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DEPARTMENT OF STATE

Memorandum of Conversation

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Approved by S - HCollums,
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DATE: August 25, 1976
TIME: 4:45 p.m.
PLACE: The Secretary's Office

SUBJECT: Meeting with Ambassador Kaul

PARTICIPANTS: India

T.N. Kaul, Indian Ambassador to the United States
J.S. Baijal, Economic Minister, Embassy of India
K.V. Rajan, First Secretary, Embassy of India

COPIES TO: United States

The Secretary
Adolph Dubs, Acting Assistant Secretary, NEA
Robert F. Ober, Jr., NEA/INS (notetaker)

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The Secretary: Mr. Ambassador...It's nice to see you again.

Kaul: How have you been, Mr. Secretary?

The Secretary: I had to go last week to New York, to meet with Jagota.

Kaul: He's a nice man.

The Secretary: I prefer stupid people to intelligent people...If they agree with me, they are intelligent.

Kaul: If patience is exercised on all sides, there can be progress.

The Secretary: Jagota gave me a hopeful feeling. I was impressed with him. If he can get his group together, we can put the enterprise into business, and then see to financing.

Kaul: You won't rush into it?

The Secretary: There are certain reservations in Congress. You know our Congress. If we haven't solved the questions

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by the end of the next session in March, I would be dubious.

Kaul: Isn't Congress pitching it too high?

The Secretary: How can you tell American businessmen not to compete? On what theory can you keep them out of it?

Kaul: There are technical problems, and the developed countries have the technology and the developing countries don't.

The Secretary: That's why we---

Kaul: I would be interested in your impressions of the tour, to Pakistan and Afghanistan.

The Secretary: There is some improvement in relations between Pakistan and Afghanistan. With respect to Pakistan, we have tried to intervene on the nuclear reprocessing issue. Due to the manner in which the press operates, however, it portrayed the meeting as a dramatic confrontation, making it difficult for either side to back down. I found greater awareness on the part of Bhutto for need to have constructive talks with India. He did not appear as intransigent as on previous occasions.

Kaul: You have exercised a very sobering influence. I remember your call from San Clemente at the time of the (Simla) agreement in 1972. I hope you continue to influence the situation positively.

The Secretary: Our basic principles, which I stated during my visit to India in 1974, have remained unchanged. We have no interest in encouraging rivalries or playing off one country against another in the Subcontinent. The best solution is for the countries to live together in harmony. We don't encourage irredentist moves. Any efforts to find peaceful solutions will have our encouragement.

Kaul: We have tried, from the time of the Simla process. But we fear the unintended results of your actions might be the destabilization of the Subcontinent, by the sale of A-7s, for example.

The Secretary: What about air-to-ground missiles?

[REDACTED]
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Kaul: We have heard reports about the A-7.

The Secretary: The arms supplies have been kept to a moderate proportion so far. As long as the nuclear reprocessing issue remains unresolved, it would be difficult to enlarge our sales to any great extent.

Kaul: I understand there is a compromise formula about the nuclear reprocessing plant and the aircraft.

The Secretary: I would say that is less likely now than I thought it would be.

Kaul: Mr. Secretary, what disturbs us is that India is being made a scapegoat for proliferation, for the Middle East, for Israel...

The Secretary: On Israel?

Kaul: Yes, we are criticized daily here.

The Secretary: I haven't heard about Israel. On proliferation, you were the last new country to explode a device. This engendered profound apprehension not about India itself but about the general concern over proliferation.

Kaul: Sethna is coming here in a few days. He will explore the ways to assuage the apprehension. We feel we are being much maligned. Recently there has been no understanding of India, no sympathy, no support. I have been personally criticized by some members of Congress.

The Secretary: Some hostility arises from those same people who were overfriendly earlier. They made India a paragon of virtue, which India itself never claimed to be or aspired to be. I like to look at countries in terms of their permanent interests, and I have no differing assessment of the importance of India from my visit in 1974. There are strong feelings here about the Emergency, but I have made no comments on the subject. But many former admirers of India are now your most bitter critics.

Kaul: When they speak for the record, publicly, they are critical, not when they speak to me privately.

The Secretary: The censorship---

Kaul: The guidelines, you mean.

[REDACTED]

The Secretary: Under the guidelines there have been repeated attacks on the United States. We know we are not engaged in any CIA activity. There have been allegations that we are interested in destabilization. Even under censorship, there have been repeated attacks. This has been extremely irritating for us.

Kaul: Some papers have always been anti-American. The Patriot and Blitz. Others are not. In recent months there has been an attempt made not to have any criticism.

The Secretary: We are in a curious position. We have no major conflicts of interest, no major problems or issues, do we? Except our existence!

Kaul: What amazes me is that we have no conflict of goals, or interests. Perhaps the methods of (ensuring our) security are different. But our mutual interests, our mutual goals should be more important. Perhaps a dialogue on the highest levels is lacking. This perhaps is responsible for the lack of progress.

The Secretary: I want to pay tribute to your indefatigable efforts. No one could be more dedicated than you.

Kaul: And I want to pay tribute to your vision, to the noble statements you made during your visit. But India does not get what it deserves.

The Secretary: In the 1950s, partly as a result of India's efforts, partly as a result of sentimentality here, the wrong impression was created. India has had good leadership but India has not been run by saints. I remember in 1961, when I was advising President Kennedy on Berlin, they kept saying we must get India's support. I said, if Nehru gave us support, he would be the bloodiest fool. Why should India antagonize the Soviets? At that time the disappointments were a subterranean phenomenon. But we were reluctant to deal with India as a foreign policy problem. India is an incipient great power and it remains so whether one likes the Prime Minister or not.

Kaul: You don't like the Prime Minister?

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The Secretary: I don't conduct foreign policy on the basis of personal likes or dislikes...(but) I drove her to Kashmir (during the 1974 visit).

Kaul: To Simla.

The Secretary: She's a strong lady, an impressive leader...But we shouldn't needle each other. We have to learn to live with occasional disappointments. Do you think we conduct our policy to weaken India?

Kaul: No, but why can't we get together, closer. Bangladesh has created apprehensions.

The Secretary: We have stayed carefully away from Bangladesh.

Kaul: Khan's performance has been disappointing for us. He has mentioned Farakka, he asked for arms...

The Secretary: Realistically, Bangladesh and India have to coexist peacefully. There is no other way. This cannot be done through military balances. We'd be unhappy if India attacked.

Kaul: We hope they won't repeat 1971, by forcing out millions of people, or forcing a situation which can be a threat (to India). Otherwise I see no possibility of getting involved with Bangladesh.

The Secretary: Bhutto has no intention of strengthening Bangladesh militarily.

Kaul: Maybe Bhutto not, but some Pakistanis want to encourage instability in Bangladesh. And others may exploit the situation.

The Secretary: I don't think that's true. There is nothing in it for the U.S. to play one against the other. We don't want the Soviets, the Chinese, or even ourselves to have control. We don't like having the non-aligned being congenital critics of the U.S. India is not the chief culprit. As we have said today, Kim Il Sung must have sent the text on Korea to Colombo.

Kaul: India's role is moderate, but some things are done by consensus. On Puerto Rico, if you get your views across to the Committee of Twenty-Four, it would be helpful.

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The Secretary: We don't accept its jurisdiction.

Kaul: We don't accept the U.N. on some things, on our internal affairs, and I know of your plebiscite there, I have been there, but talk can help. On Korea...

The Secretary: It depends on what the Koreans do. There can't be brutal killing of our officers. There can't be an ultimate solution in separating the guard forces (at Panmunjon).

Kaul: On Vietnam, do you see any difference in their leader's statement?

The Secretary: We've noticed that he's not claiming compensation as a matter of legal right now but as a human right. Ironically to us, we are the only non-interested Great Power in Indochina. If they are calm, it will work out, but we cannot move too rapidly. We may have to veto them in the U.N., but they have survived for thirty years without the U.N.

Kaul: And your relations with the People's Republic of China. Has there been an improvement? I have had several dinners with the Ambassador of the liaison office, and I sense a little disappointment.

The Secretary: I haven't had as active social exchanges as you. You know more. Improvement in relations must be reciprocal, you have your ups and downs; I believe we aren't on a down.

Kaul: The Indo-American Joint Commission is not making as rapid progress as was hoped.

The Secretary: Where is the lack in your judgment?

Kaul: A lack of contact, of dialogue, and the influence of the media. In matters of trade, in matters of scholarships, we are prepared to go much further.

The Secretary: (Turning from Kaul). Please give us a report on this by the end of the week.

Kaul: We are also concerned about the fifth replenishment of IDA. We would like to see some movement forward. The response of other countries will depend on the U.S. response. On trade I have a brief note; I will give it to your people. There is great scope for increasing trade.


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The Secretary: Is the Foreign Minister coming?

Kaul: Yes. He is coming September 23 or 24 and remaining until October 7.

The Secretary: We'll fix a time, in New York or in Washington. (Turning to Dubs). Talk to IO.

Kaul: I want to thank you for your courtesy and kindnesses.

The Secretary: We have had personal good relations, I have great respect for you. Occasionally duty sometimes calls us to say things as a result of our countries' interests. Though we are in a cooler period of our history of relations, there is the basis for improvements. I believe in the power of reality, and we have no reason to be antagonistic.

Kaul: Our Prime Minister has said that India and American can never be enemies. On that basis we can move ahead.

The Secretary: We will give the agreement to your successor shortly. When are you leaving?

Kaul: I will be here until early October.

The Secretary: I thought you were leaving in September. Then we will meet again. Check with my office.

Kaul: When I call your office I can't get through.

The Secretary: I will be here, you will get through to me.

