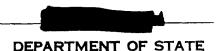
Approved by S - JCovey, 11/4/75



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Initial\_\_

Memorandum of Conversation

DATE:

October 4, 1975

TIME:

9:30 a.m.

PLACE:

The Secretary's

Office

SUBJECT:

Meeting with Ambassador Saxbe

PARTICIPANTS:

The Secretary

Ambassador Saxbe

Ambassador Saxbe

Assistant Secretary Alfred L. Atherton, January Redditional access

Dennis Kux, NEA/INS (Notetaker)

Dennis Kux, NEA/INS (Notetaker)

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Cat. C - Caption and custody retained by S/S

Reviewed by:

8 19 78

Saxbe:

XF us

PDIP

I want to congratulate you on your trip to the Middle East. I enjoyed reading of your achievements from the end of the earth. This has created a favorable impression with the Indians.

The Secretary: ip, dioc.

I looked at the Joint Commission schedule. is a bad day for me.

Atherton ul. su

But the actual meeting is on Monday. On Tuesday there is only the signing ceremony before the lunch.

mil. samp The Secretary:

I won't be able to make the signing ceremony since I have to testify on the Hill in the morning. I would like it moved to after the lunch.

Saxbe:

The schedule looks good to me. I am especially pleased that the President will be seeing Chavan. Chavan is getting good treatment and he will be happy.

The Secretary:

Is this wrong? Are we making a mistake?

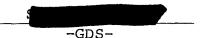
Saxbe:

No. The Indians are trying to be nice to us. have kept quiet and they want better relations.

The Secretary:

This proves that morality has nothing to do with things.

(Drafting Office and Officer) NEA/INS: DKAX: ei FORM DS - 1254



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Saxbe: The Indians still believe that no good deed should

go unpunished. They really have problems, however.

The Secretary: Why did they want you as Ambassador?

Saxbe: They appreciate realism. It is good to tell them

that they have nothing we want. If they don't deal with us, they will be stuck with the Russians and this makes them uncomfortable. On aid, if we do it, it is O.K. but if it falls apart on the Hill, this

will be embarrassing.

The Secretary: I don't think it will get through the Congress.

Atherton: So far everything appears to be on the rails.

The Secretary: Is aid a good idea?

Saxbe: No, but we have telegraphed it and I don't see how

we can stop it at this point. If we do it, we should put together a program that looks like it is really humanitarian. I would like to hook it to food. They need grain storage capacity badly. We could help build some storage facilities in the ports

where they are importing U.S. food.

The Secretary: Good, that will make it easier to sell to Congress.

Saxbe: The Indians won't object. They want the aid mainly

as symbolic. They are not concerned what we do with a small amount of money. Therefore, if our interest is humanitarian and we want to sell grain, what better way than through developing better terminal facilities?

The Secretary: That sounds reasonable to me.

Saxbe: We have a chance to sell some military equipment if

we invite the Chief of the Indian Air Force who wants

to come here.

The Secretary: What kind of equipment?

Saxbe: Radios. This will make it harder for them to complain

about our sales to Pakistan.



DECLASSIFIED A/ISS/IPS, Department of State E.O. 12958, as amended October 11, 2007 The Secretary: That's a good idea. I see no problem.

Saxbe: The U.S. and the French are competing for the

sale. I think the U.S. has the edge.

The Secretary: I see no problem in inviting the Air Chief here.

Saxbe: Now about food aid, we have told the Indians they

would get 500,000 tons. I don't think this amount

should be cut back to 400,000 tons.

The Secretary: Have we cut it back?

Atherton: EB says we can only do 400,000 tons for India at

present budget levels.

Saxbe: My mission since I have been in India has been to

reduce the unpleasant language there. We have done this. They are no longer bad mouthing us. They even helped us on Puerto Rico. They have been all right on Korea. I would like to know what our next

object should be.

The Secretary: What do you see?

Saxbe: I don't see any, simply to normalize relations.

The Secretary: I agree. We don't want anything from the Indians.

We don't especially want their friendship. We would be happy to have it, but I see no need to

pay much of a price.

Saxbe: Right now, the Commies are jumping up and down be-

cause relations are getting a bit better with us. She is in full control and the government is better off. I know we can't embrace them because of the

mood here.

The Secretary: We would just as soon have democracies, but I don't

see this as an object as U.S. foreign policy.

Saxbe: It is none of our business.

The Secretary: Nor is it clear that a democracy there would be any

more pro-American. On the contrary.



DECLASSIFIED A/ISS/IPS, Department of State E.O. 12958, as amended October 11, 2007 Saxbe:

If Mrs. Gandhi goes, there is no one to move in. We should say Hail Mary's every night for her. She has done all this without using the military at all. They would support her, but they haven't been used. If something were to happen to her, if she died or were voted out ....

The Secretary:

She can't be voted out.

Saxbe:

There is no one in her cabinet. They are all a bunch of Moustache Petes. They have been playing musical chairs for 20 years. Chavan is one of them.

The Secretary:

Bill, I have no great words of wisdom. When I don't complain about an Ambassador, that is just about unheard of. You are taking a firm line. Not overrating the Indians. We would like to be on friendly terms without paying much of a price. There is nothing much for us. If they go rogue elephant, they can be a nuisance.

Saxbe:

They are a nuisance in places like Havana and Lima.

The Secretary:

Consider that you have standing instructions to slam them if they get out of line. You don't need to hear from us.

Saxbe:

They have been yelling at Ford after he made his comments about India.

The Secretary:

What comments?

Atherton:

He criticized the Indian emergency in an interview with the Chicago Sun Times.

The Secretary:

That is those people in the White House trying to make the President look good by criticizing some place no one cares about.

Saxbe:

It is hard to explain in India.

The Secretary:

Should the President take it up with Chavan?

Saxbe:

No, it is a hole you can't dig your way out of, better not to raise it.

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