MEMORANDUM

THE WHITE HOUSE

WASHINGTON

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President's Meeting with GOP Leadership - September 27, 1973

Subject: Defense Procurement and MFN

President: I would like to say we owe leaders a vote of thanks. I take back things I said to the Senate. Reversing that troop cut vote was enormously important. I am meeting with Gromyko tomorrow and it would be useless if the cuts had been voted.

Griffin: Tower and Thurmond are doing a great job managing the Hill. We got some great help from the White House.

President: I called some, too. I called Long who usually goes along but he said he was so committed he couldn't do it. Which way did Randolph go?

B_____: Bad.

Schlesinger: You are all familiar with the bill. We have two major objectives this year. (1) to avoid crippling amendments, like troop cuts for our forces overseas, and (2) to build the forces of the future. We must not dismantle overseas posture. Yesterday was gratifying. The vote today on the Humphrey amendment is of less concern.

President: What do you mean less concern? The principle is the same. If we unilaterally cut, we can't negotiate and the Senate would be responsible. We can't say "Isn't peace wonderful -- look at our China and Soviet initiatives and let's reduce unilaterally."

Thurmond: That is our position. On Humphrey, should we compromise or stonewall?

Schlesinger: The rate of withdrawal is the same, only it drops the third year. Our Europe troops must stay; it's important to the Koreans that we keep our divisions there. So we have little room for reduction.

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Kissinger: We are proposing 10-15% mutual reductions in Europe. You may say even that is disadvantages. If we cut unilaterally it is a disaster. Whether it's 40% over three years or 25% over two years is irrelevant. It will ruin negotiations in Europe. If it's done in Asia it would have a serious effect on the Japanese and the Chinese.

President: The most serious effect is on the Chinese.

Tower: All these points have been made and that military force is a tool of diplomacy.

President: Who has been withdrawing forces? I know who sent them there -- the Democrats, in Southeast Asia and Korea. We have brought home 500,000 from Southeast Asia and 100,000 from elsewhere, and eliminated the draft. The Democrats brought the war; we brought peace. If they want it dirty we can play it.

Thurmond: Better precise arguments and not jump on the Democrats.

President: The road to peace is not bug-out. The road to war is to be weak so we aren't respected. If we are weak, the Chinese will desert us, the Japanese, etc.

Let's make it clear we brought the troops home, we are working for offset, etc. Are we going to have a mutual reduction hopefully bringing peace to the world? We can't do it if we reduce unilaterally.

Anybody who votes to make the U.S. weaker is voting for war.

Look at the intelligence. The Soviets are going all out. Make appeal on the basis of peace.

Tower: We have made it. Now we need backroom persuasion.

Griffin: We shouldn't overlook that yesterday Brooke, Case, Javits and Percy were with us.

President: Take Javits. A vote for Israel in the Senate is always 80 - 20. Those who would be in the biggest trouble if we reduced in Europe would be the Israelis. If we hadn't had NATO and the Sixth Fleet in the Jordan crisis, we couldn't have saved the situation.

Kissinger: Without NATO we wouldn't have had a plausible deterrent in the Jordanian crisis.

President: The basic question is whether we will have the strength to negotiate reductions and bring peace. Our goal is to get reductions, peace, and bring the troops home.

I am meeting with Kirk. He's a nice guy but he thinks the answer to peace is to give everyone another bowl of rice. Why did we die in World War II, in Korea, Vietnam? Only to bring peace -- not for aggrandizement. Who fears the U.S.? No one.

Are we now to take away the impression which we have used and need to build peace?

Schlesinger: Two other points.

MASF is critical. We can live with 1.3 -- the House figure, but not the $952 million that came out of committee. South Vietnam will collapse if we don't have it and if Fulbright gets control. We need also support on new weapons.

Thurmond: MASF will be close. Stennis has to help. Fulbright wants to take it away from Stennis.

President: I know what we ask is unpopular, especially for someone who's up for reelection.

We have a game plan and it is working. We made more progress toward peace than any time since 1815. Let's reduce on a sensible basis, not unilaterally.

If there are unilateral cuts, in a few years a President would have to ask for a massive defense budget.

Thurmond. We need Stennis to demand MASF to stay. Can you call Stennis?

President: Yes. I hate to disturb him.

Schlesinger: The Cambodians are doing better than anyone expects. But we need ammunition for Cambodia. I want to let everyone know this.

President: The Cambodians are doing it on spirit. 1800 teachers have been abducted from the Khmer Krom.

Let's have an early meeting with the Mahon subcommittee.

Kissinger: MFN. Let's put it in perspective. When you came into office you said we would pursue trade only if certain conditions were met. That linkage was universally controversial. Now we are being castigated in just the opposite way. The President invented the idea of getting something for trade.

President: The dominant idea was that trade in itself was good and would leaven Communist societies.

We agree, but just say it is inevitable that politics and economics go together. The Soviet Union says trade -- we say MBFR. They say trade -- we say SALT. It's not explicit but implicit.

If there's anyone who is known as opposed to the Communist system, it is me. But you don't change them by isolating ourselves from them.

If liberals want to go back to the Cold War, okay. But then we need a massive increase in the U.S. defense budget. We can't have it both ways.

There has been more Jewish migration from the Soviet Union under our policy than ever before. In China, Downey is out of prison because I went to China.

MFN is tough -- with the Jewish community, with conservatives, and with labor unions. The typical Congressman can get points from all three constituencies. Also there is a tendency of business to say we want projects at all costs -- that hurts.

_____: The major fight is ahead. 83 Senators and 200 of the old House are for Jackson-Vanik.

President: Jackson is at least consistent.

Kissinger: It is important to understand that trade with the Soviet Union is not important. What is important is they have given in: peace in the Middle East, out of South East Asia, Berlin access, and no base in Cuba. Now, when they have performed, we raise this issue? When it is raised, they agree to give us a letter reversing the education tax. Then we raise 710 cases and they act on 410. Now this.

This will be used by Brezhnev's internal opposition. What will we do if we go back to confrontation in Cuba, Berlin, etc.

_____: There is a major effort building to restore full Jackson-Vanik on the floor.

Kissinger: We can live with the general language which gives Congress or the President the right to withdraw it if certain things are not done.

_____: We can work something out if we can get a rule. Albert controls the rules.

Kissinger: We need to maintain the maximum difference in the House and Senate. So we can compromise in Conference.

Maillard: There is tremendous pressure. Everyone who won't join Vanik is accused of anti-Semitism.

_____: The MFN is only one issue in the bill.

Maillard: At what point do we drop the bill and try again?

Kissinger: We are better off without Title V than with Jackson-Vanik. Because of credits.

_____: Is there an alternative? Long is thinking of sending at least some parts of the Trade Bill to the House.

_____: Could we survive with Jackson-Vanik without credits?

Kissinger: Maybe, but with credits, it would be a disaster.

Maillard: We maybe can get Title V dropped. We can't win a vote on the Jackson-Vanik.

Anderson: We are talking about in committee on the floor? On the floor, there is not much hope.

Eberle: If we can get Albert to get a rule to go up or down on Title V, we maybe can do it.

President: If the bill comes down with Jackson-Vanik and credits, it will be vetoed. The Trade Bill is not that important.

_____: An open rule in the House would bring an interesting demonstration.

President: I don't see Albert playing ball.

Maillard: It's worth a try.

President: We'll try. If not, I want the Soviet Union to know we tried and want our opponents to know they are responsible for the consequences.

Repub Leadership Mtg 27 Sept [1973]
(Def. Procurement + MFN)

P | Like to say [illegible] bushels worth of thanks. Talks back to things I said to Senate. Reassuring that vote [troops out] was enormously important. Mtg w/ Brezhnev tomorrow + would be useless if vote had been voted.

Griffin | Tower/Thurmond doing great job managing bill. We got some great help from W.H.

P | I called some too. Called Long who normally goes along but said he was so committed he couldn't do it. What way Randolph go?

~~Bryce~~ | Bad.

Schlesinger | You all finishing w/ bill. Two major objectives this year
(1) Avoid crippling amendment - troop cuts/forces overseas
(2) Build forces of future.
Must not dismantle overseas posture. Yesterday gratifying. Vote today on Humphrey amend is of less concern

P | What you mean less concern? The principle is same. If we unilaterally cut, we can't negotiate + Senate would be responsible. We can't say isn't peace wonderful - our China + USSR initiatives - + let's reduce unilaterally.

Thurmond - That our position. On Humphrey, should we compromise or stonewall

Schlesinger - Rate of w/drawal same, only it drops a 3rd year. Europe troops must stay; [implications] the Koreans we would keep division there. So we have little room for reduction.

HAK | We proposing 10-15% mutual reduction in Eur. Many say even these disadvantageous. If we cut unilaterally it is a disaster. Whether 40% over 3 yrs or 25% over 2 yrs is irrelevant - It will ruin negotiations in Europe. If in Asia would have

serious effect on Japanese & Chinese

P Most serious effect on Chinese

Tower All these points have merit & that real peace is a tool of diplomacy

P Who has been w/ changing forces? I have. Who sent them — Democrats. SEA, Korea, etc.

HK 500,000 in SEA, 100,000 from elsewhere, terminated that effort. Dems brought war, we brought peace. If they want it destroy, we complete it

Thurmond Better praise you & not jump on Democrats

P Road to peace is not bargaining. Road to war is to be weak so we aren't respected. If we weak Chinese will desert us, Japanese, etc.

Let's make clear we brought troops home, are asking for offset, etc. Are we going to have a mutual reduction hopefully bringing peace to world? We can't do it if we reduce unilaterally.

Anybody who votes to make US weaker is voting for war.

Look at intelligence. USSR is going all out.

Make opposition basis of peace

Tower We have made it. Now we need backroom persuasion.

Griffin Shouldn't overlook that yesterday Brooke, Case, Javits, Percy were w/ us

P Take Javits. A vote for Israel in Senate is always 80-20. Those who would be in biggest trouble if we reduced in Europe would be Israelis. If hadn't had NATO + 6th fleet in Jordan crisis, we couldn't have saved the situation.

{Who's trying to cut 2 bil budg - Thurmond ?
} Note taken to Pres mtg w/Kirk.

HK | w/o NATO we would not have had a plausible deterrent in Jordan crisis years

P | Basic question is whether we will have strength to negotiate reductions & peace.
Our goal is to get reductions, peace, bring troops home.
I meeting w/ Kirk. Ind going back he thinks answer to peace is to give everyone another sort of ice.
Why did we die in WWII, Korea, VN? Only to bring peace — not for aggrandizement. Who fears US? No one.
Can we now afford to take away wpns which we have built & need to build peace.

Schlesinger - Two other points.
MASF is critical. Can live w/ 1.3 (House) but not 952 mil. out of Cmte. SVN will collapse if we don't have it and if Fulbright gets control.
We need also supporters new wpns.

Thurmond - MASF will be close. Stennis has to help. Fulbright wants to take it away from Stennis.

P | I know what we ask is unpopular, esp for someone up for election.
We have game plan & it is working. We made more progress toward peace than any time since 1945. Let's reduce on a sensible basis, not unilaterally.
If unilateral cuts, in a few years ~~a~~ a Pres would have to ask for massive defense budget

Thurmond - We need Stennis to demand MASF to stay. Can you call Stennis?

P | Yes. I hate to ~~[illegible]~~ disturb him.

Schles | Cambodians doing better than anyone expected

But we need ammo for Cambodia. Want to let everyone know this.

P | Cambodians doing it on spirit. 1800 tankers attacked from K. Chan.
Lets have lonely talk w/ Makarios [illegible].

HK | MFN - Put in perspective. When you came into office you said we would pursue trade only if certain conditions were met. That linkage was universally condemned. Now we are being castigated in just the opposite way. Press invented the idea of getting something for trade.

P | Dominant idea was that trade in itself was good & would lessen Soviet society.
We agree, but just say it is inevitable that politics & economics go together. SU say trade - we say MBFR. They say trade - we say SALT. Not explicit but implicit.
If anyone who is known as opposed to Soviet system, it is me. But you don't change them by isolating ourselves from them.
If liberals want to go back to cold war - ok. But then we need massive increase in US defense.
We can't have it both ways.
There has been more Jewish emigration from SU under our policy than ever before. For China, Democracy is [illegible] because [illegible] China

? | MFN is Trojan; (1) Jewish community
(2) Conservatives
(3) Labor Unions.
Typical Congressman can get points from all 3 Constituencies. Also tendency of business to say we want profits at all costs - that hurts.

The major fight is ahead. 83 Senators and 200 (odd) House are for Jackson-Vanik.

P Jackson is at least consistent.

K Important to understand that trade w/SU is not important. What is important is they have given us: peace in ME, out of SEA, Berlin access, no base in Cuba. Now, when they have performed, we raise this issue? When it is raised, they agree to give us a letter removing the education tax. Then we raise 110 cases & they act on 410. Now this.
This will be used by Brezhnev internal opposition. What will we do if we go back to confrontation in Cuba, Berlin, etc.

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K We can live w/ good language which gives large Pres right to w/draw if certain things are not done.

? We can work something out if we can get a rule. Albert controls rules.

K Need to maintain many differences in House & Senate so we can compromise in Conference.

Unidentified Tremendous pressure. All who won't join Vanik accused of anti-Semitism.

? MFN only one issue in bill.

Unidentified At what point do we drop the bill and try again.

K We better off w/o Title 5 than w J-V. Because of credits.

?? Alternative, being thinking of sending at least some parts of trade bill to House.

? Could we survive w J-V w/o credits.

K Maybe, but w/credits, disaster.

Griffin - Drink for Chris -
Ask Solomon to get in touch
w/ Griffin.

Marshall - We maybe can get Title 5 changed.
We can't win a vote on J-V.

Goodman Are we talking about vote on floor? On floor, not much hope

F Lords If we can get Albert to get a rule to stop Titles up or down on Title 5, we maybe can do.

P If bill comes down w J-V + credits, it will be vetoed. Trade bill not that important.

? Can open rule in House would bring interesting discussion.

P I don't see Albert playing ball.

Marshall It's worth a try.

P We'll try. If not, it comes floor & want SO to know we tried + want opponents to prove they