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THE WHITE HOUSE

WASHINGTON

MEMORANDUM OF CONVERSATION

SUBJECT: Second Plenary Meeting (U)

PARTICIPANTS:

US

The President
Secretary George Shultz
Secretary Frank Carlucci
Senator Howard Baker
General Colin Powell
Assistant Secretary Rozanne Ridgway
Ambassador Jack Matlock
Nelson Ledsky, NSC (Notetaker)
Mark Parris, Department of State (Notetaker)

USSR

General Secretary Mikhail Gorbachev
Chairman Andrei Gromyko
Foreign Minister Eduard Shevardnadze
Defense Minister Dmitri Yazov
Politburo Member Aleksandr Yakovlev
Secretary Anatoly Dobrynin
Deputy Minister Aleksandr Bessmertnykh
Mr. Chernyayev
Ambassador Yuri Dubinin
Mr. Victor Sukhodrev (Notetaker)
Mr. Sredin (Notetaker)

DATE, TIME June 1, 1988, 10:05 - 11:20 a.m.
AND PLACE: St. Catherine's Hall, Kremlin (U)

While photos were being taken, several questions were shouted at the President and General Secretary Gorbachev. The first was from an American reporter, who asked if it were true that the President was not feeling well. The President replied that he had slept well and that he was feeling fine. (U)

The second question in Russian inquired as to whether there had been any surprises as yet at the Summit. General Secretary Gorbachev responded that our joint effort was devoted to eliminating surprises and to establishing a relationship based on greater predictability. (U)

The President was then asked to assess progress at the Summit. The President replied that the meetings had been proceeding in an excellent manner, and that he was pleased with the progress to date. A further question concerned progress in the START negotiations. The President replied that these negotiations were complicated, but that profitable work was continuing. To another question as to whether there were fewer problems in START now

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than before the Moscow Summit began, the President's reply was "Yes, there are fewer problems now." The President answered a follow-on question about SDI by responding that there had been no breakthrough or new major development. (U)

The President and the General Secretary then said that they would be having press conferences later and would take additional questions at that time. As the room was being cleared of reporters, the President and the General Secretary shook hands across the table several times for photographers. (U)

The General Secretary then opened the session by observing that the last few days had been full and productive. He joked that he would be asking President Gromyko for salary increases for all participants, given the difficult conditions under which everyone was working. The General Secretary then asked the President whether he would agree to the following schedule: Foreign Minister Shevardnadze and Secretary Shultz would report briefly on their discussions and those conducted by experts and working groups. Then, suggested Gorbachev, the two leaders could respond and proceed to a discussion of regional issues in some detail, because these had not been touched on in previous plenary meetings. (S)

President Reagan agreed to this arrangement, and the General Secretary then asked Foreign Minister Shevardnadze to begin. (S)

Foreign Minister Shevardnadze recalled that, based on instructions of the President and the General Secretary, discussion was arranged at the Ministerial and working level to study individual questions. Results by the experts and working groups could be summed up as follows: A draft Joint Statement had been prepared for approval. There are portions of it that are quite weak, in the Soviet view, but on the whole it is a solid paper, which records improvements across the board in our relationship. It sets forth the achievements we have reached in arms control, regional issues, bilateral matters and humanitarian affairs, the four agenda items we agreed to in Geneva in 1985. (S)

Shevardnadze said the Joint Statement analyzes the main trends in Soviet-American relations since Geneva. It records the many differences that still persist in our relations, but it lists the positive changes that have occurred. These changes are rather impressive as stated in this document. The Joint Statement could gain if a general provision were added "along the lines our two leaders discussed on Sunday." Shevardnadze then read the following three-sentence paragraph, which, he claimed, should raise no issue of principle:

Proceeding from their understanding of the realities that have taken shape in the world today, the two leaders believe that no problem in dispute can be resolved, nor should it be resolved, by military means. They regard peaceful co-

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existence as an universal principle of international relations. Equality of all states, non-interference in internal affairs and freedom of socio-political choice must be recognized as the inalienable and mandatory standards of international relations. (S)

Foreign Minister Shevardnadze reported that the President had reacted positively to this formulation. Some of the phrases were not accepted by the American side, and compromise language was proposed by the Soviets. These changes too proved unacceptable to the American negotiators. Shevardnadze said he hoped the United States would still give consideration to the Soviet formulation. It was not yet too late to accept this language. At a minimum, US views on this paragraph should be explained more fully. (S)

The Joint Statement as it now stood, Shevardnadze continued, reflected the many new ideas which had been developed these past few days in Moscow. The text recorded our agreement to establish an expanded framework through which human rights issues could be discussed in a new, positive spirit. The statement talks of the possibility of flights to Mars, records our agreement to discuss the growing problem of ballistic missile proliferation, and lists our agreement to expand the exchange of school students. It also provides information on the seven new bilateral agreements reached and signed at the Summit. (S)

Foreign Minister Shevardnadze then began a quick review of the progress made in the political and military sphere. On arms control, he said, there had been difficulty in making substantial progress toward the 50-percent reduction, but that both sides had agreed to continue with the Geneva negotiations and provide negotiators with fresh impetus. Shevardnadze noted also the continuing problems in relating the ABM treaty to a reduction of strategic arms. He spoke, too, about the lack of progress with respect to airborne cruise missiles and SLBMs, but noted that some advance had been made on counting rules for ALCMs and heavy bombers. Some convergence of ideas in these two fields had been achieved, and both sides have agreed to give detailed instructions to their respective delegations. (S)

Foreign Minister Shevardnadze said the two sides were divided on a variety of other key issues. The US has refused to set ceilings on sea-launched cruise missiles (SLCM) or agree to on-board verification. The United States remains committed to the idea of unilateral statements without verification. Shevardnadze said the Soviet position on this subject was clear and fixed. (S)

Foreign Minister Shevardnadze went on to note that the agreement on ballistic missile launch notification had been signed on Tuesday and that in the area of nuclear testing, agreement had been reached to conduct two joint verification experiments. This

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agreement, signed on May 1, opened up good possibilities for putting into force the protocol of the 1974 Threshold Test Ban Treaty and accelerating work on the 1976 Peaceful Nuclear Explosion Treaty. It was our joint hope, said Shevardnadze, to complete the verification protocol even before the joint verification experiments were conducted in the summer of 1988. (S)

Foreign Minister Shevardnadze then said that he would like to review where matters stood on conventional arms. General Secretary Gorbachev interrupted to ask what had happened at the conventional mandate discussions in Vienna. The Foreign Minister's reply was that a working group had been reviewing this subject. The formula for the mandate at Vienna had been the main issue discussed. Some convergence of positions had been recorded, except for aircraft, and the two delegations in Vienna would be invited to pursue the issue further. The Foreign Minister said the US has expressed some interest in the Gorbachev proposal on conventional arms set forth on Monday, and was willing to consider further informal discussions of this proposal. The Americans, on the other hand, Shevardnadze reported, were opposed to discussion of naval forces. The Soviets, in contrast, attached great importance to such a dialogue. (S)

In the area of chemical arms, the two sides had made progress, and this was reflected in the Soviet-American Joint Statement. There was certainly agreement on the need to prevent proliferation and to arrange effective verification. (S)

On regional issues, Foreign Minister Shevardnadze said that all the regular topics had been discussed. He mentioned specifically the Horn of Africa, the Persian Gulf, Angola, Korea, Cambodia, the Middle East, and Central America. Each topic had been reviewed at the experts' level and between the Foreign Ministers on Tuesday. On each, deep and serious differences remain. In a few areas, the method and procedures for settlement seemed in sight, but further work was required. With respect to Southern Africa, there had been talk of speeding up implementation of UN Resolution 435. This was certainly in everybody's interest. In the Middle East, one could say there was a better understanding of each other's positions and the differences that separate us. These differences concerned the nature and functioning of any future international conference. There was also the Palestinian representation question. Shevardnadze said that he and the Secretary of State had agreed to hold further conversations on these issues, perhaps even a long session devoted exclusively to this complex set of problems. (S)

Foreign Minister Shevardnadze said there had been no change on either side with respect to the Persian Gulf or Iran-Iraq war. On Afghanistan, both sides understood that strict compliance with the recent UN-sponsored agreement was essential. The behavior of Pakistan was cause for concern. Only yesterday, there had been a serious attack on Soviet troops. One soldier was killed, two

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were wounded, and three others were missing. This incident and others like it could not be overlooked by the Soviet Union, and served as the basis for deep concern. (S)

With respect to Central America, Foreign Minister Shevardnadze said, no new elements had emerged. The US adheres to its position, thus blocking possible progress between us. (S)

Some new element seemed present in Cambodia. The United States appears receptive to the idea of an early withdrawal of 50,000 Vietnamese troops, and wants to encourage the possibility of dialogue between the Vietnamese and Prince Sihanouk. With respect to Korea, the US perceives no change in the policy of the North. The Soviet side, in contrast, stated its belief that the leadership in North Korea was prepared for North-South talks on a broad range of issues now. (S)

Foreign Minister Shevardnadze then turned to bilateral matters. He said he would briefly summarize the situation by noting that many points of agreement had been identified and that serious discussion had taken place wherever disagreements still existed. Our negotiators had worked hard in a constructive and business-like atmosphere, and further progress in this area was certainly possible, including new areas of cooperation. All of this is reflected in the Joint Statement. (S)

General Secretary Gorbachev thanked the Soviet Foreign Minister for his presentation, and called upon Secretary Shultz to make any additional comments the US side felt necessary. (S)

Secretary of State Shultz thanked the General Secretary and commented in extremely favorable terms on the work that had been done over the past two and a half days. He said the experts discussions had produced good results, and that the work had gone on in the best of spirits. He said Foreign Minister Shevardnadze had provided a good outline of the results, and that he needed to go over only those points where our own perspective on issues was needed. (S)

With respect to the draft Joint Statement, the Secretary called it a powerful document, containing important substance. The tonal language was just right. The Statement should provide an impetus both for our future work and the resolution of existing problems. The Secretary continued that the US side had discussed the additional political paragraph which Foreign Minister Shevardnadze had mentioned earlier, but that we believed the draft before us represented a clearer statement of where our current relationship stood. The Secretary then read the relevant paragraph from the joint statement:

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"The two leaders are convinced that the expanding political dialogue they have established represents an increasingly effective means of resolving issues of mutual interest and concern. They do not minimize the real differences of history, tradition and ideology which will continue to characterize the US-Soviet relationship. But they believe that the dialogue will endure, because it is based on realism and focused on the achievement of concrete results. It can serve as a constructive basis for addressing not only the problems of the present, but of tomorrow and the next century. It is a process which the President and the General Secretary believe serves the best interests of the peoples of the United States and the Soviet Union, and can contribute to a more stable, more peaceful and safer world." (S)

Secretary Shultz described this paragraph as a strong and powerful endorsement of the process that the two sides had set in motion. We believe we should stick to this paragraph and not make further changes. (S)

Turning to the four-part agenda, Secretary Shultz talked first about START. We had made some headway on ALCMs and the question of verification for mobiles. Fruitful work had been done in these areas, and this was reflected in the Joint Statement. The Secretary then read the two relevant paragraphs:

"The two leaders noted that a Joint Draft Text of a Treaty on Reduction and Limitation of Strategic Offensive Arms has been elaborated. Through this process, the sides have been able to record in the Joint Draft Text extensive and significant areas of agreement and also to detail positions on remaining areas of disagreement. While important additional work is required before this Treaty is ready for signature, many key provisions are recorded in the Joint Draft Text and are considered to be agreed, subject to the completion and ratification of the Treaty.

Taking into account a Treaty on Strategic Offensive Arms, the sides have continued negotiations to achieve a separate agreement concerning the ABM Treaty building on the language of the Washington Summit Joint Statement dated December 10, 1987. Progress was noted in preparing the Joint Draft Text of an associated Protocol. In connection with their obligations under the Protocol, the sides have agreed in particular to use the Nuclear Risk Reduction Centers for transmission of relevant information. The leaders directed their negotiators to prepare the Joint Draft Text of a separate agreement and to continue work on its associated Protocol." (S)

The Secretary said there had been no progress in Moscow on the issue of sea-launched cruise missiles. On defense and space, the discussions this week helped establish a better understanding of how we should go about clarifying the meaning of the statement at the Washington Summit. The talks did not, however, identify

anything special to report to Ministers at this time. The Secretary noted that the issue of the Krasnoyarsk radar is still outstanding, and warned that this must be dealt with before the ABM review conference in October. (S)

The Secretary asserted that the nuclear testing area represented the week's major success story. Our negotiators, he said, should be congratulated for bringing in an agreement on joint verification experiments. The details of that agreement, which runs to 191 pages, shows that careful and detailed work between our two sides is possible and can be achieved in a reasonable amount of time. (S)

With respect to chemical weapons, the Secretary said that good realistic language had been developed and included in the Joint Statement. This, in turn, provides a good basis for further work at the Geneva Conference in July, when complicated, sensitive verification problems will still need to be addressed. (S)

The Secretary then referred to Foreign Minister Shevardnadze's comments about missile technology, and called the agreement reached between the two sides on the notification of launches of intercontinental ballistic missiles and SLBMs an important new step taken during the Moscow Summit. (S)

With respect to conventional forces, the Secretary said he would like to make three points. First, we needed to recognize that negotiations on these issues are among 23 countries, and not between the Soviet Union and the United States. Second, we needed to reach a balanced outcome in Vienna, a fact reflected in the Joint Statement. Finally, the two sides shared the view that conventional force talks should be autonomous from the regular CSCE process. The Secretary acknowledged Soviet interest in including something about naval forces in the conventional stability mandate. The US was simply not prepared to do this, he insisted. (S)

Foreign Minister Shevardnadze interrupted to say that the naval forces question was separate from the conventional arms mandate issue. The Secretary replied that nonetheless the United States is on the whole resistant to any discussion of naval forces. The Secretary continued by saying that Foreign Minister Shevardnadze had correctly identified aircraft as a major problem in the mandate discussions. The Secretary concluded by saying that on the human rights side of the Vienna meeting, we are now operating from a draft developed by the neutral and non-aligned countries. Work on this draft was going very slowly. (S)

The Secretary then turned to regional questions. He declared that the two sides have had increasingly good discussions on specific issues over the past two and a half years. Virtually every open question has been touched on in the working groups. Perhaps, suggested the Secretary, he would say a word about a few of the issues where new opportunities seemed to be opening.

One such area was Southern Africa. Here, we plan to press the parties to resolve their differences by late September, the tenth anniversary of the passage of Security Council Resolution 435 on Namibia. More work needs to be done, but it was important to keep this part of the US-Soviet dialogue going strongly. (S)

Less dramatic progress had been produced in other areas. The US still favored a second resolution to follow-on Resolution 598, as a means of putting pressure on the participants to end the Iran-Iraq war. The Secretary claimed there had been good discussions on the Middle East, but that the complexity of the issues did not lend themselves to resolution in a short exchange. The issues themselves were of great concern to both sides. One example was the growing danger of chemical weapons and missiles in the area. The Chinese had recently sold weapons to Saudi Arabia in exactly the range the US and Soviets had banned from their own inventories. (S)

The Secretary noted that the President had decided to send him back to the Middle East. Perhaps this was merely designed to show the Secretary's capacity for masochism. In reality, the trip was valuable as a means for keeping the peace process alive, something, the Secretary said, he believed was essential. (S)

The Secretary then moved on to East Asia, where, he said, interesting developments had occurred in Cambodia. The Vietnamese should talk to Sihanouk, so that a process of national reconciliation can begin to be brought about. The Secretary said that without going into all other regional questions, it was perhaps worth noting that the South Koreans had proposed talks with North Korea, especially with regard to security at the Olympics. This was also a matter that Secretary Carlucci had spoken about to President Gromyko. We were also aware that SA-5 missiles had been installed in North Korea, in places that can reach Seoul. This then is a natural source of additional concern, as planning for the Summer Olympics proceeds. (S)

The Secretary of State then turned to bilateral issues. He said these had not been considered at the very top level, but that discussion between the two sides had been smooth. The two sides were developing what we hoped would turn out to be long-lasting relations. We are particularly proud of the agreement reached to expand high-school-age exchanges, and of the agreement in principle to negotiate on cultural centers. (S)

Secretary Shultz noted that Foreign Minister Shevardnadze had not commented on human rights, but that important work had also been done in this area. Even before the summit started, intensive discussions had begun on individual cases and institutional questions. The discussions had proven fruitful. Both sides can take pride in the substantial improvements that have been achieved and are reflected in the Joint Statement. The Secretary said that if one took a longer view and examined developments

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over the three-year period since Geneva, progress on human rights had come further than in any other area of our four-part agenda. Still more work needed to be done but, compared to where we were when we started, "this was simply a different world." (S)

Secretary Shultz concluded his remarks by commenting briefly on the text of the Joint Statement. He noted that this had been worked out by Assistant Secretary Ridgway and Deputy Foreign Minister Bessmertnykh. It was a solid document, reflecting the fact that we are increasingly able to deal with problems and find solutions agreeable to both sides. The Secretary said he hoped the document could be approved and issued later today. (S)

General Secretary Gorbachev asked the President to outline his attitude toward the two reports which had been given by the Foreign Ministers. (S)

President Reagan said he agreed with what had been presented. A long list of problems had been outlined, but it was increasingly clear that these problems could be resolved. Opportunities abound for the two powers to correct difficulties around the world. We should not overlook these chances. (S)

The President asked, "What problems do we really have? The mistrust between us needs to be eliminated." Our two countries possess the ability to solve issues, and there are enormous humanitarian needs around the world. One such problem exists in Ethiopia. There, the President said, the government prevents volunteers from reaching the starving and the needy. We can put a stop to this. We can tell the government of Ethiopia that it simply can't continue with the policies it is pursuing, that it must let the international agencies and volunteers distribute food and medicine to the needy. (S)

The President then spoke briefly about the continuing horrors in the Persian Gulf. The loss of life in both Iran and Iraq was enormous. There was no prospect that the war would end soon and every prospect that, without our involvement, the killing and brutality would go on. Regional conflicts, said the President, have a way of drawing others in. Neither of us wants that, and we shouldn't allow it to happen. On the contrary, it's in our mutual interest to defuse tensions and promote regional stability. (S)

The President then referred to Afghanistan. He said the settlement there was a tangible step in the right direction. He noted that General Secretary Gorbachev had said that the settlement could serve as a model for ending other regional conflicts. The President commended Gorbachev for his leadership in taking the decision to withdraw from Afghanistan, and noted that it paved the way for the Afghans to settle their own future and enjoy genuine self-determination. The US, the President continued, favors a stable, neutral, and non-aligned Afghanistan, and we are prepared to work with you to ensure it. (S)

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The United States is prepared for the same spirit of cooperation in dealing with the problems of the Persian Gulf, the President said. The area is becoming much more dangerous with ballistic missiles and chemical weapons. The President added that together we have the unique potential for helping to bring a halt to the Iran-Iraq war. Recalling what he had said in Geneva, the President insisted the two powers had the potential for determining whether there is war or peace. The President suggested that the two superpowers opt for peace. The President concluded his remarks by saying "Let's work together to make this a better world." (S)

Secretary Shultz then addressed General Secretary Gorbachev and said jokingly that speaking for the bureaucrats around the table he wished to inquire whether the Soviet side approved the Joint Statement. If so, it could be readied for issuance later that afternoon. (S)

The President stated his approval, but Gorbachev said he would like to make a few comments. He began by saying that the Joint Statement was a solid document, which accurately summed up our mutual efforts over the recent past. The document contained elements that record the progress made in the bilateral and regional areas. General Secretary Gorbachev noted that the art of politics is the art of the possible. In that spirit, he was ready to accept the Joint Statement if nothing more could be accomplished, but he asked to approach one subject again on the level of principle. (S)

The General Secretary began by reviewing the ground, he said, we had covered together since Geneva. He said he had re-read the Geneva statement carefully. That document says specifically that the two sides had agreed to live in peace; that a nuclear war should not be fought and could not be won; and that the two sides would develop an agenda for the resolution of problems in four basic areas. This was an important global statement. Why could not a similar political global statement be arrived at today? What stands in the way of agreement on a statement which I handed the President on Sunday and which seems to have been rejected by the drafters of the Joint Statement? (S)

What we called for in the Soviet draft, continued Gorbachev, was a political approach to problem-solving. What it said was that we all have to respect the rights of others. What is wrong with that? It follows from all we said together these past three days. Why can't we incorporate this basic idea into our statement? It would give the document a powerful political basis, Gorbachev said. It would strengthen the text, and suggest to the world that we have taken another important step forward. (S)

We are the two major holders of nuclear weapons. We know from our own discussions that regional issues must be solved through political approaches. We know that we must live in peace, that there is no alternative to the political resolution of disputes. This is the will of both our people. They know that the sovereign choice of other people must be respected. Frankly, we have both said all these things in our own way on many previous occasions. You have made such statements; I can quote, Mr. President. We have made similar unilateral statements. Wouldn't it be much better if we could say the same thing together? It would help both of us and would send an important signal to the entire world. (S)

General Secretary Gorbachev continued by suggesting that he and the President had reached tentative agreement on Sunday on such a statement. Gorbachev recalled that he had handed the text of his suggested paragraph to the President in English, that the President had read it and said he liked it. I think his exact words were, "I respond positively to this." I think, said Gorbachev, that the President's wishes should be respected. Can we not, asked Gorbachev, simply make a correction in the text to include our paragraph, and the entire statement would then be ready for issuance? (S)

General Secretary Gorbachev then turned to Secretary Shultz and said, "George, this is a good statement (referring to the Joint Statement), but it can be made better. The President, in fact, was the first in Geneva to make some of the statements I referred to earlier. Can we not proceed to use the language I suggested to the President on Sunday?" (S)

Secretary Shultz then pointed to the objectionable phrase "peaceful co-existence" and to other unacceptable phraseology in the draft paragraph. (S)

General Secretary Gorbachev responded adamantly, "We have already removed the phrase you objected to (peaceful coexistence), although we don't believe it is a bad phrase. What is it in the text that you are against? I see the President is hard put to find any faults. What do you say? Isn't it better that we put our thoughts on this subject together to create a new and powerful political statement?" (S)

Secretary Gorbachev then turned to Assistant Secretary Ridgway and with a smile said, "As the English say, women are the second civilization. You are the only representative of that civilization here. The President had agreed to this paragraph on Sunday. What is in it that is not acceptable to you?" (S)

At this point, Secretaries Shultz and Carlucci pointed out other difficulties in the Soviet language, and explained that there were at least four or five phrases that carried political baggage that the US did not favor. (S)

General Secretary Gorbachev turned to Defense Secretary Carlucci and said, "Now Frank has gotten involved in this! All right, we understand your objections to certain words, but we have already developed a second formulation which I discussed with the President. All we are asking for is a statement that confirms there are to be political solutions, not military solutions, to international problems. The statement represents an effort to develop a political guideline, and the Soviet side would be happy if you could agree in principle to a statement that says this. Such a text would improve the Joint Statement and make it a more powerful document." (S)

General Secretary Gorbachev asked that the American side reflect on his comments for a few moments while he went on to say a few things about regional issues. First, the Soviet Union was quite serious in wishing to go on record in favor of changing the way regional conflicts were resolved. The American side could be sure that the Soviets would cooperate in a constructive spirit in the resolution of problems around the world. We will not act on our own, continued Gorbachev, in a way which does not consider American interests or the interests of our own allies and friends. Soviet policy would be based on realities, and this would provide a sound basis for working together. Gorbachev added, "The hand of Moscow will be a constructive hand." (S)

The first success in this policy was Afghanistan. Gorbachev said this was a complex issue. The choices before us were difficult and the decisions we took will not be easy to implement. But Afghanistan is now a thing of the past. We have reached our agreement. Let's untie the Afghanistan knot and use it as a basis of untying other regional knots. (S)

Gorbachev observed that the world was looking to see if we two can work for "real reconciliation on the basis of a balance of interests." The General Secretary said that he would not like to see things come apart in Afghanistan. The Soviets had begun to implement the agreement that was reached. There were, of course, many problems and complications. Pakistan was a problem. So, too, was the idea of a different coalition government. The Soviet side was not against a new political coalition and was willing to cooperate in its selection, but the possibilities from the Soviet side were limited. (S)

What General Secretary Gorbachev said he feared were developments in the other direction, namely, the creation of a fundamentalist, Moslem government. He stated energetically that Soviet troops continued to be fired upon; so has the Soviet embassy in Kabul, and Soviet garrisons still in the field. If this continued, Gorbachev insisted, the Soviets will have to respond and make adequate adjustments. Both of us will be the losers if the agreement does not go into effect smoothly. (S)

We need to cooperate, General Secretary Gorbachev insisted. If we don't, if we each act only on the basis of our own interests, we won't be able to achieve anything -- anywhere. (S)

The General Secretary agreed that the Iran-Iraq war was also a major test. He said that, in the abstract, the completion of a second resolution was acceptable, but that "we must be careful not to push Iran into a corner." The General Secretary said that the Americans had had a long-term relationship with Iran but that Iran was a Soviet neighbor and a serious problem. The General Secretary concluded by saying, "We must be firm, flexible, and constructive. We are ready to cooperate." (S)

The General Secretary then turned to a discussion of the Middle East peace process. He said there was the beginning of convergence and the development of good, common ground between us. There was a general understanding of the need for an international conference, but the requirement still existed to bring our views together on the nature of such a conference, which could not simply be an umbrella with no influence on the outcome. To be sure, the two Superpowers could not impose a solution on the Arabs. We cannot insist they accept what they do not want. The General Secretary suggested that bilateral talks or trilateral talks would be required. We need to bring our views together on Arab participation. We also need to know what Palestinian self-determination means to the US. We should both be prepared to push the parties toward a compromise. The Soviet side is ready to do its part, and once the conference convenes, we will be prepared to consider the regularization of our diplomatic relations with Israel. (S)

In the Middle East, only by cooperating together can a solution be reached, the General Secretary insisted. Without such cooperation, no solutions will be possible. (S)

With respect to Southern Africa, the General Secretary said he welcomed the conference that had recently taken place in London and he had only praise for US mediation efforts. On this subject, the US seemed to be taking a more realistic approach. There were clearly possibilities based on the well known resolution (presumably 435) which provided for the independence of Namibia. There also seemed to be new opportunities in Angola which the Soviets were ready to talk about cooperatively with the United States. (S)

The General Secretary then turned to the question of Ethiopia. He noted that the Soviet Union was providing relief assistance in the form of food and economic aid. He said the Soviet Union lacked the capacity to deliver a political ultimatum to the Ethiopian government. This was not, in any case, the Soviet method. Moreover, the Soviets did not believe the Ethiopians were dodging their responsibilities to their own people or preventing relief assistance from reaching the needy. (S)

With respect to Central America, General Secretary Gorbachev said it looked as if the US was holding up progress. Nonetheless, there had been interesting developments in recent months. In this connection, the General Secretary said, he was willing to reaffirm what he had said in the White House in December, namely, Soviet readiness to discuss arms supplies to the region. The Soviet Union was willing to refrain or limit assistance to police arms or non-offensive weapons. The Soviet Union was willing to act with the United States, but the US seemed uninterested or unwilling to work cooperatively. The General Secretary added that the Soviets would not interfere with US initiatives, but that these initiatives and current American policy will not be successful. (S)

The General Secretary insisted he was somewhat perplexed by the American position on Korea. He said, as far as he could understand, the North Koreans were ready to negotiate. Talks could begin right away. It was the United States who objected to a process of accommodation. In contrast, the North Koreans were ready for a process of settlement, including eventual reunification of the country. (S)

The General Secretary said similar possibilities for making progress existed in Cambodia. The Vietnamese have now taken a very important initiative, a step that again demonstrates the willingness for cooperation which exists in the Socialist camp. (S)

The General Secretary said that this summed up what he wanted to say about regional issues. His conclusion was that many possibilities for fruitful cooperation and constructive interaction existed. The two sides needed merely to grasp the chance. Neither could dictate solutions. Each had to accept the requirement for political settlements. The approach must be on the basis of a balance of interests. The Soviet Union is ready to be an active partner in this process. He said Secretary Shultz and Foreign Minister Shevardnadze should continue to work together in reaching for compromise. Their consultations should be intensified, along with a continuation of expert discussions. There are important contributions we can make together, if we proceed to work cooperatively. (S)

President Reagan suggested that the Gorbachev presentation was a little one-sided. He agreed that the two sides could play an important role in maintaining a peaceful world, but the facts and the history of the regional conflicts could not be set aside so simply. The problem of Angola was certainly one area where history could not be ignored. The President then traced Angolan developments from the end of World War II until the time Portuguese colonialism ended. The Western hope was that the Angolan people would come together and create a government based on democracy. What actually happened was that one faction within Angola appealed for outside help, which led eventually to the entry of 40,000 Cuban troops in the country. Another faction

(UNITA), under a popular leader named Savimbi, remained in the field. The President said that Savimbi's only goal was the establishment in Angola of a government in which people could choose their own destiny. The result, however, has been a civil war lasting more than a decade. Outside foreign troop assistance to one side or another in Africa had to stop. (S)

The President then recounted the history of the Korean problem, recalling that US involvement came under the aegis of the United Nations banner after the North Koreans had attacked the South. Today, the line established during the Korean War still exists, and, as far as we know, the North Koreans have not given up their wish to control the entire country. (S)

The President then turned to the history of Nicaragua, pointing out that the previous dictator (Somoza) had agreed to step down when the Sandinista movement promised in writing to the Organization of American States that it would institute democratic processes in the country. The Sandinistas had promised a free press, free labor unions, freedom of religion and a full, pluralistic society. Yet, when they took power, they began to exile and execute some of their own leaders and repress the population rather than institute the democratic reforms they had promised. No one elected the present leadership in Nicaragua, and the promises the Sandinistas made in writing were never carried out. It was under these conditions that the Contra revolution arose, and that US assistance to them began. (S)

The President concluded by saying that, if we and the Soviet Union are to work together, we cannot act in ways that do not allow people freedom of choice. For example, the Nicaraguan people must be given the opportunity to set up the democracy they thought they had fought to achieve. (S)

General Secretary Gorbachev said he would keep his response to this presentation brief. In general, he said, the American assessment as to the cause of regional problems was at variance with Soviet assessments. If we go back and talk about history, he said, there will be no way of resolving current problems. This was certainly true in Angola and Central America. We must search for solutions, he insisted, on the basis of political methods and a balance of interests between us. If the Americans are ready to cooperate, we are ready to work with you; otherwise, we can wait. (S)

We are in no hurry in Nicaragua, since pluralism already exists, General Secretary Gorbachev asserted. There are something like 15 parties. We have sent no Soviet advisors, and we cannot be considered responsible for what has occurred. At the same time, we cannot on our own cancel the will of the Nicaraguan people. (S)

General Secretary Gorbachev said that he would like to sum up the discussion in this way: there are promising situations on many regional issues. We can develop a cooperative approach and

strive to reach agreements which can be of assistance. This won't be easy or necessarily quick. The United States cannot solve regional problems itself. There are simply dozens of Arab interests that need to be considered. There are endless problems in Africa. There is a complex situation in Indochina. But good prospects are opening up, and the Soviet Union is ready to work with the Americans in searching for answers. (S)

President Reagan said, "Yes, perhaps if we worked together, things could be accomplished." But in Nicaragua, we are closer to the scene, and we believe we have a better grasp of the situation. The President then recalled meeting a Nicaraguan whose ears had been removed by the Sandinistas, and used this as evidence of the cruelty and brutality of the current regime in Managua. (S)

General Secretary Gorbachev said he was aware that the facts in Central America were often terrible but that Somoza had been no less cruel or harsh than the present Nicaraguan government. Indeed, the terrible situation that prevails in these regional conflicts should act to push us towards constructive results. (S)

The General Secretary then said the discussion had to be brought to a conclusion. The most meaningful part of the President's visit to Moscow was about to end. Tonight, there would be a ballet, another short meeting in the morning and the press conferences. There was no value in trying to develop points we could make together at the press conference; each of us was free to say what he wishes. The Soviet assessment is that the Summit has been a major political event, where progress has been made on both bilateral and international issues. I trust your assessment will be somewhat along these lines. The General Secretary thanked the President for the effort made during the summit for the progress achieved and for the extensive discussion and detailed work that had been undertaken. I would appreciate it, however, continued the General Secretary, if the President could look again at the political statement, which he was shown on Sunday, to see whether he could not agree to it as it would give the summit a character and intrinsic importance it might not otherwise achieve. (S)

President Reagan said he did not want to be the skunk at the picnic. The discussions had been useful and productive. The relationships which had developed were friendly and natural. We believe that the Joint Statement, as it was written and agreed, is a sufficient support to the developing political process between us, and it is all that we think is needed. (S)

General Secretary Gorbachev responded actively, saying that the President had the choice, but seemed unwilling or reluctant to exercise the authority that was clearly his. "Should we record," asked the General Secretary rhetorically, "that the Americans would not agree to the paragraph because of George Shultz or

Frank Carlucci? Are they the intransigent parties? Is one of them a revisionist? If not, perhaps we need to look for a scapegoat elsewhere. Perhaps, Ambassador Matlock or Assistant Secretary Ridgway? But let us not move in this direction. Rather, let us both carry our discussions to new heights so that your successor will realize that we made the maximum effort and that our results were good and effective." (S)

President Reagan said that it was his view great progress had already been made. There was no reason to suggest there was disagreement because this would disappoint many people around the world. (S)

General Secretary Gorbachev said it was only his thought that we ought to end this Summit on the most positive note possible. There had been long and sharp discussions but he could certainly agree there was no reason to end on a note of confrontation. But what was wrong with the language which the Soviet side had proposed? "Tell me, Mr. President," the General Secretary suggested, "that you will be able to accept this text after all." (S)

Secretary Shultz insisted that the Soviet language made the American side uncomfortable, and that it contained phraseology which we found difficult to accept. In our view, we had taken the original Soviet language and reshaped it into a form we can endorse. We think the result is the strong, positive statement, now contained in the joint text. (S)

At this point, Gorbachev suggested that the American side would perhaps want to caucus separately and reexamine the Soviet paragraph. He recalled that the Soviet side had already removed the language that the Americans had considered unacceptable, including the phrase "peaceful coexistence." He then repeated his request that the American side huddle together and reconsider the Soviet language. (S)

The plenary recessed at this point, and the two sides huddled briefly, whereupon the President decided again not to accept the Soviet text. He and Secretary Shultz walked over to the side of the room where General Secretary Gorbachev and his advisors were standing and told the Soviets that, "we prefer to keep the Joint Statement as agreed on Tuesday evening." There was a brief further discussion lasting some two minutes, during which the General Secretary tried to argue, but when he saw that he was making no headway, he quickly reversed course and agreed to the Joint Statement text as drafted in the Working Group. (S)

The meeting adjourned at this point, and all the participants walked out of the room together to the ceremony in which the INF documents of ratification were exchanged. (e)