THE WHITE HOUSE

WASHINGTON

DECLASSIFIED
PER E.O. 12958,
AS AMENDED
2000-0479-F
9/4/67

MEMORANDUM OF TELEPHONE CONVERSATION

Telephone Conversation with Mikhail Gorbachev, President of the the Soviet Union

PARTICIPANTS:

The President

President Mikhail Gorbachev Notetaker: Nicholas Burns Interpreter: Peter Afanasenko

DATE, TIME

SUBJECT:

June 21, 1991, 10:00 - 10:38am

AND PLACE: The Oval Office

The President: Mikhail, can you hear me? (U)

President Gorbachev: Yes. (U)

The President: Please go ahead. Is this your call or were you returning my call of yesterday? (U)

President Gorbachev: George, I recognized your voice immediately and send you my cordial greetings. I am very sorry that we couldn't talk yesterday. It was the result of some confusion. I feel uncomfortable that we couldn't talk. So, I had to punish some people here for that! (8)

The President: No problem at all. Yeltsin was here and he suggested that we call you. He made statements in support of you, by the way. It was his idea and it was understandable it couldn't be done on short notice.

President Gorbachev: Good. Are you pleased by your meeting with Yeltsin? (%)

The President: Yes I am, more so than in our previous meeting. He came with a big democratic victory. In private meetings and in public he said he was working with you. We worried frankly that there might be a difference so broad between you that we might be in a delicate situation. But as your Ambassador undoubtedly reported, I made it very clear that you are our man. That is my obligation and I am personally pleased to work with you as President of the USSR. I think he understood and I hope your Ambassador reported it that way. I said this inside the meeting as well as outside. (5)

President Gorbachev: Yes, indeed, that is true, George. 18)

George, I would like to say on this basis that I have every reason to value your position and you personally. Your

SECRET

association and attitudes help us to pursue this difficult process of reforming our country. I would also like to say that over the years we have created value in the relationship for all of us and that this creates responsibility for us. I particularly value your attitude on practical developments such as finalizing the CFE problem and agreeing to move on START. You responded to my personal appeal on food and found a solution. I wrote to you and found your response to be very satisfactory. And I appreciate it.

Now I am preparing for our meeting in London with the G-7, our collective meeting and for our one on one. I would like to take this opportunity to speak about the current domestic situation. I felt you may have been concerned about the internal situation here and I appreciate that concern. (S)

What is happening here in our political institutions and in public opinion is that Perestroika and reform have reached a stage that we feel we must move faster and more decisively. We have gone far to dismantle the old forms of life and now have to go quickly on 1) economic reform; and 2) on relations between the center and the republics. And the most important fact is that, while six months to a year ago the people were not ready for change, they are now ready and are pushing us forward. (8)

We are currently preparing and implementing major decisions and reforms on property, market infrastructure and the union treaty. There is a new attitude too in favor of cooperation with western countries. The aim is to make that cooperation part of integrating the USSR into the world economy. (S)

What is also very important is that, within our society, I feel there is a desire and an intention for consensus and national accord to cooperate on the difficult problems we have to address in the coming months. I will do my best to make sure that this process is not sidetracked. I will make sure it gains momentum. So in that sense I value highly the recent development in my relations with Boris Yeltsin. (8)

Over the past few days there was an attempt in the Supreme Soviet by a group of reactionary deputies to create problems. I spoke today in the Supreme Soviet and resolved the problem in a decisive way and really got support. And the people against me got a thrashing from the other deputies today. So, George, I think for the time being that is a good enough report to you on events in the USSR. We will soon meet and talk. In the meantime...

The President: All right. First, that was a very helpful report. I just read an Agence France Presse story on your meeting in the Supreme Soviet. That was a very strong message you gave them. And I wonder whether that had a connection with the message Matlock passed to you yesterday. I would like to explain how that came about.

3

SECRET

President Gorbachev: George, I told the Ambassador to reassure him and you that this is 1000 percent impossible. (8)

The President: That's good. I conveyed the message to Yeltsin at the specific request of Popov. And I did so but I wanted you to understand I was not trying to interfere in internal matters. But I felt it was important you be informed. (SY)

President Gorbachev: Well, I regarded that as a gesture of concern and trust on your part. I took the occasion to convey the information you needed. Let me say, George, in a direct way that we are in a decisive stage and my assessment is that the greater force is on our side. I still understand we have to be concerned by the financial and economic situation of the country. It creates a situation where certain forces try to denigrate and frustrate our process of reform. They may try but they will not succeed. (5)

The President: We talked here this morning, we had a big meeting, on the Economic Summit in London. Frankly, one of the reasons I want to move fast on START is to be able to talk with you about the realities on our side. I would love to have a Camp David-like chat about the economic problems of the USSR and then about our own problems and what we may or may not be able to do.

<u>President Gorbachev</u>: George, but I think we will find time to talk in London. (8)

The President: Yes, no question. I am determined to do so. 18

<u>President Gorbachev</u>: Yes. (U)

The President: We won't blindside you. But it is very important that the G-7 be seen to be progressing and understanding as opposed to confrontation over the economic question. I don't want to be crosswise with our European partners. So, we are having what we call our "Sherpa" meetings with the other six countries. I would like to suggest that before the G-7 meeting, I will be in touch with you or Baker with Bessmertnykh. We will give you our latest thinking so we don't blindside or embarrass you. And we can give you an idea of what the Europeans are thinking. At the start of the conversation you said you were calling me back. I would welcome your calling anytime and I will feel free to call you if there is anything to report. (8)

President Gorbachev: George, yes, I appreciate this remark and we will talk one or two times. (C)

The President: That sounds good to me. Thank you for the call. The Yeltsin visit has done nothing to embarrass the Center. I think it is coming out that Yeltsin is prepared to work with you. Our concern before the visit was that it would focus on the difficulties between you and Yeltsin. Those fears have been allayed. Read the U.S. press on this. He handled it well and I

SECRET

hope you think that we have. I want to do nothing to undermine you there. In the meantime, we will....

President Gorbachev: Let me say, as I have said recently, that Yeltsin has taken a constructive position. I responded fully and am committed to expand cooperation with him and there are no obstacles. But of course sometimes we are pressed and he is too. He has to stick to this position of cooperation.

The President: Let me tell you that I am going off in a few hours to Camp David to play horseshoes. I hope you have a good restful weekend. (U)

President Gorbachev: Please throw one for me. (U)

The President: You own the Camp David record -- the first guy to throw a ringer on his first throw. (U)

President Gorbachev: Is this recorded in the history of Camp
David? (U)

The President: Yes, the picture of you is still there. (U)

<u>President Gorbachev</u>: Thank you, George. I think we have had a meaningful talk in the spirit of partnership and friendship. Please give my best to your associates and to Barbara from me and Mrs. Gorbachev. (U)

The President: We will do that. One last word and then I promise I will let you go. This will be the last sentence. It relates to Bob Strauss. When I was Chairman of the Republican party in 1973-74, Strauss was Chairman of the opposition party. He is still a strong Democrat. He is a very constructive individual given this time of economic problems. He is constructive, progressive and I think he will be of help to you if you are interested. He is not a diplomat and doesn't have the language. You will find him engaging and plugged in to the Congress and my Administration. He has my confidence and that of Jim Baker.

President Gorbachev: George, I would like to say that here in the USSR diplomatic and political circles, we have heard all positive feelings about this appointment. He will have my full support and attention as the U.S. Ambassador in Moscow. (8)

The President: Okay, good-bye. (U)

President Gorbachev: I wish you all the best and shake your hand. Good-bye. (U)

-- End of Conversation --