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Record Group/Collection: George H.W. Bush Presidential Records
Collection/Office of Origin: Speechwriting, White House Office of
Series: Speech File Draft Files
Subseries: Chron File, 1989-1993

OA/ID Number: 13577
Folder ID Number: 13577-002

Folder Title:
Institute for International Relations 7/30/91 [OA 6030][1]

| Stack: | Row: | Section: | Shelf: | Position: |
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**NATIONAL SECURITY COUNCIL
EXECUTIVE SECRETARIAT STAFFING DOCUMENT**

TIME STAMP

RECEIVED

SYSTEM LOG NUMBER: 5652

01 JUL 26 06:56

ACTION OFFICER: BURNS

DUE: 9:00AM MONDAY

Prepare Memo For Scowcroft/Gates

Appropriate Action

Prepare Memo For Brady

Prepare Memo for Sittmann

29 JULY

Prepare Memo SCOWCROFT

to SNOW w/ cc: Brady

CONCURRENCES/COMMENTS*

PHONE* to action officer at ext. 6849

| Concur | FYI | | Concur | FYI | | Concur | FYI | |
|--------------------------|-------------------------------------|------------|-------------------------------------|--------------------------|-----------|--------------------------|--------------------------|-----------|
| <input type="checkbox"/> | <input type="checkbox"/> | Barth | <input checked="" type="checkbox"/> | <input type="checkbox"/> | Hewett | <input type="checkbox"/> | <input type="checkbox"/> | Pilling |
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| <input type="checkbox"/> | <input type="checkbox"/> | Hayden | <input type="checkbox"/> | <input type="checkbox"/> | Pavitt | <input type="checkbox"/> | <input type="checkbox"/> | _____ |

INFORMATION Sittmann Hill Exec Sec Desk
 Scowcroft (advance) Gates (advance) Secretariat

COMMENTS

Logged By JB

Return to Secretariat
379 OEOB

WHITE HOUSE STAFFING MEMORANDUM 5652

DATE: 07/26/91

ACTION/CONCURRENCE/COMMENT DUE BY: 9:00 a.m. Monday 7/29

SUBJECT: PRESIDENTIAL REMARKS: INSTITUTE FOR INTERNATIONAL RELATIONS
(07/26 5:45 p.m. draft)

| | ACTION FYI | | | ACTION | FYI |
|----------------|-------------------------------------|-------------------------------------|-------------|-------------------------------------|-------------------------------------|
| VICE PRESIDENT | <input type="checkbox"/> | <input checked="" type="checkbox"/> | MCCLURE | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| SUNUNU | <input type="checkbox"/> | <input type="checkbox"/> | PETERSMEYER | <input type="checkbox"/> | <input type="checkbox"/> |
| SCOWCROFT | <input checked="" type="checkbox"/> | <input type="checkbox"/> | PORTER | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| DARMAN | <input checked="" type="checkbox"/> | <input type="checkbox"/> | ROGICH | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| BRADY | <input type="checkbox"/> | <input checked="" type="checkbox"/> | SMITH | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| BROMLEY | <input type="checkbox"/> | <input type="checkbox"/> | UNTERMAYER | <input type="checkbox"/> | <input type="checkbox"/> |
| CARD | <input type="checkbox"/> | <input checked="" type="checkbox"/> | ROGERS | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| DEMAREST | <input checked="" type="checkbox"/> | <input type="checkbox"/> | SNOW | <input type="checkbox"/> | <input checked="" type="checkbox"/> |
| FITZWATER | <input type="checkbox"/> | <input checked="" type="checkbox"/> | BOSKIN | <input checked="" type="checkbox"/> | <input type="checkbox"/> |
| GRAY | <input checked="" type="checkbox"/> | <input type="checkbox"/> | _____ | <input type="checkbox"/> | <input type="checkbox"/> |
| HOLIDAY | <input checked="" type="checkbox"/> | <input type="checkbox"/> | _____ | <input type="checkbox"/> | <input type="checkbox"/> |

REMARKS:

Please provide any comments directly to Tony Snow no later than 9:00 a.m. on Monday, 07/29, with a copy to this office. Thanks.

RESPONSE:

PHILLIP D. BRADY
 Assistant to the President
 and Staff Secretary
 Ext. 2702

91 JUL 26 PM 5:43

McGroarty/Dooley
July 26, 1991
5:45 pm
[MOSCOW]

PRESIDENTIAL REMARKS: INSTITUTE FOR INTERNATIONAL RELATIONS
MOSCOW, U.S.S.R.
JULY 30, 1991
3:00 P.M.

[Introductory acknowledgements.]

It is a privilege to meet with you at this critical moment in the history of your nation -- at this time of great hope for all the world. //

For four long decades, our two nations stood locked in conflict, as the Cold War cast its shadow across an armed and uneasy peace. This Summit marks a new beginning: the prospect that we can put an end to a long era as adversaries, write a new chapter in the history of our two nations -- forge a new partnership and a sturdy peace, *and to seek, as Tennyson said, "a newer world."* //

We have reason to hope. One by one, the cruel realities of the Cold War flicker and fade -- and a new world of opportunities calls us forward. In Europe -- for four long decades the fault-line of East-West conflict -- the nations of ~~the East~~ *Central Europe*, like their neighbors in the West, find a common home in democracy. Far beyond the confines of this continent -- from Afghanistan to the horn of Africa, from Angola to Central America -- regional conflicts no longer threaten to become flashpoints for superpower confrontation. Worldwide, the risk of global war stands lower now than at any point in the post-war era. //

The challenge we face at this summit -- the challenge you face as present and future leaders of this great nation -- lies in this: together, our two nations must overcome a half-century of mistrust to seize this moment and build a lasting peace ^{into the next century.} //

^{During the last two years, President Gorbachev and I have} ~~Already, we've~~ made progress. ^{The easing of tensions we have created} ~~The easing of tensions~~ ^{in building our new U.S.-Soviet relationship} ~~between our nations~~ has created new opportunities for arms control. Last fall, in Paris, we agreed on ^{landmark} deep reductions in conventional forces stationed in Europe. Tomorrow, in the Kremlin, President Gorbachev and I will sign the historic START Treaty that will ^{reduce the most destabilizing nuclear forces} ~~cut our strategic arsenals~~ by a full one-third.

// ^{We also agreed at Malta}

~~Lower tensions have also made it possible for our two nations to normalize economic relations.~~ ^{I am pleased to report that the process of normalization is nearly complete.} // In May, the Supreme Soviet removed the key impediment to increased trade: Soviet restrictions on free emigration. The new Soviet emigration law stands as a major step forward -- a victory for all who value human rights. // As a consequence of this progress, I am pleased to announce that when I return to Washington, I will submit to Congress the U.S.-Soviet Trade Agreement we signed one year ago. ~~In addition, I will urge the Congress to remove~~ ^{limit credits and} ~~restrictions that impede trade~~ ^{with the USSR} -- and ^{to} grant the Soviet Union Most Favored Nation status. //

^{Now that we have stripped away the Cold War barriers to trade, the next challenge} ~~Beyond two-way trade, the U.S. is working to open doors to~~

Soviet entry into the global economy. // For more than forty years, the Soviet Union stood apart from the world market -- stood aside as free market forces sparked an era of unprecedented

^{In addition, we will take other, new steps to promote economic reform in the USSR. We will seek \$15-20 million from Congress to support an expanded technical assistance program to help reform efforts with the central government, republics and municipalities. We will also continue our special targeted assistance in energy, defense conversion and market-oriented food distribution. We will introduce full EXIM Bank}

prosperity across the West. / The results of this self-imposed isolation from the world economy proved disastrous. At this month's London Summit, President Gorbachev spoke ^{eloquently} of the Soviet Union's interest in becoming **fully integrated into the world economy.** *and I fully support President Gorbachev's vision of us participating in the global economy*

The Soviet Union **should** become a full **partner.** That's why the U.S. supports ^{Soviet} observer status in the GATT -- and, when ^{the Soviet Union} it has completed the necessary reforms, full membership. That's why I proposed last December that the USSR should enter a "special association" with the IMF and the World Bank -- and why I pushed that proposal with my summit partners in London. These measures will make available to the Soviet Union assistance and expertise that can ease the difficult transition to a market economy ^{and promote growth and highly skilled living.}

But the crowning proof that we are overcoming the old Cold War animosities remains our cooperation in the Persian Gulf. In the depths of the Cold War era, Iraq's aggression against its tiny neighbor might well have brought our two nations -- and even the entire world -- to the brink of conflict. If Saddam Hussein thought he could exploit our differences to his own advantage -- he was dead wrong. At every key point in the crisis, the U.S. and USSR worked together to send a strong and steady signal to Saddam that his aggression would not stand. //

Today, our cooperation in the Gulf holds out hope that we can work together towards a just and lasting peace in the Middle East ^{between Israel and her Arab neighbors just as we} **[[MIDDLE EAST INITIATIVE UPDATE??]]** //

worked together to bring peace to Namibia, Angola and Nicaragua.

[And just as we work together for peace on earth, so too should we work for peace in the universe. I am pleased to announce toward that end a U.S.-Soviet Space Cooperation Agreement to permit shared research to monitor environmental changes from space, on Astronaut, cosmonaut exchange and annual space consultations.]

in Afghanistan and Cambodia

In every aspect of our relations -- military, political, economic -- we see positive signs of a new partnership. / But for all the progress we've made, ^{some} obstacles remain. Our ability to overcome them will be a key test of the strength of our new relationship. //

In many cases, we face conflicts and quarrels rooted in the ^{aftermath of the} world war fought fifty years ago, frozen in place by the long Cold War that followed: Disputes like ~~the one that stands between the USSR and Japan on the return of the Northern Territories~~ ^{just claim for} ~~and the just desire~~. But surely, none looms larger today than the sad half-century of suffering in **the Baltic nations of Estonia, Latvia and Lithuania.**

For fifty years, the Baltic peoples refused to accept their fate or surrender their quest for freedom. For fifty years, their pleas fell on deaf ears. Today, ~~hope in the Baltics rests with a new generation of Soviet leaders -- a generation that has fearlessly thrown open once-forbidden doors, and shined a bright light into some of the darkest corners of the Stalin era. Let this new generation be the one to free the Baltics.~~ ^{undenialh} ^{Baltic} ^{democratically-elected, and} ^{reflect} ^{and asking} ^{on the will of the Baltic peoples asks a new generation of Soviet leaders} ^{to repudiate one of the darkest legacies of Stalin. Surely men and women of reason can find a way to extend freedom to the Baltic Peoples.} //

^{Today} I call on both parties -- the ^{Soviet} central government and the ^{real} Baltic ^{government} leaders -- to resume ^{with the Baltic governments} negotiations in good faith. No one can ignore the complexities involved in negotiating a new relationship -- or the yearnings of a people to be free. Above all, we seek a clear and unqualified commitment to peaceful change. We must not see the positive progress we have made these

No visitor to this country can fail to see the signs of change. Three times in three years as Vice President, I came to Moscow. That third visit, I met with a new leader, Mikhail Gorbachev -- the man who put these monumental changes in motion.

//

Consider the Soviet Union we see today. Gone are the days when a small cadre hidden behind the high Kremlin walls worked the levers of power. Gone is the rubber-stamp legislature -- the one-party monopoly, enforcing one point of view. //

In its place we see unmistakable signs of the new Soviet Union. Dissidents who once languished in internal exile now serve as Deputies in the People's Congress. Samizdat has given way to streetcorner critics. / **A new Soviet Revolution has begun:** a revolution marked by the emergence of **many voices** -- in government and outside, / in the proliferation of political parties, / **here in Moscow**, and across the vast reaches of this great land, **in every Republic.**

The forces of **reaction and resistance** still retain great power. But each day brings **new alliances** -- a **new manifesto** for change -- a **new call to action**. Some ask: amid this shifting scene, what is our policy toward all these groups, who and what do we support? My answer is clear and simple: **America stands with the forces of freedom and reform** -- wherever they are found.

My country stands ready to assist in this new Soviet revolution. In the economic sphere, the **transformation must come from within**. A shortage of foreign capital is not what caused

past two years threatened and thrown in doubt by further violence
 against
 in the Baltics, ^{peoples.} //

insert
 A second obstacle lies close to home for the U.S. -- ninety miles off the Florida coast, in Cuba. In Europe, the Cold War may be over, but the news hasn't yet reached the Caribbean. Despite the fact that Soviet aid keeps Castro afloat, Cuba's leader has nothing but contempt for glasnost and perestroika. // Castro stands isolated and alone -- a lone dictator out of step with the democratic tide sweeping his hemisphere. I call on the Soviet leadership to reconsider whether such costly support for the Castro regime serves their aims and interests. //

#3 cut
 Finally, I call on the Soviet leadership to make further cuts in Soviet military spending. In spite of the strains on the Soviet economy, military spending continues to consume 15 to 17% of Soviet GDP. While the Soviet consumer confronts long lines and empty shelves, the Soviet military-industrial complex continues to crank out 1300 tanks a year, 4000 armored vehicles, and a new ICBM every three days. // Military spending of this magnitude weighs down the Soviet economy -- and threatens international security. Now that the Cold War is over, the time has come to put the Soviet economy on a peace-time footing. //

But the key challenge -- the single most important factor in forging a new partnership between our nations -- remains the outcome of the experiment now reshaping Soviet society. The future of U.S.-Soviet relations is tied to the future of Soviet reform. //

economic crisis

7

the ~~collapse of the Soviet economy~~ -- nor can your economic ills be cured by an infusion of cash. // Only through real reform can the Soviet Union abolish the counter-productive command economy -- only through real reform can the Soviet Union unleash the ingenuity, the energy and the entrepreneurial instincts of its people. //

America stands ready to help -- ready to provide expertise and advice that can advance real reform. To this end, I will ask Congress for ~~\$20 million dollars~~ ^{funds to support} to form a Technical Assistance Fund, to encourage economic reform at the federal level and in the republics. // We will also seek the support of our partners in the G-7 for the creation of an Enterprise Fund -- a pool of capital to fuel the dreams of emerging Soviet entrepreneurs. //

Insert B
As market reform moves forward, our assistance can take new forms. Together with our friends in the European Community, the U.S. will explore the possibilities of creating a Stabilization Fund to ease the transition from a system based on command and control to one based on supply and demand. ///

But our new partnership must go far beyond the halls of government in Washington and Moscow. It must bring together the businessman from the American Midwest and his partner in the Ukraine. It must bridge the thousands of miles between small town America and Soviet cities. It means ^{dramatically} ~~expanded~~ ^{travel in both} exchanges of ^{countries by} scientists and scholars, artists and engineers. And from the great cities of Moscow and ^{Kiev} ~~Petersburg~~, from the plains of Central Asia and the villages of Siberia to the port of Vladivostok and

all points in between -- it means students coming to study in American schools and live with American families. It means thousands more American students coming to the Soviet Union, to explore your past and experience first-hand the future you are working to create. //

In that same spirit, I am pleased to announce today that in [month], we will send a Peace Corps mission to the USSR -- volunteers specializing in agriculture and environment -- to live and work in this country, to contribute to the transformation taking place here. //

[[CONCL>>>>> Let Moscow mark a new beginning for our two nations....]]

Once again, thank you for your warm welcome -- and may God bless the people of the Soviet Union.

#

INSERT A

A second cold-war legacy lies close to home for the US--
ninety miles off the Florida coast, in Cuba. We pose no threat
to Cuba. Yet the Soviet Union continues to pour millions of
dollars in military aid into that country, which is particularly
puzzling given Fidel Castro's open contempt for glasnost' and
perestroika. I call on the Soviet leadership to reconsider
whether such costly support for the Castro regime serves their
aims and interests. //

Finally, I call on the Soviet leadership to make further
cuts in Soviet military spending. How can it make sense, in this
era of cooperation, for you to devote one out of five rubles of
your national output to defense? How can I, or the leaders of
the other major industrial countries, justify economic assistance
to your country when you continue to devote an inordinate amount
of resources to defense? We stand ready to help you convert your
enormous defense potential to peaceful uses, but you must take
the initiative by slashing defense expenditures.

INSERT B

As market reforms move forward, we will work with you to find new ways to support your efforts. Right now it is most important that you work with the IMF and the World Bank to devise a market reform strategy that the international financial and business community understands and supports. It should be a program which sets out your priorities, and which makes maximal use of your own great natural wealth and human potential. It is your reforms, not me or the other world leaders, which will set the pace of your integration into the global economy. As we've shown with Eastern Europe, we're ready to move as quickly as you are ready to reform.

McGroarty/Dooley
July 26, 1991
5:45 pm
[MOSCOW]

PRESIDENTIAL REMARKS: INSTITUTE FOR INTERNATIONAL RELATIONS
MOSCOW, U.S.S.R.
JULY 30, 1991
3:00 P.M.

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For four long decades, our two nations stood locked in conflict, as the Cold War cast its shadow across an armed and uneasy peace. This Summit marks a new beginning: the prospect that we can put an end to a long era as adversaries, write a new chapter in the history of our two nations -- forge a new partnership and a sturdy peace. //

We have reason to hope. One by one, the cruel realities of the Cold War flicker and fade -- and a new world of opportunities calls us forward. In Europe -- for four long decades the fault-line of East-West conflict -- the nations of the East, like their neighbors in the West, find a common home in democracy. Far beyond the confines of this continent -- from Afghanistan to the horn of Africa, from Angola to Central America -- regional conflicts no longer threaten to become flashpoints for superpower confrontation. Worldwide, the risk of global war stands lower now than at any point in the post-war era. //

The challenge we face at this summit -- the challenge you face as present and future leaders of this great nation -- lies in this: together, our two nations must overcome a half-century of mistrust to seize this moment and build a lasting peace. //

Already, we've made progress. The easing of tensions between our nations has created new opportunities for **arms control**. Last fall, in Paris, we agreed on deep reductions in **conventional forces** stationed in Europe. Tomorrow, in the Kremlin, President Gorbachev and I will sign the historic **START Treaty** that will cut our strategic arsenals by a full one-third. //

Lower tensions have also made it possible for our two nations to **normalize economic relations**. / In May, the Supreme Soviet removed the key impediment to increased trade: Soviet restrictions on free emigration. The new Soviet emigration law stands as a major step forward -- **a victory for all who value human rights**. // As a consequence of this progress, I am pleased to announce that when I return to Washington, I will submit to Congress the **U.S.-Soviet Trade Agreement** we signed one year ago. In addition, I will urge the Congress to **remove restrictions that impede trade** -- and grant the Soviet Union **Most Favored Nation status**. //

Beyond two-way trade, the U.S. is working to open doors to Soviet entry into the global economy. // For more than forty years, the Soviet Union stood apart from the world market -- stood aside as free market forces sparked an **era of unprecedented**

prosperity across the West. / The results of this self-imposed isolation from the world economy proved disastrous. At this month's London Summit, President Gorbachev spoke of the Soviet Union's interest in becoming **fully integrated into the world economy.** //

The Soviet Union **should** become a full partner. That's why the U.S. supports observer status in the GATT -- and, when it has completed the necessary reforms, full membership. That's why I proposed last December that the USSR should enter a "special association" with the IMF and the World Bank -- and why I pushed that proposal with my summit partners in London. These measures will make available to the Soviet Union assistance and expertise that can ease the difficult transition to a market economy. //

But the crowning proof that we are overcoming the old Cold War animosities remains our cooperation in the Persian Gulf. In the depths of the Cold War era, Iraq's aggression against its tiny neighbor might well have brought our two nations -- and even the entire world -- to the brink of conflict. If Saddam Hussein thought he could exploit our differences to his own advantage -- he was dead wrong. At every key point in the crisis, the U.S. and USSR worked together to send a strong and steady signal to Saddam that his aggression would not stand. //

Today, our cooperation in the Gulf holds out hope that we can work together towards a just and lasting peace in the Middle East. [[MIDDLE EAST INITIATIVE UPDATE??]] //

In every aspect of our relations -- military, political, economic -- we see positive signs of a new partnership. / But for all the progress we've made, obstacles remain. Our ability to overcome them will be a key test of the strength of our new relationship. //

In many cases, we face conflicts and quarrels rooted in the world war fought fifty years ago, frozen in place by the long Cold War that followed: Disputes like the one that stands between the Soviets and Japan on the return of the Northern Territories. But surely, none looms larger today than the sad half-century of suffering in the **Baltic nations of Estonia, Latvia and Lithuania.**

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I call on both parties -- the central government and the Baltic leaders -- to resume negotiations in good faith. No one can ignore the complexities involved in negotiating a new relationship -- or the yearnings of a people to be free. Above all, we seek a clear and unqualified commitment to peaceful change. We must not see the positive progress we have made these

past two years threatened and thrown in doubt by further violence in the Baltics. //

A second obstacle lies close to home for the U.S. -- ninety miles off the Florida coast, in Cuba. In Europe, the Cold War may be over, but the news hasn't yet reached the Caribbean. Despite the fact that Soviet aid keeps Castro afloat, Cuba's leader has nothing but contempt for glasnost and perestroika. // Castro stands isolated and alone -- a lone dictator out of step with the democratic tide sweeping his hemisphere. I call on the Soviet leadership to reconsider whether such costly support for the Castro regime serves their aims and interests. //

Finally, I call on the Soviet leadership to make further cuts in Soviet military spending. In spite of the strains on the Soviet economy, military spending continues to consume 15 to 17% of Soviet GDP. While the Soviet consumer confronts long lines and empty shelves, the Soviet military-industrial complex continues to crank out 1300 tanks a year, 4000 armored vehicles, and a new ICBM every three days. // Military spending of this magnitude weighs down the Soviet economy -- and threatens international security. Now that the Cold War is over, the time has come to put the Soviet economy on a peace-time footing. //

But the key challenge -- the single most important factor in forging a new partnership between our nations -- remains the outcome of the experiment now reshaping Soviet society. The **future of U.S.-Soviet relations** is tied to the **future of Soviet reform**. //

No visitor to this country can fail to see the signs of change. Three times in three years as Vice President, I came to Moscow. That third visit, I met with a new leader, Mikhail Gorbachev -- the man who put these monumental changes in motion.
//

Consider the Soviet Union we see today. Gone are the days when a small cadre hidden behind the high Kremlin walls worked the levers of power. Gone is the rubber-stamp legislature -- the one-party monopoly, enforcing one point of view. //

In its place we see unmistakable signs of the new Soviet Union. Dissidents who once languished in internal exile now serve as Deputies in the People's Congress. Samizdat has given way to streetcorner critics. / **A new Soviet Revolution has begun:** a revolution marked by the emergence of **many voices** -- in government and outside, / in the proliferation of political parties, / **here in Moscow**, and across the vast reaches of this great land, **in every Republic.**

The forces of **reaction and resistance** still retain great power. But each day brings **new alliances** -- a **new manifesto** for change -- a **new call to action**. Some ask: amid this shifting scene, what is our policy toward all these groups, who and what do we support? My answer is clear and simple: **America stands with the forces of freedom and reform** -- wherever they are found.

My country stands ready to assist in this new Soviet revolution. In the economic sphere, the **transformation must come from within**. A shortage of foreign capital is not what caused

the collapse of the Soviet economy -- nor can your economic ills be cured by an infusion of cash. // Only through real reform can the Soviet Union abolish the counter-productive command economy -- only through real reform can the Soviet Union unleash the ingenuity, the energy and the entrepreneurial instincts of its people. //

America stands ready to help -- ready to provide expertise and advice that can advance real reform. To this end, I will ask Congress for \$20 million dollars to form a Technical Assistance Fund, to encourage economic reform at the federal level and in the republics. // We will also seek the support of our partners in the G-7 for the creation of an Enterprise Fund -- a pool of capital to fuel the dreams of emerging Soviet entrepreneurs. //

As market reform moves forward, our assistance can take new forms. Together with our friends in the European Community, the U.S. will explore the possibilities of creating a Stabilization Fund to ease the transition from a system based on command and control to one based on supply and demand. ///

But our new partnership must go far beyond the halls of government in Washington and Moscow. It must bring together the businessman from the American Midwest and his partner in the Ukraine. It must bridge the thousands of miles between small town America and Soviet cities. It means expanded exchanges of scientists and scholars, artists and engineers. And from the great cities of Moscow and Petersburg, from the plains of Central Asia and the villages of Siberia to the port of Vladivostok and

all points in between -- it means students coming to study in American schools and live with American families. It means thousands more American students coming to the Soviet Union, to explore your past and experience first-hand the future you are working to create. //

In that same spirit, I am pleased to announce today that in [month], we will send a Peace Corps mission to the USSR -- volunteers specializing in agriculture and environment -- to live and work in this country, to contribute to the transformation taking place here. //

[[CONCL>>>> Let Moscow mark a new beginning for our two nations....]]

Once again, thank you for your warm welcome -- and may God bless the people of the Soviet Union.

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INSTITUTE OF INTERNATIONAL RELATIONS
MOSCOW, U.S.S.R.
JULY 30, 1991
3:00 P.M.

IT IS A PRIVILEGE TO MEET WITH YOU AT THIS
CRITICAL MOMENT IN THE HISTORY OF YOUR NATION -- AT
THIS TIME OF GREAT HOPE FOR ALL THE WORLD. //

FOR FOUR LONG DECADES, OUR TWO NATIONS STOOD
LOCKED IN CONFLICT, AS THE COLD WAR CAST ITS SHADOW
ACROSS AN ARMED AND UNEASY PEACE. THIS SUMMIT MARKS A
NEW BEGINNING: THE PROSPECT THAT WE CAN PUT AN END TO
A LONG ERA AS ADVERSARIES -- WRITE A NEW CHAPTER IN THE
HISTORY OF OUR TWO NATIONS -- FORGE A NEW PARTNERSHIP
AND A STURDY PEACE. //

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INSTITUTE OF INTERNATIONAL RELATIONS
MOSCOW, U.S.S.R.
JULY 30, 1991
3:00 P.M.

IT IS A PRIVILEGE TO MEET WITH YOU AT THIS
CRITICAL MOMENT IN THE HISTORY OF YOUR NATION -- AT
THIS TIME OF GREAT HOPE FOR ALL THE WORLD. //

FOR FOUR LONG DECADES, OUR TWO NATIONS STOOD
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Kei Palimat

Babi Kei
Kei Lurek
Amual

McGroarty/Dooley
July 28, 1991
12:00 noon
[MOSCOW]

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particularly
4 + 5*

PRESIDENTIAL REMARKS: INSTITUTE OF INTERNATIONAL RELATIONS
MOSCOW, U.S.S.R.
JULY 30, 1991
3:00 P.M.

[Introductory acknowledgements.] It is a privilege to meet with you at this critical moment in the history of your nation - - at this time of great hope for all the world. //

For four long decades, our two nations stood locked in conflict, as the Cold War cast its shadow across an armed and uneasy peace. This Summit marks a new beginning: the prospect that we can put an end to a long era as adversaries -- write a new chapter in the history of our two nations -- forge a new partnership and a sturdy peace. //

We have reason to hope. One by one, the cruel realities of the Cold War flicker and fade -- and a new world of opportunities calls us forward. In Europe -- for four long decades the fault-line of East-West conflict -- the nations of Central Europe, ~~like their neighbors in the West,~~ find a common home in democracy. Far beyond the confines of this continent -- from Afghanistan to the horn of Africa, from Angola to Central America -- regional conflicts no longer threaten to become flashpoints for superpower confrontation. Worldwide, the risk of global war stands lower now than at any point in the post-war era. //

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in this: together, our two nations must overcome a half-century of mistrust to seize this moment and build a lasting peace. //

During the past two years, President Gorbachev and I have made progress in building this new relationship. Together, we have created new opportunities for **arms control**: Last fall, in Paris, we agreed on landmark reductions in **conventional forces** stationed in Europe. Tomorrow, in the Kremlin, ~~President Gorbachev and I~~ ^{we} will sign the historic **START Treaty**, that will ~~reduce~~ ^{that significantly reduces} the most dangerous and destabilizing nuclear forces. ~~by a full one-third.~~ ^{The first treaty} //

this is accurate
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Lower tensions have also made it possible for our two nations to **normalize economic relations**. President Gorbachev and I made this a priority at the **Malta Summit**, and I am pleased to report today that this process of normalization is **now nearly complete**. In May, the Supreme Soviet removed the key impediment to increased trade: Soviet restrictions on free emigration. The new Soviet emigration law stands as a major step forward -- a **victory for all who value human rights**. //

As a consequence of this progress, when I return to Washington, I will submit to Congress the **U.S.-Soviet Trade Agreement** we signed one year ago. We will accelerate our effort to conclude a **Tax and Bilateral Investment Agreement**. I will also urge the Congress to **remove restrictions that limit credits and impede trade** -- and to grant the Soviet Union **Most Favored Nation status**. //

Jan, what are fully done?

and USSR worked together to send a strong and steady signal to Saddam that his aggression would not stand. //

Today, our cooperation in the Gulf holds out hope that we can work together towards a just and lasting peace in regions of the world now riven by conflict -- in the Middle East, Cambodia and Afghanistan -- just as we have worked together to bring peace to Namibia, Angola and Nicaragua. //

In every aspect of our relations -- military, political, economic -- we see positive signs of a new partnership. / But for all the progress we've made, obstacles remain. Our ability to overcome them will be a key test of the strength of our new relationship. //

~~[In many cases, we face conflicts and quarrels rooted in the world war fought fifty years ago, frozen in place by the long Cold War that followed: Disputes like Japan's ^{we want to help - world sco.} just claim for the return of the Northern Territories. But surely, none looms larger today than the sad half-century of suffering in the Baltic nations of Estonia, Latvia and Lithuania.~~

Check language

~~For fifty years, the Baltic peoples refused to accept their fate or surrender their quest for freedom. For fifty years, their pleas fell on deaf ears.~~ Today, a new generation of Baltic leaders -- democratically elected, and reflecting the will of the Baltic peoples -- asks a new generation of Soviet leaders to reject and repudiate one of the darkest legacies of the Stalin era. Surely, men and women of reason and good will can find a way to extend freedom to the Baltic peoples. //

We hope all believe that 5

must engage it with

Today, I call on the Soviet government to resume real negotiations in good faith with the Baltic governments. No one can ignore the complexities involved in negotiating a new relationship -- or the yearnings of a people to be free. Above all, we seek a clear and unqualified commitment to peaceful change. [We must not see the positive progress we have made these past two years threatened and thrown in doubt] ~~by further violence against the Baltic peoples.~~ //

A second obstacle lies close to home for the U.S. -- ninety miles off the Florida coast, in Cuba. ~~We~~ *the United States* pose no threat to Cuba. ~~Yet, the USSR continues to funnel millions of dollars in military aid to Cuba, and in return, Castro heaps contempt on glasnost and perestroika.~~ *Therefore, there is no need for the Soviet Union to* ~~Yet, the USSR continues to funnel millions of dollars in military aid to Cuba, especially while~~ and in return, Castro heaps contempt on glasnost and perestroika. I call on the Soviet leadership to reconsider whether such costly support for Castro's regime serves their aims and interests. //

Finally, I call on the Soviet leadership to make further cuts in Soviet military spending. In this new era of cooperation -- in this moment of extreme economic crisis -- military spending continues to consume one in every five rubles of the Soviet Union's national wealth. [[While the Soviet consumer confronts long lines and empty shelves, the Soviet military-industrial complex continues to crank out 1300 tanks a year, 4000 armored vehicles -- and a new ICBM every three days.]] // The time has come to put the Soviet economy on a peace-time footing. We stand ready to help you convert your military-industrial might to

peaceful purposes, but you must take the initiative by slashing defense expenditures. //

But the key challenge -- the single most important factor in forging a new partnership between our nations -- remains the outcome of the experiment now reshaping Soviet society. The future of U.S.-Soviet relations is tied to the future of Soviet reform. //

No visitor to this country can fail to see the signs of change. Three times in three years as Vice President, I came to Moscow. That third visit, I met with a new leader, Mikhail Gorbachev -- the man who put these monumental changes in motion.

Consider the Soviet Union we see today. Gone are the days when a small cadre hidden behind the high Kremlin walls worked the levers of power. Gone is the rubber-stamp legislature -- the one-party monopoly, enforcing one point of view. //

In its place we see unmistakable signs of the new Soviet Union. Dissidents who once languished in internal exile now serve as Deputies in the People's Congress. Samizdat has given way to streetcorner critics. / A new Soviet Revolution has begun: a revolution marked by the emergence of many voices -- in government and outside, / in the proliferation of political parties, / here in Moscow, and across the vast reaches of this great land, in every Republic.

The forces of reaction and resistance still retain great power. But each day brings new alliances -- a new manifesto for change -- a new call to action. Some ask: amid this shifting

scene, what is our policy toward all these groups, who and what do we support? My answer is clear: **America stands with the forces of freedom and reform -- wherever they are found.**

My country stands ready to assist in this new Soviet revolution. In the economic sphere, the transformation must come from within. A shortage of foreign capital is not what plunged your economy into crisis -- nor can your economic ills be cured by an infusion of cash. Only through real reform can the Soviet Union abolish the counter-productive command economy -- only through real reform can the Soviet Union unleash the ingenuity, the energy and the entrepreneurial instincts of its people. //

As market reform moves forward, the U.S. stands ready to support your efforts. Right now, the next step is to devise a reform strategy with the IMF and World Bank -- a strategy that wins the support of the international financial and business community. It should be a program that **sets out priorities** -- one that makes maximum use of your great natural wealth, but even more, it must be a plan that unlocks the **great human potential of the Soviet people**. Progress rests on the pace of your reforms -- on the speed with which you move from a system based on command and control to one based on supply and demand. As in Eastern Europe, our assistance will keep pace with your reform. //

But our new partnership must go far beyond the halls of government in Washington and Moscow. It must bring together the businessman from the American Midwest and his partner in the Ukraine. It must bridge the thousands of miles between small

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For four long decades, cooperation of this kind was a casualty of the Cold War. / Let this Moscow Summit mark an end to the long era of mistrust, and a new beginning for our two nations: an era of progress toward a new world of peace, and partnership. //

Once again, thank you for your warm welcome -- and may God bless the people of the Soviet Union.

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THE WHITE HOUSE
WASHINGTON

91 JUL 28 PM 12:58

July 28, 1991

MEMORANDUM FOR THE PRESIDENT

THROUGH: DAVID DEMAREST
TONY SNOW *TS*

FROM: DAN MCGROARTY *DMG*

SUBJECT: INSTITUTE OF INTERNATIONAL RELATIONS

I. SUMMARY

On Tuesday, July 30, you will address an audience of about 500 people at the Institute of International Relations in Moscow. The audience will include a broad mixture of people: students, businessmen, diplomats, members of the government, intellectuals, etc.

The speech is 15 minutes long, and will be teleprompted.

II. DISCUSSION

The remarks laud the Soviet Union -- and President Gorbachev in particular -- for the monumental changes they have wrought in the past years. The remarks also emphasize the progress made in the relationship between the Soviet Union and the United States, and the many challenges that remain.

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McGroarty/Dooley
July 28, 1991
12:00 noon
[MOSCOW]

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PRESIDENTIAL REMARKS: INSTITUTE OF INTERNATIONAL RELATIONS
MOSCOW, U.S.S.R.
JULY 30, 1991
3:00 P.M.

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As a consequence of this progress, when I return to Washington, I will submit to Congress the U.S.-Soviet Trade Agreement we signed one year ago. We will accelerate our effort to conclude a Tax and Bilateral Investment Agreement. I will also urge the Congress to remove restrictions that limit credits and impede trade -- and to grant the Soviet Union Most Favored Nation status. //

Beyond two-way trade, the U.S. is working to open doors to Soviet entry into the global economy. // For more than forty years, the Soviet Union stood apart from the world market -- stood aside as free market forces sparked an era of unprecedented prosperity across the West. / The results of this self-imposed isolation from the world economy proved disastrous. At this month's London Summit, President Gorbachev spoke from the heart of the Soviet Union's interest in becoming fully integrated into the world economy. //

The Soviet Union should become a full participant in the global economy. That's why the U.S. supports Soviet observer status in the GATT -- and, when the USSR has completed the necessary reforms ^{upon which it has embarked}, full membership. That's why I proposed last December that the USSR should enter a "special association" with the IMF and the World Bank -- and why I pushed that proposal with my summit partners in London. These measures will make available to the Soviet Union assistance and expertise that ^{helps} can ease the difficult transition to a market economy -- and improve the standard of living for the Soviet people. //

But the crowning proof that we are overcoming the old Cold War animosities remains our cooperation in the Persian Gulf. In the depths of the Cold War era, Iraq's aggression against its tiny neighbor might well have brought our two nations -- and even the entire world -- to the brink of conflict. If Saddam Hussein thought he could exploit our differences to his own advantage -- he was dead wrong. At every key point in the crisis, the U.S.

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*add up
to the Soviet*

McGroarty/Dooley
July 28, 1991
~~12:00 noon~~ 6 PM
[MOSCOW]

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MOSCOW, U.S.S.R.
JULY 30, 1991
3:00 P.M.

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We have reason to hope. One by one, the cruel realities of the Cold War flicker and fade -- and a new world of opportunities calls us forward. In Europe -- for forty years the fault-line of East-West conflict -- the nations of Central Europe find a common home in democracy. Far beyond the confines of this continent -- from Afghanistan to the horn of Africa, from Angola to Central America -- regional conflicts no longer threaten to become flashpoints for superpower confrontation. Worldwide, the risk of global war stands lower now than at any point in the post-war era. //

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As a consequence of this progress, when I return to Washington, I will submit to Congress the U.S.-Soviet Trade Agreement we signed one year ago. I will urge the Congress to repeal the Byrd and Stevenson amendments -- restrictions that limit credits and impede trade -- and to grant the Soviet Union Most Favored Nation trade status. In addition, we will accelerate our effort to conclude a Tax Agreement and a Bilateral Investment Agreement. //

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The Soviet Union should become a full participant in the global economy ^{and the United States will support you in these efforts.} Beyond two-way trade, the U.S. is working to open doors to Soviet entry into the ^{economic mainstream.} ~~global economy~~. That's why the U.S. supports ^{ed} Soviet observer status in the GATT -- and full membership, when the USSR has completed the necessary reforms, upon which it has embarked. That's why I proposed last December -- and the G-7 has just agreed -- that the USSR should enter a "special association" with the IMF and the World Bank. These measures will make available to the Soviet Union assistance and expertise that can help ease the difficult transition to a market economy -- and improve the standard of living for the Soviet people. //

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In many cases, we face conflicts and quarrels rooted in the world war fought fifty years ago, frozen in place by the long Cold War that followed: Disputes like Japan's claim for the return of the Northern Territories. This dispute could hamper your integration into the world economy -- and we want to help resolve it.

Difficult as well are questions regarding the future of
 [Equally difficult is the dispute over] the Baltic nations of Estonia, Latvia and Lithuania. Today, a new generation of Baltic leaders -- democratically elected, and reflecting the will of the Baltic peoples -- asks a new generation of Soviet leaders to reject and repudiate one of the darkest legacies of the Stalin era. Surely, men and women of reason and good will can find a way to extend freedom to the Baltic peoples. //

We believe that the Soviet government must engage in real, good-faith negotiations with the Baltic governments. No one can ignore the complexities involved in negotiating a new relationship -- or the yearnings of a people to be free. ^{But} We must not see the positive progress we have made threatened or thrown in doubt. Above all, we seek a clear and unqualified commitment to peaceful change. //

A ^{major} ~~second~~ obstacle lies close to home for the U.S. -- ninety miles off the Florida coast, in Cuba. The United States poses no threat to Cuba. Therefore, there is no need for the Soviet Union to funnel millions of dollars in military aid to Cuba -- especially since Castro heaps contempt on glasnost and perestroika. //

Finally, I call on the Soviet leadership to make further ^{cuts} ~~cuts~~ in Soviet military spending. ^{The world has changed. It is time} to put your military on a peacetime footing. As you struggle to join the international economy, we will offer our help in converting your military-industrial might to productive, peaceful purposes. We appreciate the difficulties of military reform -- the competing demands of people displaced when a Cold War makes way for a new world order. But we also know that ^{the demilitarization of your economy is key to economic transformation} ~~this sort of conversion~~ will enable you to ^{It} devote more resources to economic growth -- ^{and} will help you fill ~~the~~ ^{your} shelves ^{of} your stores ~~shelves~~.

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Once again, thank you for your warm welcome -- and may God bless the people of the Soviet Union.

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SPACE INSERT??:

[[...I am pleased to announce a U.S.-Soviet space cooperation Agreement to promote shared research to monitor the environment from space, an Astronaut-Cosmonaut exchange and annual space consultations.]]

McGroarty/Dooley
July 29, 1991
9 p.m.
[MOSCOW]

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MOSCOW, U.S.S.R.
JULY 30, 1991
3:00 P.M.

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free elections

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In many cases, we face conflicts and quarrels rooted in the world war fought fifty years ago, frozen in place by the long Cold War that followed: Disputes like Japan's claim ^{which was support,} for the return of the Northern Territories. This dispute could hamper your integration into the world economy -- and we want to help ^{both of} you resolve it ^{if we could}.

Difficult as well are questions regarding the future of the Baltic nations of Estonia, Latvia and Lithuania. Today, a new generation of Baltic leaders -- democratically elected, and reflecting the will of the Baltic peoples -- asks a new generation of Soviet leaders to ~~reject~~ and repudiate one of the darkest legacies of the Stalin era. Surely, men and women of

reason and good will can find a way to extend freedom to the Baltic peoples. //

~~[We believe that the Soviet government must engage in real,~~
Only good-faith negotiations with the Baltic governments. No one can *can and this long-standing legacy of the Stalin era.*
 ignore the complexities involved in negotiating a new relationship -- or the yearnings of a people to be free. [But we must not see the positive progress we have made threatened or thrown in doubt.] Above all, *there needs to be* we seek a clear and unqualified commitment to peaceful change. //

Another obstacle lies close to home for the U.S. -- ninety miles off the Florida coast, in Cuba. The United States poses no threat to Cuba. Therefore, there is no need for the Soviet Union to funnel millions of dollars in military aid to Cuba -- *does not share your faith in* especially since Castro ~~heaps contempt on~~ glasnost and perestroika. //

Finally, ~~I call on the Soviet leadership to make further cuts in Soviet military spending.~~ The world has changed, It is *for your establishment to move to* time ~~to put your military~~ on a peacetime footing. *It is time to reduce military spending.* As you struggle to join the international economy, we will offer our help in converting your military-industrial might to productive, peaceful purposes. We appreciate the difficulties of military reform -- the competing demands of people displaced when a Cold War makes way for a new world order. But we also know that the demilitarization of your economy is key to economic transformation. It will enable you to devote more resources to

economic growth -- and will help you fill the shelves of your stores.

But the key challenge -- the single most important factor in forging a new partnership between our nations -- remains the outcome of the experiment now reshaping Soviet society.

Consider the Soviet Union we see today. Gone are the days when a small cadre hidden behind the high Kremlin walls worked the levers of power. Gone is the rubber-stamp legislature -- the one-party monopoly, enforcing one point of view. //

In its place we see unmistakable signs of the new Soviet Union. Dissidents who once languished in internal exile now serve as Deputies in the People's Congress. Samizdat has given way to streetcorner critics. / A new Soviet Revolution has begun: a revolution marked by the emergence of many voices -- inside and outside government, / in the proliferation of political parties, / here in Moscow, and across every part of the vast reaches of this great land.

The forces of reaction and recalcitrance still retain great power. But each day brings new alliances -- a new manifesto for change -- a new call to action. Some ask: amid this shifting scene, what is our policy toward all these groups, who and what do we support? My answer is clear: America stands with the forces of freedom and reform -- wherever they are found.

My country stands ready to assist in this new Soviet revolution. In the economic sphere, the transformation must come from within. A shortage of foreign capital is not what plunged

your economy into crisis -- nor can your economic ills be cured by an infusion of cash. Only through real reform can the Soviet Union abolish the counter-productive command economy -- only through real reform can the Soviet Union unleash the ingenuity, the energy and the entrepreneurial potential of its people. //

As market reform moves forward, the U.S. stands ready to support your efforts. Right now, the next step is to devise an economic strategy with the IMF and World Bank -- a strategy that wins the support of the international ~~financial and business~~ ^{investment} community. It should be a program that sets out priorities -- one that makes maximum use of your great natural wealth, but even more, it must be a plan that unlocks the great human potential of the Soviet people. Progress rests on the pace of your reforms -- on the speed with which you move from a system based on command and control to one based on supply and demand. As in Eastern Europe, our assistance will keep pace with your reform. //

But our new partnership must go far beyond the halls of government in Washington and Moscow. It must bring together the businessman from the American Midwest and his partner in the Ukraine. It must bridge the thousands of miles between small town America and Soviet cities. It means expanded exchanges of scientists and scholars, artists and engineers. And from the great cities of Moscow and Kiev, from the plains of Central Asia and the villages of Siberia to the port of Vladivostok and all points in between -- it means students coming to study in American schools and live with American families. It means

thousands more American students coming to the Soviet Union, to explore your past and experience first-hand the future you are working to create. //

For four long decades, cooperation of this kind was a casualty of the Cold War. / Let this Moscow Summit mark the end of a long era of mistrust, and a new beginning for our two nations: an era of progress toward a new world of peace, and partnership. //

Once again, thank you for your warm welcome -- and may God bless the people of the Soviet Union.

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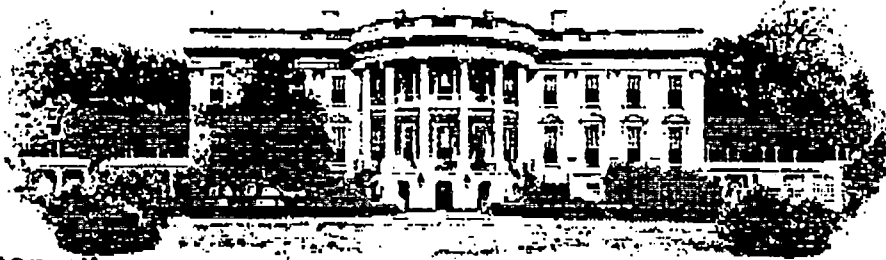
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TIME OF TRANSMISSION

TIME OF RECEIPT



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THE SITUATION ROOM

PRECEDENCE: IMMEDIATE
PRIORITY
ROUTINE

RELEASER: Asjled
DTG: 291540Z

MESSAGE NO. 32 CLASSIFICATION Unclassified PAGES 3

FROM Nancy Benson (Name) 456-2930 (Phone Number) 122.0808 (Room No.)

MESSAGE DESCRIPTION tomorrow's speech

| TO (Agency) | DELIVER TO: | DEPT/ROOM NO. | PHONE NUMBER |
|-------------------------------|---------------|---------------|--------------|
| Christina Martin Tony Snow | Air Force One | | |
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REMARKS

Also OMB would like FP on Tech Assistance Fund reworded and an updated version for review

IMMEDIATE!

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insert on page 8

1st full paragraph should read as follows:

In that same spirit, I am pleased to announce today that a Peace Corps team will be immediately dispatched to the Soviet Union to determine how that organization's technical support can collaborate on ~~our~~ agriculture and environmental issues.

Note:

Director Cotendall believes that the language suggested above would be better for relations between the U.S. and the Soviet Union because the Soviets are very sensitive as any suggestion that they are a 3rd world country.

James, oca

Institute for International Relations
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the collapse of the Soviet economy -- nor can your economic ills be cured by an infusion of cash. // Only through real reform can the Soviet Union abolish the counter-productive command economy -- only through real reform can the Soviet Union unleash the ingenuity, the energy and the entrepreneurial instincts of its people. //

America stands ready to help -- ready to provide expertise and advice that can advance real reform. To this end, I will ask Congress for \$20 million dollars to form a Technical Assistance Fund, to encourage economic reform at the federal level and in the republics. // We will also seek the support of our partners in the G-7 for the creation of an Enterprise Fund -- a pool of capital to fuel the dreams of emerging Soviet entrepreneurs. //

As market reform moves forward, our assistance can take new forms. [Together with our friends in the European Community, the U.S. will explore the possibilities of creating a Stabilization Fund to ease the transition from a system based on command and control to one based on supply and demand. //]

But our new partnership must go far beyond the halls of government in Washington and Moscow. It must bring together the businessman from the American Midwest and his partner in the Ukraine. It must bridge the thousands of miles between small town America and Soviet cities. It means expanded exchanges of scientists and scholars, artists and engineers. And from the great cities of Moscow and Petersburg, from the plains of Central Asia and the villages of Siberia to the port of Vladivostok and

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all points in between -- it means students coming to study in American schools and live with American families. It means thousands more American students coming to the Soviet Union, to explore your past and experience first-hand the future you are working to create. //

*See
instr
attached*

~~In that same spirit, I am pleased to announce today that in [month], we will send a Peace Corps mission to the USSR -- volunteers specializing in agriculture and environment -- to live and work in this country, to contribute to the transformation taking place here. //~~

[[CONCL>>>> Let Moscow mark a new beginning for our two nations....]]

once again, thank you for your warm welcome -- and may God bless the people of the Soviet Union.

* * *

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