











conciliation. Please think what the attack on Israel last night did to this equation. Its a whole new dimension. (S)

I saw the Soviet statement and thought it was good. Let's think about it. Stay in touch. I agree with you that the Presidents of the U.S. and USSR must find a way to resolve this thing. (S)

One point of possible difference. Maybe you think he has been pounded more than we think. We think he still has a powerful military component in place. (S)

President Gorbachev: George, I think we have had a timely discussion. I hope we'll talk again soon. (S)

The President: I appreciate the call. Let me add in conclusion that I really empathize with you this week. Let me simply reiterate what we said to your very able new Foreign Minister, Mr. Bessmertnykh. We are so hopeful the Baltic situation can be resolved peacefully. It would really complicate things. (S)

We want to clear up CFE and START and go the extra mile on those two. We've not lost interest in either of them. (S)

President Gorbachev: I take note of this very important point. I would like to shake your hand and hope to talk soon. (S)

The President: The phone lines are open. Call day or night. It doesn't matter what time of day it is. Good luck to you on this and all the problems you have at home. (S)

President Gorbachev: Thank you. I shake your hand. (S)

The President: Good-bye. (U)

-- End of Conversation --

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