THE WHITE HOUSE

MEMORANDUM OF CONVERSATION

PARTICIPANTS:

Prime Minister Bhutto, Pakistan Aziz Ahmed, Minister of State for Defense and Foreign Affairs Agha Shahi, Foreign Secretary Amb. Yaqub-Khan

President Ford

Dr. Henry A. Kissinger, Secretary of State and Assistant to the President for National Security Affairs
Amb. Henry A. Byroade
Lt. Gen. Brent Scowcroft, Deputy Assistant to the President for National Security Affairs

DATE AND TIME:

Wednesday, February 5, 1975 10:30 a.m. - 11:45 a.m.

PLACE:

The Oval Office The White House

[The press was admitted briefly for photographs]

<u>President</u>: I can remember when I first met Ambassador Byroade in 1953. I was on a subcommittee on foreign aid.

Byroade: I was Assistant Secretary for NEA.

President: You had just gotten out of the military.

I am pleased to have you here, Mr. Prime Minister, as well as your wife and your two children.

My whole career I have felt that American foreign policy has to look at the whole world and not just in its narrow interests. For us to lapse into the policy of the 1920's and 30s would be disaster. So we want to work with you and other countries for stability and progress. Our efforts -and those of all the departments of our Government -- will aim at that.

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You have traveled recently. I would appreciate hearing your observations.

<u>Bhutto:</u> I wish to thank you for your hospitable welcome. I am sorry to impose on the American taxpayers. I was here just last year, but there are so many complex issues I thought we needed this opportunity to exchange views. Thank you for asking about my children. Ahmed thinks undergraduates should study at home and go abroad afterward. I disagree --I went to Berkeley in 1947 and I learned much and I admire the vitality and strength of the United States.

For two decades, to those of us who live in the Middle East and South Asia, the American presence was thought to be omnipresent. Now the view is that the American presence is weakening. I think now this view is accurate. But if the pendulum swings too far, it is bad. We don't think the U.S. is exhausted and that after Vietnam, the U.S. wants to withdraw into a shell. We welcome your statements that the U.S. must play a strong role in the world. There are some basic factors on which we rely. For us -- especially after 1971 when we broke up. I was in New York and met Kissinger there.

<u>Kissinger</u>: The Prime Minister took over under very tragic conditions and behaved magnificently.

<u>Bhutto:</u> It was a painful experience, but the U.S. behaved very responsibly in stabilizing the situation and not letting it fall to pieces.

We don't understand India's objections to the relative stability of Pakistan. India's idea seems to be total security for India and total insecurity for Pakistan. We can understand her wanting to be recognized as the most powerful and most important power in South Asia, but she abuses that. It was India which previously dismembered us, with Soviet help. In Kashmir also, India behaved badly and now is maneuvering again.

India is not our only neighbor. We have good relations with all of them and are working to improve those with Afghanistan.

For the last three years -- and really since 1965 -- we have been discussing this [arms embargo] matter. We have not tried to add to your complications. Our attitude is of patience and understanding. But the international situation has become more complex and a policy change is now more imperative. If it is a matter of timing, I would like to give a thought or two. The situation may get more complex. With Congress, the Turkey matter is a tragedy. Congressmen think when they are elected they become foreign policy experts.

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<u>President:</u> The Congress have put us in a very difficult situation with Turkey.

<u>Kissinger</u>: The Prime Minister knows Turkey well through his CENTO associations.

<u>President:</u> Congress is now very defensive on it. It is a matter of how they can extricat e themselves and save face. We are working on it.

<u>Bhutto:</u> Ecevit had to take the action he did. His position was so tenuous, with the military, he had to do that. An embargo on allies, one after another, is not the best way to run a good alliance. So we think the passage of time may complicate this. Basically, the position of Turkey and Pakistan is the same. As time passes, the disenchantment between Pakistan and Congress increases.

As far as India is concerned, we have taken the Simla route. Now India, if the embargo is not lifted, will say she has won; if it is, she will say it is a slap in the face.

If on the merits -- the substance -- there is agreement, I am ready to talk about the timing.

Putting myself in your shoes, which I try to do, I think with the Congressional situation, the Simla process maturing, the Middle East, and so on, that now is the most valuable time to come. Chavan is coming next month. There will be much speculation. If it happens after that, India will be more aggrieved.

<u>President:</u> It is obvious that Henry and I have worked together very closely. Our views are identical. When he speaks, he speaks for me. Our views have matched. On the substance, you are correct -- we have decided to go along with the matter of sales. It is a matter of timing, so let's forget the substance.

I understand your interest in the revised announcement. We have some problems. Henry, why don't you explain.

<u>Kissinger:</u> We promised India we would give them a chance to comment before making a decision. That will take a few days, and we have to do it.

Next week, I and all my people will be out of the country if there is a Congressional uproar. If Chavan cancels his trip, that would compound the problem. So we have two options: To announce it in two weeks and take our chances on Chavan, or hold until after his visit. In either case, the decision won't change. We have created a climate for the change and we can probably manage. The choice is to do it the end of this month or in early April. The decision won't change. The question is how to proceed and what to say now.

<u>President:</u> Let me give you something which might be helpful in a decision. I decided Saturday on the PL 480 allotments. You know we promised you 100,000 tons; my decision allows us to provide you 300,000 more tons. We have not yet announced it, but we can do that any time.

Henry, do you want to say something on the Middle East?

<u>Kissinger:</u> Our plan is as follows: I don't plan to settle anything on this trip, but to tell Israel some facts of life. The chances of another settlement are about 60-40 by the middle of March. That will create a good climate for April, but we want your views.

<u>Bhutto:</u> I want to be candid and speak our point of view. With all due respect to Moynihan, he made a tempest in a teacup by agreeing with the Indian position. In the Algerian war, the French were doing barbaric things but always defended their position. They never flinched. To hear Moynihan support India -- which is music to their ears -- is an act of a simpleton. He has a simple face -- I didn't know his mind matched.

It is not a matter of an arms race. We can't match India. We didn't take exception to Kissinger's statement about India's being the principal state in the subcontinent -- though we don't agree. We kept quiet. The U.S. has chosen in the past to spoil India. But now, her position is so precarious -- there may be a few speeches in Parliament, and a few articles, but weighted in the balance it will be a tempest in a teacup. So I think it is better to do it before Chavan comes, so you don't have to argue it out with him and he goes back to say he failed. Putting it off I think makes it more complicated.

Kissinger: It shouldn't be before I return.

Bhutto: I accept that. But before Chavan.

<u>Ahmed:</u> I agree. But I am baffled by the limitation of \$25 million. Weapons are expensive. That is a slap in the face.

<u>Kissinger</u>: That was your figure. We wouldn't announce a figure, just cash sales. The important thing is the principle -- this would allow third-country sales. You must permit us to manage it here -- we will stress the defensiveness of your needs. We say it is not right to embargo a friend, and it's strengthening your defensive capability. Once it is lifted, the Congress would need an act to change it. We will emphasize the small size and the defensive character at first to minimize the reaction. If the weapons would be TOW rather than attack aircraft, that would help. We can work out a schedule.

<u>Bhutto:</u> I agree entirely. It should be defended on the basis of principle. An evolutionary process which starts the ball rolling is fine. We don't want to characterize it. We understand. But there is no limit in principle.

<u>Kissinger</u>: Your press will have to handle it so it so it doesn't sound like hundreds of millions.

Bhutto: I will do it so it doesn't upset the applecart. But if it is a fait accompli before Chavan comes, the storm will be over.

President: Let me discuss it with Kissinger.

<u>Bhutto:</u> You have other things to take up with him -- commercial credits, fertilizer, etcetera.

Second, on PL 480: We are very grateful. But I came all this way for scotch and soda and got a Coca Cola. The PL 480 is now more important than the arms, but it is a matter of presentation. We will have to make adjustments. So if you could announce it by the end of February, we would appreciate it.

President: I am not clear how you want the PL 480.

Bhutto: In low key.

Kissinger: We could put it in a joint statement.

If we could say to the Congress that we had discussed your nuclear program, that would help much. If we could say we achieved some nuclear

restraint for some help in conventional arms, that really would defuse the opposition. Because Hamilton said "what will you get for it?"

<u>Bhutto:</u> We are always frank in our relations. You know where we are on this -- you have your people there. We have made some progress. We have some good people and it is within reach -- not like some Arab states. We come after India in capability. I am not enchanted by the grandiose notion that we must explode something, no matter how dirty, if our security needs are met. I want to spend the money on something else. We will have a nuclear program, but if our security is assured, we will be reasonable.

<u>Kissinger:</u> If you could formulate something -- we can discuss it further this afternoon. Some sort of statement would really help. I think the Congress will consider it conclusive, and with all the other problems we have now, it would help.

We are not unrealistic about the facts of life. The Japanese could have weapons in six months, but in this time frame it would be useful.

Ahmed: Could the Prime Minister make this point with the Congress?

<u>Kissinger:</u> If he could say he had discussed both arms and nuclear development, that would be terrific.

<u>President:</u> Coming from you it would be better than from us and look good on the Hill.

<u>Kissinger:</u> It would make you look good in comparison with India. They lost a great deal by their explosion.

Bhutto: Yes, and they set theirs off right on our border and didn't expect us to react. The Indians also say that arms will upset the balance in South Asia and destroy Simla. If that is their attitude, it is better to find out. Simla works best if both sides have security. As the Indian Ambassador said....

<u>Kissinger</u>: He is your best friend in Washington. He has made so many enemies.

<u>Bhutto:</u> It's 60-40, you think? There is no difference between step-by-step and Geneva. You could finish the whole thing by the step process or go to Geneva and still keep the step process.



<u>Kissinger:</u> We feel we can go to Geneva after the next step. We can't leave Syria out. The question is whether it is better to attempt it at Geneva, or separately.

Bhutto: I agree you should not ignore Syria.

Israel is ready to give anything but the passes and oil field. [Laughter]

<u>Kissinger:</u> Yes. They will give up lots of sand. For the first time I am going out without knowing what they will give.

President: If the next step fails, what then?

<u>Bhutto:</u> I don't think either you or the Soviet Union wants more conflict. I don't think it will happen -- it is just a feeling, like at a cocktail party.

President: I hope you are right.

<u>Bhutto:</u> Since our dismemberment, we have focused more on the Mideast. It would be a great achievement if this could be solved. We wish you every success in this and your other heavy problems -- with energy, inflation, recession.

<u>President:</u> I think we are turning the corner. By summer or fall we are looking forward to some encouraging developments.

I am looking forward to coming to Pakistan.

Bhutto: Thank you for your decision.

President: We very much appreciate your courage.