, here or in a bigger meeting -- however you wish. Germany heads the list of difficult questions. CFE is very important, and maybe we can make progress. I understand you have hangups there which tie into the German problem. We don't want a Soviet Union that is threatened by any power. We may have very different ideas about the future of Germany. Will they return to their old ways, or have they learned and paid their dues? I am of the latter view. I think that, after 40 years, Germany is different now. But I wouldn't want to see a Soviet Union threatened by some new force. Nor do I want to single out Germany in a way which threatens to make history repeat itself. (S)

The last point I would make is that I am respectful of the internal affairs of another country, and I know the Lithuanian problem is extraordinarily difficult. We are looking at your economic reforms to see how they will help cooperation and deepen our relationship. Gorbachev has 70% approval in U.S. opinion polls because Americans are saluting what you are doing. We want these trends to continue -- we relate to all that -- but that is entirely your business. (S)

We visualize a Soviet Union which does not seek regional gains. If you see us doing things like putting in a radical Afghan regime which seems to be against your interests, that is bad. The same is true for us with respect to Cuba. (S)

My last point brings us back to the Baltics. To the degree that we see a commitment to your own principles of self-determination, we can cooperate. I have tried to conduct myself in a constrained way because I know you have big problems. But I am being hit both on my left and on my right by those who say that I

am subordinating U.S. dedication to principle. I will be honest: some of Landsbergis' moves could look to you like putting a finger in your eye. (S)

President Gorbachev: When I have wanted to speak in strong terms on this issue, I have said that Bush would settle this in 24 hours, because in the U.S. the Constitution is respected. The pre-perestroika leadership did not have respect for our Constitution, so the people don't. Now we are moving to become a people with respect for laws. (S)

The President: I understand, but you saw Landsbergis equating me with Chamberlain because I showed too much understanding of your position. I am getting into too much detail, but I see a world in which these fundamental principles continue to be worked out in your country. We need to work together. (S)

One last point. You mentioned the arrogance of some nations. In some of our speeches we too may seem that way, although I think we are not. Many in the U.S. think the Japanese are that way, but it is in the U.S. and Soviet interest that we work together with Japan. I have recently come to that point of view, although in the war I was shot down by the Japanese. What I see is a Soviet Union which can shed its historic fears, just as the U.S. is shedding its historic fears of Japan. (S)

This is the end of my speech. I am not sure I have covered your points well; if not, we can continue. (S)

President Gorbachev: I welcome this kind of discussion. Let me take five minutes more. (Continues, despite General Scowcroft's discouragement.) The phase of perestroika that we are now going through is probably decisive. Our political system has changed in a decisive way. In the elected bodies, all the way up, we have totally new people. Those functions which were the province of the party are now done by the Supreme Soviets. This is now formalized in constitutions and in local government statutes. (S)

Looking at our union, we are now in the actual process of reforming that federation. Now we have adopted measures, which now means we must implement them. This means more self-government, etc. I sent a letter to the Council of Federations to prepare for a discussion of all this, to rebuild our federation. The difficulties will be fundamental. Different Republics may have different relationships, but our basic decision is for a free market economy. (S)

Two thirds of the speakers at the Ryzhkov plan's presentation were negative, but the next day it was 50-50. Some started to comment on the positive aspects and on how to improve them. I was in the country, but thought I should talk to the people. So I dictated something and then talked simply and directly. I think people are beginning to understand what it means, the market. I said that those who work hard and put out quality products will profit by markets. Others will have to change so

as not to be left behind. I said, let's organize a market economy -- so the next day the Supreme Soviet debate was very different. They even took the notion of a referendum off the table by a 3-1 margin. They decided that the government and the parliamentary committees will work on it together for a week and try to come together. We are not ready yet for a market economy. We have a centralized economy and we must take account of this as we move. It seems easy to you. (S)

The President: I see. But it's like being pregnant: you can't do it half-way. (S)

President Gorbachev: But neither can you have a baby in the first month. We want to avoid an abortion. We are beginning with bread because it was so distorted. I am trying to get people to understand, and it is beginning to work. We need about two years for the transition. Kendall wants to tell the two of us how to interact on this. I told him to find a time. (S)

The President: He will be here tonight; I am drinking his vodka. (S)

President Gorbachev: For us, the decisive issue is the transition to a market economy. We hope to interact with you at this moment. (S)

The President: We should talk about the practical end of it. Jim has described your talk with him. We have differences, but let's talk about them. (S)

President Gorbachev: We need maneuvering room during this transition. The sums are not very big, but it is important that they be available. The U.S. would not need to provide it all, but you should be supportive. It is important that we not fail in this effort. (S)

The President: I agree, but you must know about my political constraints. At the plenary, I will call on you to discuss what you wish and we will go on from there. I have no surprises. (S)

President Gorbachev: Good. (S)

The President: Our Vice President is very well connected to our right wing. He has had a difficult time with our press, but he can be very helpful with arms control, etc. I wanted him to be involved as much as possible for that reason, and I would like to have him join us for a moment. (S)

(End of one-on-one)

(At the end of the one-on-one discussions, the Vice President joined the meeting for a few minutes.)

1/15

P Welcome - open as/along this your visit.
We want nothing seen as unexpected. No hidden agenda & will try to have [illegible] to present
To outside world
One reaction - we have this (1) nutty, thin & padded notes (2) ✓ then C D, w/ you we (two) Baker Edwards. & thank a great response will most remunerative. No press, no leaks - just part report feet & talk. That is how I see it unfolding
b Similar questions could be in W H. I not a deployment you have studied now - I have no intention of becoming one. I believe current time is such we need to understand each other [Hay] policies as/ respect to each other & others which are predictable. Does your approach to this unfold. It should have a positive result. I see no such a chance that ——

I think our colleagues can complete
c revising work! Our mission
is to complete c phila discussion
we discussed even in 87 &
then at Malta. We said
in c am if you were
elected we would want to
continue c work w/ Reagan.
Then we took the step
further at Cross Island. From
Helsinki we did c right thing
at Malta - not wavering for
moral unity.
I would like to salute you. After
Malta, events were rolling &
then I could have gone directly to/to
Malta & smiled knowing that
the process continued pushing
on when heaven had it easy. This
makes this unity even more
important
Let me add several points to
begin our phil exchange
I think you'd agree that c
center of world politics is in S.C.
What happens there is of vital con-
cern for you & me world. I
value c decisions you have
struck to - I know it not easy

as it is vast for me. Giving credit to our predecessors, we have to accept that we made special steps at this watershed of history. Our position & resp es. emerge in history. We can't avoid that resp. The fact we respect all forms of decision is appropriate.

Let me outline a 1st point of my Thes - they have not changed basically since Reagan period.

(1) Since we are in radically new phase our relations are related radically new views of & approach to each other. You may or may not agree, but a fundamental shift after WW II needed our time & energy, while others - France remained - were moving ahead. Now these (remained) are behaving very arrogantly. Jap europe ties more effectively to Japan, us, & to Europe. Each theory is a very powerful center in Europe & areas around Europe countries like China, India & developing world are moving. The world is changing in dramatic ways. US alone depts

its power, can't lead a world alone. Playing "cards" against each other is just a way to go. What kind of country would we be if other to live.

We don't want a weak US, as / unfriendly interests would create instability and in US political circles it is gradually becoming ~~the~~ popular to see a stronger and democratic SU displayed. Perestroika is how we hope & want that happens. Towards SU progressive, dynamic, free turned to outside world & US. If you analyze our statements & activities you will see we are not trying to surprise US interest esp security. This is our choice & are trying to get all sectors of our society to accept this. Not easy but are making progress. As a result, a image of US as hostile & aggressive power is fading. But, regrettably, I must be honest- ~~Every~~ day I get reports that there are many in SU telling me US is continuing to arm & is trying to take advantage of perestroika

(3)

5/15

To seek unilateral advantage. That not surprising - you must have the same kind of people.

P Why do people think this way in a period of budget cuts & so forth

G Pluralism as a whole is responsive & supportive of our policy. But

(4) at sometimes some special interests & are suspicious - eg veterans c military & also in mil-indus complex. One lesson must want

(5) good relations & pursuing coop. I believe our policy will get more support. Bcos our people will follow very closely & step taken by US, esp in secret. Let me conclude on this 1st point. I think we should build on what we have started, keep it going & accelerate it. People in G will judge your policy by your attitude toward perestroika & trade & peace must happen right now as soon as system is moving to open up is that there is not fair play. That could lead to a reversion to old ways, a sliding back from a multipolar policies we want to pursue.

6/15

I say this because some in our press say Gorb is weak & you should press your advantage. I feel you took this policy for better relations & support of perestroika. That exists for US interests, but won't count to those we oppose & I am sure world does as well. As we take steps in various areas that will stimulate more contact & better understanding. I have told Soviets that those who w/us now will be remembered - those who [illegible] on sidelines will lose in a long run.

This is a central point in my observations, all other points are subsidiary so I would like to emphasize it. There is a reshaping in a world of US-Sov relations are vital in this - can we cooperate when we do, people feel better, even for years of confrontation, but advanced arsenal, people worry. Our [illegible] this for his world confrontation idea. We can't freeze our relations tho, we must move forward or fall behind

P & most worried we won't have

7/15

every time. This frightening. We read this because under those (plus) points lie many specific cases.

There is no change in US attitude toward S.C., tho there is lingering suspicion. Jews looking at our polls - they are strong in personal support for you. Partly because of economy you personally entrust but also cause your Democratic Party which only recently would have been impossible for Jews. To be complete - You did at first and reluctantly there were elements wanting peace to fail. I said if so it does very minor mischief - fewer more so today. We do have elements - in my party - who are still suspicious & don't want to deal from equality & mutual respect. They are a force numerically. We do not understand directly or indirectly - to play "cards" against you - China, India, etc. That is of genuine to me & I will not engage in it.

8/15

Our people prob not sufficiently sensitive to Sov losses, for example, in WW II. As we [illegible] w/ AC, naturally have become more sensitive to that issue, but all my people are. We are turned to that known point for SC - that so many lost their lives & wanted that commitment on a table Khrushchev - incidentally - to know so you would know I am sensitive to that historical fact. We don't want winners & losers. I make into my annual comments a disproportionate reference to US & Sov have for world structure.

(Speech writers comment) ↑ (4) → (Reads 2 sentences from cards)

We respect standing of SC. Yes you have pols. Understood, so long as I am this office there be no attempt to downgrade position which SC rightly occupies. You must believe my sincerity on this point as we get into detailed issues. You gave me a map of Malta w/ blue flags. I asked C.I.A. to see how accurate your intel. They gave you high marks.

↑↑

← I sure your data are as is even better cause your (Tech) is better.

9/15 (5)

P But you get it all your way
G not all
P I told Brent we have to convince you these flags don't mean we are trying to surround, to encircle - SC. Some of it we can do by words, some must be by actions. The US has not been hostile to SC, & vice versa. Only since Cold War came.

Back to your 1st point. Obviously our intent to deter enemy & preserve is well known. As we adhere to those principles we are not trying to encapsulate Cuba or SC. That we are seeking peace we need to discuss - here, via Guyana, wherever you wish. Get your head out of dig. questions. CFE is unimportant & maybe we can resolve prog - understand. You have [lumping] these which tie into Geneva Conv.

We don't want SC threatened by our goals. We may have very diff ideas about future of Cuba. Will they return to their old corrupt ways or have they learned paid their dues. I of the latter view. Think

10/15

after 40 yrs, that can is ~~be~~ big now. Rest wd ~~don't~~ want to see a SC threatened by some new force. Don't want to single out Cen in way which threatens to make history repeat itself.
The last point I cd make is I am respectful of cultural aspects of another country + I know Lith is extraordinarily def. We look at ecn reforms + see how that will help cooperation + deepen our relations. ~~We~~ Gorb 70% in US polls because US admiring what you are doing. We want this trend to continue - can relate to all that - but that is all your business. We recognize a SC which doesn't seek regional gains. If you see ics doing things ~~to~~ like ~~if you~~ putting in a rapid response force to ~~get~~ get your interest - that bad. Wd concur in ics for us.
My last point - back to Baltics - to deepen we see current to your own principles of self det, we can coop. I have enormous probs at home - I have tried to conduct myself in a constrained way cause I know you have big probs. But I bring with my

both left + right by those who [illegible] subordinating US dedication to principle. Will be honest, [illegible] hands moves could look to [illegible] like he putting finger in your eye.

G When I wanted to speak in strong terms on this issue, I say Bush would settle this in 24 hrs because in US Congress is respected.
The pre-pares leadership didn't have respect for each other, so = people don't. Now we running to a people w/ respect for each.

P I understand - but you saw hands expecting me to Chamberlain cause I should too much understand your position.
Something into too much detail, but I see a world in which the fundamental principles contain to be worked out in your country. We need to work together.
Not perfect. You encountered embarrassment of past rulers. Re some of our speeches we may seem that way, tho I think we decent. Many in US think Japs see that way. But it in US/SC interest that we work

w/ I agree together. I ~~would~~ have recently come to that point — I was shot down by Japs.

What I sell is a SU which ~~can~~ should its historic peers, not as US is shedding its historic peers of Japan. End of speech. Not sure I conveyed your point well, but we can continue.

6 I welcome this kind of discussion let me take 5 min. more (1 disagreed at a time)

The place of peers we are now going thru is pro-democ. Pol system has changed in decent way. Re elected bodies all ~~over~~ [over] up can and totally new people. Those functions which our Party are now done by a Soviets. This were formalized in Cnsts & local govt statutes. Nothing at our door, we now in actual process of reforming that federation. Now we have adopted measures which now we must supplement them. More self govt, etc. I sent a letter to Council of Fed to prepare for discussion of all this, to rebuild our federation. The day will be

7

fundamental. Dif regards may have dif types of relationship. But our basic decision is free market economy. 2/3 of speakers at Rayburn plan presentation were negative. There was a recession shops. Bi next day it was 50-50. Some started to convert & positive approach & how to improve them. I was in country but that I should talk to people - so I decided something & then talked simply & directly. I think people beginning to understand what it means - the market. I said those who work hard & protect quality they will profit by market. Others will learn to change so as not to be left behind. I said let's organize a market economy. So next day a debate in Sup Soviet was run by. They even took a motion of referendum off the Table by 3-1. They decided a Govt & parl. Russia will work out it together for a week & try to earn together. We not ready yet for market economy. We are Cond economy & we must take account of this as we move. It seems easy to you.

P I see. But it's like like being preg. Can't do it half way

G But within can you have a baby 1st month. We don't want to avoid an abortion.
We beginning w/ dread cause it so distorted. Trying to get people to understand - beginning towns. We will about 2 years to transition Kendall wants to talk 2 of us how to contract in this. I said let him finish time

P He will on here Tonight. Did drinking this workbo.

G For us, a decision issue is a transition to market economy. We hope to contract w/ you at this moment

P We should talk about a practical end of it - Jim has described you talk. We handle but let's talk about them

G We need maximum coordination this transition. The seems decent way but it important they be available - US not to provide let all, but be supportive. Important we don't lose this effort

P Agree, but AID must have about any political constraints.

at plenary I will call on you to discuss what you wish & I will go over them. I have no surprises.

G Good

P Our VP is very well connected D our right wing. Had dif time W/ her pres, but he can be very helpful w/ AC, etc. Wanted him to be

---

Good points
welcomed to begin discussion
of all issues

Corr. Review of U.S - Sov + regional + other affairs.

Columbia translation
equip

~~SECRET~~

THE WHITE HOUSE

WASHINGTON

DECLASSIFIED
PER E.O. 13526
2011-0841-NLR
6/18/13

MEMORANDUM OF CONVERSATION

SUBJECT: Meeting with President Gorbachev

PARTICIPANTS: The President
Brent Scowcroft, Assistant to the President for National Security Affairs

President Gorbachev
Anatoliy Chernyayev, Aide to the President

DATE, TIME AND PLACE: June 1, 1990, 11:00-11:48 a.m.
Oval Office

President Gorbachev: This visit is a major event. The atmosphere is important. The meeting with Congressional leaders led me to believe there is now a new atmosphere. My contacts with ordinary people show a real change for the better. Thanks for your cooperation--you can count on mine. (S)

I told Congressional leaders we were worried about the trade agreement. We looked on it as an organic part of the summit--equal with START. These two were the principal pillars of the summit. Business people have been visiting--they now feel they have a chance. In practical terms, an agreement would not cause much of an increase in real trade for years. But an agreement would let a serious business effort begin. The Japanese and Germans, who are everywhere, would not have a monopoly. Of course, we could say that since we are working well with the Europeans, why worry about a trade agreement with the U.S. I am looking to the long term. Our long-term relations cannot thrive without a trade underpinning. (S)

The President: I agree. (S)

President Gorbachev: Moreover, we are moving to a market economy, closer to the U.S. If this visit included an agreement, this would be an important political signal. I wanted to emphasize these points. (S)

The President: What you said last night made a real impression on me. Here is my letter to you (President read the letter). The letter has never been made public. I wanted to explain to you how our political process works. You think Lithuania is an internal matter, but it has a real impact on my political situation. We want a trade agreement. It is in the U.S., and I hope, in the Soviet, interest. If not for Lithuania we wouldn't be discussing this issue at all. I was hopeful when you sat down with Mrs. Prunskiene. You heard Mitchell and his linking it with the People's Republic of China. What you saw was political

~~SECRET~~

linkage. How do we get out of it? (S)

President Gorbachev: I didn't feel Congress had a real cerebral problem with it. I talked with Bentsen also who was positive. (S)

The President: If a dialogue went on, and the blockade were lifted, the agreement would go through in a minute. The only hangup is Soviet economic might being used against Lithuania and the absence of dialogue. I understand why you can't have us in your internal affairs and I don't want to. But it is a dilemma. I know Congress. I know I can't get it through Congress with the present situation. (S)

President Gorbachev: We have each made our points. I can't force you to agree with my points. You have chosen the Baltics over me and let's leave it at that. (S)

The President: But what are the chances of getting talks going? You have said you would do that. (S)

President Gorbachev: As I told Congress, I favor a dialogue within a constitutional framework, but I won't talk outside of that framework. I want to return to the original situation and proceed toward discussing proceedings. I have some more words. Lithuania is progressing toward some kind of dialogue when I return. (S)

The President: Maybe we can discuss this tomorrow. Because of history, we have a special problem with Lithuania. We want a trade deal. I don't want to publicize any conditions because that makes it look like I am dictating to you. But there is no point in sending up legislation and having the hell kicked out of it. (S)

President Gorbachev: OK. I see you have given thought to this. I see no way to work harder. We are without a trade deal today and have been without a trade deal for many years. This is not a life and death issue. But everyone knows a trade deal was part of our summit. So we have some explaining to do. (S)

The President: I know. They were yelling at me yesterday. It troubles me because I want this summit to be a success. Let's try to work it out. (S)

President Gorbachev: It is more my problem. I have explained it to you and know it is in your hands. (S)

The President: Let me ask about my April 27 letter. I wonder whether you actually saw that letter. Our bureaucracy..... (S)

President Gorbachev: Mr. President, I read everything. (S)

The President: OK. Last night, you didn't seem to be familiar with it. (S)

President Gorbachev: It can't happen that a letter from the President of the United States wouldn't be shown to me. They would not last on my staff if that happened. Let us say our concerns about the Baltics are as deep as yours. We want to find a solution because otherwise it would be a blow to Perestroika. But life is not always under our own control. (S)

The President: Let me give it some more thought and we will discuss it again tomorrow. (S)

- End of Conversation -

NATIONAL SECURITY COUNCIL

July 2, 1990

Note for Florence Gantt

I have attached General Scowcroft's notes from the June 1 one-on-one with Gorbachev for your files.

I gave you the finished memcon on this meeting last week.

Nick Burns NB

G This visit a major event. Atmos is important & Congress led us to believe there is a new atmos. Yr many contacts w/ ordinary people show a real change for better. Thanks for your resp - your concurrent on mine.

Worried about trade agreement - Told Cong leaders. We looked on it as organic part of summit - equal w/ START. These 2 were principal pillars of summit. Since then people have been reacting - they now feel they have a choice. On practical terms a agreement would not make much change, trade for gas. But agreement would let a common business effort begin. The Germans who are everywhere - won't have a monopoly. Of course, we could say SU working well w/ E Europe, why worry about agreement. I'm saying long term - our long term relations won't exist in vacuum w/o a trade underpinning.

P I agree

G Moreover, we are moving to market economy & ∴ closer to US. By this visit we sealed agreement, this would

be an important political angle. I wanted to emphasize these points.

P What you didn't say might create a real impression. Here is my letter to you (Reads). Letter never been made public. Wanted to explain to you how our political process works - you think Ltr an internal matter - but it has real impact on my politics. We won't a trade agreement. It is in US + I hope Sov interest. If not for Ltr we could not be discussing this visit at all. I was hopeful when you said you would meet w/ Pres when you heard Mitchell + linking it w/ PRC. What you said was political linkage. Have to wait out of it.

G I didn't feel a Cong had real cerebral prob w/ it. Talked w/ Bundy also who was positive.

P If dialogue went on + blockade lifted, a agreement could options in a minute. Only hang up is Sov view might hesitate working out with, + widen linkage. I understand why you can't link us in your internal affairs + I don't want to. But it a dilemma. I favor a Cong. I fear I can't get it thru a Cong w/ present situation.

G We have each made our points. I can't [live] on to agree w/ any points. You have chosen a Baltics area & let's leave it at that.

P But what are the chances of getting talks going. You have said you would do that.

G Yes I told Larry. I gave [Lindsey] my latest framework but I won't talk outside that framework. I want to return to original set & proceed toward discussions. There are some words. Kirk is preparing for some kind of dialogue when I return.

P Maybe we can discuss tomorrow. Because of history we have a special pub w/ Kirk. We want a trade deal. I don't want to publicize our victories because that makes it look like disturbing to you. But no point in sending signals up & having a poll kicked out of it.

G OK. I see your basic point but I don't see no way to make headway. We w/o trade deal today + have w/o a trade deal for 4 years. Not a life & death issue. But everyone knows trade deal was part of our summit. So we have some explaining to do.

P I know. They were yelling at me yesterday. It makes trouble for me because I want this summit a success. Let's try to work it out.

G It was never my prob. I have explained it to you & now it is in your hands.

P Let me ask about my Apr 27 letter. I wonder whether you actually got that letter. Our correspondence . . .

G Mr. P. I read everything.

P OK. Last night you didn't seem to be functioning w/it.

G It can't happen that a letter from DoJ or US would not be shown to me. They would go around behind my back.
Let me say our conversation & Butler are as diff as yours. We want to find a solution because otherwise it would be a blow to peace.
But life is not always under our own control.

P Let me give it some more thought & we will discuss it again Tomorrow.

THE WHITE HOUSE

WASHINGTON

~~SECRET~~/SENSITIVE

DECLASSIFIED
PER E.O. 13526
2011-0836-MR
SCS 8/5/13

MEMORANDUM OF CONVERSATION

SUBJECT: The President's Meeting with President Gorbachev of the Soviet Union

PARTICIPANTS: The President
James A. Baker, III, Secretary of State
Brent Scowcroft, Assistant to the President for National Security Affairs

Mikhail Gorbachev, President
Eduard Shevardnadze, Foreign Minister
Sergei Akhromeyev, Advisor to President Gorbachev

DATE, TIME AND PLACE: June 2, 1990, 11:15 a.m. - 12:59 p.m.
Camp David

President Gorbachev: In this setting, maybe we can think of some good things to do. But first let me take one step back. Yesterday was an important day. My main thought is that it is good to make good statements and declarations but yesterday, in addition to philosophizing, the right decisions were made. I am pleased with the way we are working on the right actions. Without this, nothing is possible. I promise you my constructive efforts. Naturally, we will not always agree. Optimum solutions are difficult. (S)

I would like Camp David to be a place where we repeat what we said yesterday and reaffirm the kind of relationship we want. We should reaffirm that relationship from Camp David, including regular meetings, and a regular secure phone link so that we can exchange views frequently. (S)

The President: Do you want to say all this at our press conference? (S)

President Gorbachev: Yes. (S)

The President: I agree. So far, I think our meeting is being portrayed this way. (S)

President Gorbachev: Yes, even the pictures now are showing the closeness -- ourselves, the Ministers, the two ladies, all

~~SECRET~~

showing closeness. (S)

The President: We will keep it going. We will take some hits on trade and arms control from the Right, but I think we can manage it. We talked last night about trying for meetings without all the trappings. (S)

President Gorbachev: I have been told the Supreme Soviet has three pages of questions for me. I said I will answer more than that when I get back. I included two Committee Chairmen in my delegation for this reason. One represents our military-industrial complex, and I also brought the Chairman of the Foreign Relations Committee. Now they are not on the sidelines and it is important that they see how these things work. Soon I will have a Warsaw Pact meeting, and it will be a new Warsaw Pact. Only Shevardnadze and myself and Jaruzelski are old members -- all the others are new. I will report the results to you. (S)

The President: Just a technical point. We will have a secure line in a year and a direct line this fall. (Description of secure line.) (S)

President Gorbachev: Shall we go through our points? (S)

The President: Fine. There are points I must raise: human rights, refuseniks, immigration, and human rights in general. You want us to take more Jews. We are taking more -- about all we can. (S)

There are many vestiges of anti-Semitism. We have skinheads and you have a problem too, and to the degree you could speak out publicly: that would help. It helps me. We would encourage direct flights to Israel. You should know that I am in a big fight with Shamir over settling immigrants in the occupied territories. My administration is seen as anti-Israel. It stems from my saying no settlements in the occupied territories and East Jerusalem. This caused a firestorm here and on the Right in Israel. (Described what Netanyahu had said.) We are a true friend of Israel. In our new relationship I hope that you can take account of anti-Semitism, direct flights to Israel, refuseniks, and keep up human rights progress. It would help me a lot. If we can separate anti-Semitism from policy it would help. (S)

President Gorbachev: Let me respond. We will seek to cooperate on the full spectrum of human rights. On immigration, here is information on refuseniks. There are twenty on the list. We have given exit visas for five, a temporary departure for one, a temporary visit for one to Great Britain (probably with relatives), one is dead, and there is nothing on the other eleven. We will have more movement but that is my report for now. I agree that we do have to take a stand against anti-Semitism. I have spoken out in general and I will find a way to speak out specifically. (S)

~~SECRET~~

~~SECRET~~

The President: That would help. It is a world-wide problem and if we are seen cooperating on it that would help. (S)

President Gorbachev: We do have a problem between the Russian and Jewish intelligentsia. We will speak out but I don't want to take sides; here we have to find a way. There are many organizations, some even Fascist which say ugly things. Israel, in letting that settlement go on in Jerusalem has caused an outcry in the Arab press. Even Mubarak said he would have to protest in our press that we are settling the West Bank and replenishing the Israeli army. They are trying to put us against each other. Maybe Israel should be told that if they settle in the occupied territories I will have to stop immigration. (S)

The President: It sounds easy, but it is complicated. Individual settlers make it hard to be clear on it. (S)

President Gorbachev: Our Ministers could consult on the language. We must try to figure out a solution. (S)

The President: Saying no more than this to Israel would get world Jewry up in arms. We could not sign up to that. (S)

President Gorbachev: Maybe Baker and Shevardnadze can work something out. (S)

The President: It is a risky issue for a joint statement. (S)

President Gorbachev: I am not thinking of a joint statement but just getting our policies coordinated. (S)

Secretary Baker: I just wanted to say that in 1988 we started a dialogue that let us talk to both parties and move forward on a peace process. It would be helpful if you could let Arafat know that our dialogue can continue only if he speaks out on Abu Abbas. Otherwise, we cannot continue the dialogue. (S)

President Gorbachev: He has disassociated himself, but not condemned the attack. (S)

Secretary Baker: That is right, but the basis for our dialogue is that there must be no terrorism. (S)

Minister Shevardnadze: We got a telegram from Arafat which says: "Violence is getting out of control. Close to explosion. Exacerbated by US veto." I don't know why you had to do that -- it (the UN resolution) would have pacified the situation. (S)

Secretary Baker: (Describes U.S. actions.) (S)

President Gorbachev: Let's think about this. There is a lot of truth to what Arafat says. If there is an explosion, he will be totally isolated. We have worked hard to get Assad and Arafat to work together. Mubarak is easier and so is Benjedid. Qadhafi is a problem. But maybe we can work on sending Goulding. We will work on Arafat to clam things down. (S)

~~SECRET~~

The President: I am having lunch with Perez de Cuellar on Monday. I will tell him this. We will do it even against Israel if necessary. (S)
Secretary Baker: And remember, we cannot continue the dialogue if he is tied to terrorism. (S)

President Gorbachev: But Arafat thinks this is patriotic resistance. It is tough for him to speak out. (S)

Secretary Baker: But he disassociated himself from it. (S)

Minister Shevardnadze: Shamir is more difficult. (S)

The President: (Describes U.S. problems with Shamir over settlements.) (S)

Minister Shevardnadze: Maybe this is a time to mention the idea of an international conference. We support your idea of a dialogue but we should think of a conference also. (S)

President Gorbachev: Everyone but Shamir supports a conference. If we started preparations for a conference we could recognize Israel immediately.

Secretary Baker: As Eduard knows, we don't reject a conference but for now I would not appear at a conference. Under the right circumstances we could go along with one, however. Right now the circumstances are not right. Back to Arafat. The timing of that attack was terrible. We want to keep the pressure on for the dialogue, and this gives Israel a way out. (S)

Minister Shevardnadze: Israel would go along with a conference? (S)

Secretary Baker: No. (Describes situation). (S)

President Gorbachev: Let's have Eduard and Jim talk about it. Maybe we can get Israel to take the first step towards a conference. We could jointly guarantee Israel's existence as a state. We could establish immediate diplomatic relations; then we could be helpful. The bigger Arab nations could make statements recognizing the realities and the Israeli situation. We have contact with Jewish organizations. Eduard has met Peres and Shamir. We could establish consulates.

The President: You have gained much by your immigration policy. (Talks about Max Fisher comment.) (S)

Secretary Baker: One thing you said is interesting. Israel complains that among the Arabs no one but Egypt recognizes Israeli's right to exist. That could help. (S)

President Gorbachev: We have worked with Arafat to bring him around. (S)

~~SECRET~~

Secretary Baker: We will talk. (S)

President Gorbachev: When Mubarak came to Moscow he spoke of a free zone without nuclear or chemical weapons (jokes, toes curling up). Maybe we could look at it and support Mubarak. There are too many weapons there. They are different from the Europeans; they get all fired up. We really should think about it, because the region is so heavily armed. (S)

The President: Israel would resist that. (S)

President Gorbachev: Let Eduard and Jim think about it. (S)

The President: Let's move to other regional issues, starting with India and Pakistan. We are concerned about a war. Bob Gates came back with negative assessment. We should stay in touch. Everyone would be a loser in such a war. In the 1970's we tilted toward Pakistan and you tilted toward India. The situation is different now. We won't try to take advantage of you. We don't have a dog in that fight, even though we like Bhutto. We would encourage an immediate cease fire. We are open to suggestions. If the situation heats up I hope we can work together. Maybe not, but I don't want it to disrupt us. (S)

President Gorbachev: I had a call from Singh -- the morning I was coming here. He wanted me to know that he would do his best to calm things down. I responded that I would welcome a solution to this old problem. I want good relations with both India and Pakistan. We never broke with Pakistan, even in the worst days of Afghanistan. It is therefore in our interest that the situation not become more acute. Let's keep in touch. (S)

The President: I understand that you have a problem with making a joint statement, but maybe we could deal with this at the press conference. (S)

President Gorbachev: It might be sensitive for India and Pakistan if we were concerting on them, but at the press conference would be a good way to do it. (Discussion on what is going on.) Let's stay in close touch, and let's do the press conference thing (i.e., deal with the issue by responding to press questions). (S)

The President: My other regional items include Africa, Ethiopia, etc., but I need to register a point on Cuba. Jim and Eduard have talked about Afghanistan. On Cuba, we think Castro is swimming against the tide; he is unreconstructed. Many think we are picking on him, but he is an outcast. If you changed your economic relationship with Cuba, that would push him. He won't take the Ortega route. (S)

President Gorbachev: Castro supported the Nicaragua solution. (S)

The President: That was because he thought that Ortega would win the election. But maybe we could use that as a model. (S)

~~SECRET~~

~~SECRET~~

Secretary Baker: As in the case of Nicaragua, if Castro were to change we would change our policy. (S)

President Gorbachev: Let me say a few words on this. I agree that there can be no peace in Central America if Cuba is isolated. We are not doing that, but we see that you have that syndrome. I spoke about it to the Vice President. He said he had gone to the Caribbean six times, and I said "you did not stop in Cuba." (S)

We should analyze Castro. He is criticizing us more than you. In the Cuban missile crisis, he kept Mikoyan running around the island for a week. Teaching lessons to Castro is useless. When I was there, I could see they were tense. I told him I was not trying to change the way he does things, but let me do things my way as well. Then they relaxed and it went alright. If you got in touch with him I think he would respond, but trying to force him to change would be useless. He has told me, "I will not take U.S. dictation, but if they will sit and talk ...." Maybe we could set something up that is not bilateral. He is ready to hear you out -- to talk at any level. It is better if he hears from you rather than from us. A change in our economic relations is coming. It will be based on buying the things we need, although I realize it will not be at market prices. It can be sold for dollars on the world market. Also, we buy citrus and nonferrous metals. We are beginning to put our economic relations on a realistic relations. Before, no one even thought about the economic aspects of our relations. The Latin Americans show more understanding of the role of Cuba, so it is not that simple. (S)

There is a remaining problem to discuss: the Contras. (S)

The President: I think that is back on track. (S)

General Akhromeyev: I have a personal relationship with Castro, and he says he is prepared to go very far. He understands the problem. (S)

The President: Let me tell you about the U.S.-Cuban problem. (He describes the Cuban-American patriotic community.) Therefore there is a lot of emotion in this issue for the Americans. (Hands him a Congressional letter on Cuba). I hear what you have said on Castro and I hope you understand our feelings on the issue. Let's keep it on the table. (S)

Secretary Baker: We haven't asked Castro to give us something before we sit down to talk, only that he cease subversion in El Salvador and Latin America -- that is all. (S)

President Gorbachev: Do you want us to convey this to him? (S)

The President: It would be helpful. (S)

President Gorbachev: If El Salvador improved visibly there would

~~SECRET~~

~~SECRET~~

be a change by you? (S)

The President: Yes, but I won't give him a State Dinner! (S)

Secretary Baker: El Salvador has a freely elected government, and he is subverting it. (S)

The President: I don't like seeing Umberto Ortega as head of the army in Nicaragua because the armed forces were a Party. (S)

Minister Shevardnadze: Just a word on Cuba. We are having some discussions with the US on Cuba in quest of some imaginative solutions. If the U.S. treats Cuba as an equal, things might work -- as in the case of Angola, where we made it work after they got treated like equal partners. On El Salvador, I think that Castro may undertake a serious discussion. (S)

President Gorbachev: What do you want us to do? (S)

Secretary Baker: Here is a wild suggestion: that you tell him the President said that there will be an improvement in relations and a dialogue, if he will firmly sign on to and support Esquipulas, which bans the export of insurgency to Central America. (S)

The President: That only deals with a small part of the problem. For the establishment of full relations with Cuba the people must be able to have free elections, and must enjoy human rights, like letting people out of jail, etc. For normal relations, Castro cannot be the only one out of step in the hemisphere. (S)

President Gorbachev: For now we will convey to him suggestions that will permit the dialogue to begin. Then it can progress. (S)

The President: I must tell you that the Soviet relationship to Cuba sours the US view of you. (S)

Secretary Baker: The MIG-29 is a big issue for us psychologically. (S)

The President: Why don't we break for lunch then we can rest and get back together at 3 p.m. (U)

(Lunch break)

President Gorbachev: (Begins with a discussion of the differences between the Soviet and US federations, emphasizing the nationalities aspect of the Soviet federation. Describes the fight between Stalin and Lenin on the nature of the federation, saying that after Lenin died Stalin left the law the same but ruthlessly created a military state. Then Stalin said that the nationalities problem no longer existed; there was a "Soviet" nationality. So once the dam burst, the nationalities issues burst out into the open. The Byelorussian language had almost died out.) (S)

~~SECRET~~

~~SECRET~~

The President: Shall we return to our agenda? I dominated the discussion with my subjects this morning, although we didn't raise Afghanistan. (S)

President Gorbachev: I would be happy to discuss Afghanistan. (S)

The President: On Afghanistan, we would really like to be disengaged. We would like to cut loose, and we have no interest in a radical, and Muslim administration. We are also worried about the radicals, and we are not trying to install and anti-Soviet fundamentalist regime. (Described the political arrangements that the U.S. seeks.) If they got underway, we would stop our aid to the Mujahedin. If we could both state that no party would be able to subvert the process and state that a neutral body would arrange the elections, we would have a good outcome. Najibullah could participate but not as head of government. Hebmaytyar is an undesirable conservative. I asked whether you can live with a short supervised period where Najibullah could participate but step aside from government.

President Gorbachev: There is mutual understanding for a neutral period plus a mechanism for conducting an election leading to a broad-based government; also, for a UN role for a transition period and in the conduct of elections. Do we understand that neither the government nor the opposition would transfer the government to a neutral authority. So the only hope is elections on the basis of the status quo. Let them conduct their elections in their own way. We can't remove Najibullah or Hekmaytyar from the scene. Najibullah is beginning to put more strings on us. (S)

The President: He thinks he is getting stronger. (S)

President Gorbachev: He thinks he is getting more support. Some former opposition members are managing local government under the general supervision of government forces. (S)

Minister Shevardnadze: We need a new approach, because neither side has the leverage to achieve a solution. (S)

The President: How does Najilbah feel about elections? (S)

Minister Shevardnadze: I have talked to him. He favors a Nicaragua-type solution, with a group charged with developing elections. (S)

President Gorbachev: Would Najilbah be willing to step aside as part of a normal process, but not be kicked out? (S)

Minister Shevardnadze: Yes, but not as a withdrawal. Then a conference could set up an election process. Our differences are not great. We can't get Najibullah out. Actually, this process is getting under way. He is inviting Zahir Shah to take the highest position. (S)

~~SECRET~~

President Gorbachev: We would like a neutral regime, not one hostile to the U.S. (S)

The President: We can't argue against Najibullah staying in power, a la Nicaragua, but the problem is how to get the Resistance plugged in. (S)

President Gorbachev: Neither the Mujahedin nor Najibullah will conduct the elections. The UN or the OIC will do it. Najibullah does not want to be kicked out. That is his minimum condition. (S)

Secretary Baker: It is difficult for us to argue against the Nicaraguan model. Our problem is with the Resistance. We need something for them to show that elections would be fair, that supervision would be neutral, and that the outcome would be observed. What about Najibullah taking a head of state role during this period to demonstrate that a transition authority would conduct the election and provide security. (S)

President Gorbachev: Najibullah would be a kind of interim acting president during the election? (S)

Secretary Baker: Yes, but with something less than full authority. (S)

President Gorbachev: We must think about it. (S)

The President: Let's have Jim and Eduard talk some more about this. (S)

President Gorbachev: Yes, let's, because there are lots of areas of agreement. (S)

Minister Shevardnadze: We could try to formulate three or four points on which the Afghans could agree: on the transition period for elections and the conduct thereof, on the role of the UN, etc. We would agree that Afghanistan would be unified, neutral, and demilitarized. (S)

President Gorbachev: And the only solution to Afghanistan is a political solution. The two sides should recognize each other. There would be four or five principles on which we could agree. (S)

Minister Shevardnadze: This would be similar to Nicaragua and to what we are trying to do in Angola, etc. It is a tested process. (S)

The President: How about Ethiopia? (S)

President Gorbachev: We have an appeal from Mengistu. (S)

Minister Shevardnadze: The essence of his letter is that he would agree to the UN as observers in his talks with Eritrea.

~~SECRET~~

They were opposed to any outside body until now. One other element: they agree to Massawa for humanitarian relief, subject to the sovereignty of Ethiopia. The Eritreans must agree. The US and the Soviet Union should suggest an international conference for an overall settlement in the horn of Africa. That should come from us, not them. Our two groups have been working on language. Another issue was our cargo planes for relief -- we agree, on condition that the Eritreans don't shoot them down. (S)

Secretary Baker: How about a joint appeal that the Eritreans should not shoot, on the basis that people will starve if they do. (S)

The President: This is about all we can do today. (S)

President Gorbachev: If we can issue a joint appeal, let's conclude and let our experts work on it. (Dennis brings a paper that is given to Obukov and it is read to Gorbachev.) (S)

Secretary Baker: I think that a joint statement on aid involving Soviet planes and US food would look good. (S)

President Gorbachev: On Southern Africa, we don't have a big disagreement on what is happening in South Africa. In Southern Africa we are already working together. We will be flexible toward changes in South Africa, supporting those people who are working peacefully to abolish apartheid. We would encourage a joint statement here. (S)

The President: Mandela is a hopeful person to conduct a dialogue with de Klerk. Both of them are coming here. The Europeans may ease sanctions, but we will not do that. (S)

Minister Shevardnadze: A unique situation may be emerging with both sides urging a peaceful solution. We should stimulate this process. (S)

Secretary Baker: On Angola, we would like to pursue the election route. You say that Dos Santos is not quite ready. But we should push in that direction. The two sides are talking and we have offered talks under our joint sponsorship. (S)

Minister Shevardnadze: One new element: Savimbi offered to meet with us. Dos Santos does not object and we will do it privately. (S)
The President: What shall we discuss next? (S)

President Gorbachev: Korea -- a lot of things worry us on the peninsula. I think we agree the two sides should engage in dialogue. A small step was taken in the release of U.S. troops. Politically, that is an important gesture. We are worried there is no agreement between North Korea and the IAEA, and they are very touchy about any contacts we have with South Korea. Those contacts are economic, and they are good. South Korea would like Siberian resources, and we are willing. Roh asked for a contract

~~SECRET~~

~~SECRET~~

and we agreed, thinking it would be kept quiet. I am worried about the reaction of the North. We have told Kim there is no change in our policy, no recognition. We have said were just meeting with the South Koreans to make their acquaintance and to promote Korean dialogue. We don't know what will come of it. Once again, we may be accused of betrayal. (S)

The President: We think it is a good thing you are seeing Roh. Our concern is Kim and his blocking of the IAEA agreement and the lack of moderating behavior. South Korea's reaching out is good. If Kim could accept safeguards, it would help. We are worried about instability on the peninsula. Earlier, we would have been upset about your talking to the South Koreans. This is no longer the case.

President Gorbachev: We will try to explain ourselves. (S)

The President: North Korea made one positive move: their return of the remains of five US soldiers. (S)

President Gorbachev: We did our bit on that. (S)

Minister Shevardnadze: The Koreans asked if the US would provide them with non-nuclear guarantees. Then maybe they will sign on with the IAEA. (S)

The President: Will there be a more moderate government in Korea? We don't know much about it. (S)

President Gorbachev: These Eastern systems are hard to figure out. The way is being paved to transfer power to the son. They have swallowed Hungary's establishment of relations with South Korea, but it will be different when we make contact. Think about nuclear guarantees. (S)

General Scowcroft: If they would guarantee not to attack South Korea. (S)

President Gorbachev: Why not? (S)

General Scowcroft: We have tried formulations before but we can look at it again. (S)

The President: Let's talk about Japan. It can be helpful; they can help with economic assistance, as they have in Eastern Europe. Kaifu is stronger now, and we are working pragmatically on trade. Many feel Japan is buying up the U.S., but I don't worry about that. Japan might be helpful if you could deal with the Territories. It is your business, but I think you would find it beneficial. I commend Kaifu to you -- and hope he is still in power when you go there. (S)

President Gorbachev: We decided it was worthwhile for me to visit next year. Meanwhile, Shevardnadze, Yakovlev and Yeltsin will visit this fall. The Japanese know in principle that the Territories issue is clear, but their involvement in our Eastern

~~SECRET~~

Territories has been unsatisfactory thus far. For a long time they resisted any economic discussions, and they still think the economic relationship benefits us more than them. Their Foreign Ministry is conservative through and through. There is people contact, but no real business being conducted. When we move to a market system and open up to foreign firms, I think they will change. But 97% of the Soviet people oppose any movement on the Islands. (S)

The President: Let's move on to Cambodia. (S)

President Gorbachev: I think there is some hope there. I am slightly optimistic. Our common task is to solidify the agreements that the four sides made, and to help set up the supervisory organization. I have statements from Sihanouk and from Hun Sen which are very similar. There is some convergence emerging. (S)

The President: We have little influence, but we will urge cooperation. We will talk to the PRC even though we are without much influence with them. We hope that you will also do so. (S)

President Gorbachev: My impression is that the Chinese are acting more positively. Shevardnadze discussed the issue with Li Peng and they are now normalizing relations with Vietnam. The fact that China and Vietnam are talking is sending a signal to Phnom Penh. (There was a humorous discussion of Cuba, sugar and moonshine. The President described the US sugar problem and Central American sales of coffee and sugar to the US.) (S)

Secretary Baker: (Renews our proposal for the Soviet Union to join the G-24 in helping Central America.) (S)

President Gorbachev: Our cooperation with Nicaragua in the past will continue. We are considering it (the proposal regarding the G-24). (S)

The President: What is next? (S)

President Gorbachev: Cyprus. Vassilliou has written to both of us. He wants us to support a UN mission to Cyprus to break the deadlock. (S)

Minister Shevardnadze: In order not to antagonize Greece or Turkey, the best way is for each side to support UN efforts. (S)

The President: What is left? (S)

General Scowcroft: We need to discuss coordination for the press conference on Germany and Lithuanian. (S)

President Gorbachev: We could say we had a good exchange, that both sides presented their arguments and made their case, and that it is not just a question between the two of us. As a result we decided that these consultations should continue. That is the shortest formula. (S)

The President: They will press me on trade, that I said Lithuania complicated the situation. I will say that the trade agreement is in the best interest of both sides. The next step is emigration legislation and that is where it stands. They will ask how about Lithuania. I will say I expressed myself fully on Lithuania but the next step is emigration legislation. (S)

Secretary Baker: They will ask whether there is a side deal. When I was asked, I said I could not talk about private conversations. The President said it will be difficult to get trade legislation through Congress and that is true, but that issue does not arise now because the next step is Soviet emigration legislation. (S)

President Gorbachev: The rest of it I will say. We have to bear in mind that rigid linkage should be avoided. We had a direct discussion of Lithuania. I discussed the situation and the prospects. We are looking for, and I expect I will find a solution within the framework of our Federation. Each Republic can withdraw or change the form of its relationship, but this must be in the established framework. (S)

The President: The more you can explain that to the US, the better. I will just stay away from linkage. (S)

President Gorbachev: And we will point out that it is not just one agreement, we have agreements on grain, aviation, etc. I will say that we cannot take away the right of self-determination, but since it is a constitutional right it must be done constitutionally. (S)

The President: The press is now more positive. Time and Newsweek said you were in trouble. That created a tough environment, but you have shown yourself completely in charge. (S)

President Gorbachev: It is a complex period, but we have to accept a pluralism of views. Not every one will agree with us, or we wouldn't have pluralism. (S)

Secretary Baker: (AFL and Donets Conference) (S)