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MEMORANDUM

THE WHITE HOUSE

WASHINGTON

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MEMORANDUM OF CONVERSATION

PARTICIPANTS:           Bipartisan Leadership (List Attached)  
                              President Gerald R. Ford  
                              Dr. Henry A. Kissinger, Secretary of State and  
                                  Assistant to the President for National Security Affairs  
                              Lt. General Brent Scowcroft, Deputy Assistant to the  
                                  President for National Security Affairs

DATE & TIME:            Tuesday - December 17, 1974  
                              9:00 - 10:00 a.m.

PLACE:                    The Cabinet Room  
                              The White House

SUBJECT:S                 Martinique; NATO & Cyprus; Foreign Aid

President: Thanks for coming. I know you all have a tight schedule.

Let me give you some of the atmosphere at Martinique, and what was achieved.

The last ten years, you know, U.S. -French relations have been cool historically. Giscard I found extremely able and well-informed; he was willing to discuss all topics frankly and amicably.

[The press was admitted briefly for photographs, and then departed.]

Our position on energy was we had to get consumer solidarity before we could meet with the producers. The French thought a consumer-producer meeting was of primary importance, but we felt the producers could pick us off one-by-one if there was no prior unity among the consumers. There were substantial negotiations on this question before we reached the announced positions. I would like to point out that we had consultations before with the Germans and Japanese. So all were on board.

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~~TOP SECRET~~ - XGDS (3)  
CLASSIFIED BY: HENRY A. KISSINGER

DECLASSIFIED  
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NSC MEMO. 11/24/89, STATE DEPT. GUIDELINES, State Div. cons 01/10/04  
BY: [Signature] NARA DATE 5/12/04

We agreed to approach energy cooperation in four steps: First, there would be intensified efforts at further cooperation among the consumers, in areas such as conservation and financial solidarity. Second, if there is progress in that area, there will be a preliminary meeting between consumers and producers to prepare for a consumer-producers conference. The target date for the preparatory meeting would be March 1975. Third, there will be intensive consultations among the consumer nations to prepare for the conference. Fourth, there will be a consumer-producers conference.

The press is saying that we won, the French lost, etcetra. We reject that categorization. It was a good negotiation. Our view is that both sides achieved results which are to the benefit of both parties and indeed of all the industrial nations. It went extremely well for everyone.

It may have looked like we spent most of the time on non-business. That's not so. We added it up, and if you figure the three two-hour formal meetings and the working lunch and two dinners, it came to 16-18 hours or so.

We took up some other matters. FRELOC was settled at \$100 million.

The French, you know, are not a party to the NPT, but we are concerned about nuclear safeguards and the lowering of standards in the push to sell nuclear reactors. We are trying to get the exporters to agree on safeguards, and the French attitude appears helpful.

We discussed CSCE and agreed generally on the timing of mid-1975 for a conclusion.

We discussed the Middle East. France, you know, supports the 1967 borders, which Israel bitterly opposes. More and more states are going with the French position.

Secretary Kissinger has a comment on his Brussels meeting at NATO and on Cyprus.

Kissinger: First let me add a word on Martinique. In an uncoordinated producer meeting, we would be beaten to death and we would be better off dealing with them bilaterally. We wanted a solution broader than energy. The civil war in the Atlantic community, where each has to choose between the U.S. and France, should be moderated if France carries out its



declarations. Also, France has now agreed to consult and cooperate on economic policies. Of course, it all depends on how these are carried out, but if they are, we have made a big step toward the cohesion of the industrial countries.

In Brussels we covered two principal topics: First, I briefed the allies on Vladivostok. We assured them that no side deals were made. We also discussed energy, East-West relations, and MBFR, now that FBS is not a part of SALT.

I also had very extensive talks with the Greek and Turkish Foreign Ministers on the Cyprus issue. I was struck by the fact -- I saw each of them about five times -- that each one of them saw that we faced two choices: Either to dig in for a long confrontation, trying to get the U.S. involved, or to move for a rapid settlement. I think they decided on the latter, and there will be moves very soon. I will provide the documents to the Foreign Affairs committees. With some luck, and our influence, we may see some real progress in the early months of the year and visible progress over the coming weeks. We have been discussing with Congressional leaders in getting the foreign aid bill in shape to support this, and great credit is due to the Congressional leaders.

President: Let me thank everyone in the Conference and who worked on the floor. The bill as I understand it will be helpful not only in Turkey but in other areas. It is not just the way we would have written it and the dollar amounts are not all we would want, but it is a good bill and I thank you all.

I want you to know that Secretary Kissinger and I won't come to you except in cases of high national interest. We are grateful for your help and will keep the arm-twisting to a minimum. We will consult closely on policy, and when we come to you it will be primarily a matter of tactics, which I think only one man is in a position really to determine.

Are there any questions? I would like to make this a real give-and-take.

Senator Fulbright: Let me ask, Mr. President, what you see as the prospects in the Middle East? The papers are all talking about war in the Middle East.

President: I have talked to many of them and all agree that unless progress is made, the chance of war there is very high. No one thinks otherwise. Each war gets more costly in men and armaments. There is also the possibility that a war would renew the oil embargo. Also, a U.S.-Soviet



confrontation is likely. We came close to it in 1973. The Rabat conference was unfortunate -- I believe it could have been avoided if there had been more movement. We are working with both sides to try to move. We are not opposed to resumption of Geneva but we fear that at this point it would only lead to a stalemate.

Representative O'Neill: How about the PLO?

President: Israel refuses to negotiate with them.

Kissinger: This is not a fruitful area right now. They don't recognize Israel's right to exist.

Representative O'Neill: I recall there are four issues: Sinai, the Golan, the Palestinians and Jerusalem.

Kissinger: We have moved in the first two, but the Syrians just got back what they lost in 1973. If Israel had moved -- this should be kept just in this room -- with Hussein, the most moderate Arab of them all, there would have been no Rabat decision. That stymied them now. Only the Egyptian front is now open. But Sadat is becoming isolated, and if the Israeli offer is not sufficient to justify his going it alone, he may not be willing to try.

The friends of Israel should urge it to be flexible. If Egypt fails -- with Jordan failing and the Syrians being told every day that nothing more is possible -- we will be in bad shape.

Representative McFall: Has anyone suggested something which might be acceptable to both?

Kissinger: The PLO issue could wait a bit if we had other movement going on. But they will have to recognize the right of Israel's existence.

We believe in the step-by-step approach because a global approach would only lead to stalemate, and the step-by-step approach would make possible things which now seem inconceivable. We are working, but quietly, so radicals can't roadblock anything prior to completion.

Representative Bray: I am worried about the recent Iranian statement. That probably would include Turkey too.

President: This illustrates the degree to which Israel is being isolated.



Kissinger: This also points out especially why we shouldn't push Turkey in this direction.

Representative Cederberg: Does Israel realize this erosion in its position? I am not sure the Congress is that strong for Israel.

Kissinger: They may confuse willingness to vote money with willingness to go to war.

Senator Humphrey: They are not confused. They will make concessions but not before the Brezhnev visit to Cairo. They don't want to honor him.

Kissinger: We agree on that. But there is also a problem with Israel's internal politics.

Senator Humphrey: I spoke at length with them. I told them they had to trust us and trust Secretary Kissinger. I don't think they are trigger happy. I told them that a preemptive war would be a major blunder. Israel has a parliamentary democracy -- they don't have someone who can call the shots. I get discouraged with Arafat and all the extreme statements.

President: I have a meeting this week with a group of Jewish leaders. I will tell them the same, but they have to be reasonable. They must trust us. But they must know that if there is a war, there could be an anti-Israel surge in the U. S.

Senator Fulbright: The Secretary said earlier that the Soviet Union would have to be brought in. It looks less and less likely now, even with detente. Dobrynin says they are willing to join in a guarantee of Israel's existence. I think if we would go to Geneva, the Soviets would help.

Kissinger: We agree on Geneva. It is a matter of timing. We are thinking of reconvening Geneva after a second Sinai agreement.

If the Soviet Union would agree to some compromise position between Israel and the Arabs, we could work it out -- but if all they do is just support the Arabs' extreme positions, there is no reason to get them involved.

Senator Stennis: We have helped Israel greatly, but it should be clear we can't support them with manpower.

President: We have made no commitment of that kind and have made that clear to them.



Representative Mahon: There is a limit on the money the Congress is willing to give. There is more and more reluctance.

Representative Bray: Not only money. We are giving them tanks in excess of our own production.

President: How about the Continuing Resolution on aid? Where do we stand?

Representative Morgan: We have worked out the Turkish language with February 5th as the cutoff date. The conference report should be to you by tomorrow night.

Representative Mahon: We agreed there would be no Continuing Resolution prior to the Authorization bill. There will be no appropriation -- just a single resolution extending the date -- with something for Cyprus refugees. Something also for jobs.

Kissinger: My understanding was that the Continuing Resolution would appropriate a part of the authorization. Egypt has gotten zero after a year of association with us. We had hoped that the Continuing Resolution would make available part of that authorization.

Representative Cederberg: What date? It is not practical to make it short of March 1.

President: Plan the Continuing Resolution language on the basis of the authorization.

Representative Mahon: Give the whole amount?

Representative Cederberg: At the same rate.

Representative Mahon: We can't settle that here.

Representative Morgan: Maybe we could add the Middle East package.

President: Let me turn to a couple of other things. Rockefeller is to be sworn in in the Senate?

Senator Scott/Representative O'Neill: Yes.



Senator McClellan: There will be an amendment on the Continuing Resolution to cut \$3.5 billion from outlays and \$10 billion from obligational authority. It will be a battle.

Senator Humphrey: What can we say on the Aid Bill on the floor?

Kissinger: I understand that Brademas and his colleagues will support the report but don't want it said that it came out of a talk with us.

President: What estimate do you have on the trade bill?

\_\_\_\_\_ : Russell said he would get it down this week.

President: We will plan the swearing in for Thursday.



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PARTICIPANTS

EXECUTIVE

The President  
The Secretary of State

SENATE

Hugh Scott (R-Pa)  
Robert Griffin (R-Mich)  
Frank Moss (D-Utah)  
William Fulbright (D-Ark)  
George Aiken (R-Vt)  
John McClellan (D-Ark)  
Milton Young (R-ND)  
John Stennis (D-Miss)  
Strom Thurmond (R-SC)  
Hubert H. Humphrey (D-Minn)

HOUSE

John Rhodes (R-Ariz) Note: He is unable to speak due to recent surgery.  
John McFall (D-Cal)  
Leslie Arends (R-Ill)  
Olin Teague (D-Tex)  
John Anderson (R-Ill)  
Thomas Morgan (D-Pa)  
Peter Frelinghuysen (R-NJ)  
George Mahon (D-Tex)  
Al Cederberg (R-Mich)  
William Bray (R-Ind)

STAFF

Anne Armstrong  
Phil Buchen  
Robert Hartmann  
John Marsh  
Donald Rumsfeld  
Gen. Brent Scowcroft  
Bill Timmons  
Ron Nessen  
Tom Korologos  
Max Friedersdorf

REGRETS

Sen. Mike Mansfield (D-Mont)  
Sen. Robert Byrd (D-WVa)  
Sen. Norris Cotton (R-NH)  
Rep. Carl Albert (D-Okla)  
Rep. F. Edward Hébert (D-La)  
Rep. Thomas O'Neill (D-Mass)





Pres. / Leadership Mtg  
17 Dec 74

Transcribed  
by PWR  
23 Dec 74

P Thanks for coming w/ you tonight sched. let me  
give you status at meetings + what was  
achieved. Last 10 yrs US-FR relations have been  
very historically. Giscard was extremely open + well  
informed; willing to discuss all topics frankly +  
amicably.

(Lesson)

(Lesson)

Our position on energy was not had to get consumer  
solidarity before we could meet w/ prod. FR that e-v  
most of previous negotiations, but we felt prod. could  
take us off our feet if we price energy. There  
were several negot. before we reached a commercial  
position. Giscard to point out that ~~we~~ we had consulted  
before w/ Giscard + Juppé, so all was on board.

(Decided 4 steps)

Pres saying we won, FR lost, etc. We repeat that  
categorization. We achieved results to benefit of all  
+ all.

Energy looked like we spent most of time on non-business.  
Not so - 3 2 hr mtgs, working lunch, 2 dinners

On other matters, Exelco was settled at \$100 mil.

FR not a party to IYPT. We concerned about ~~the~~ once  
safeguarded ~~is~~ lowering of standards in push  
to sell utilities. We trying to get options to agree on  
safeguards + FR attach <sup>agrees</sup> to help. ~~It~~

Decided SCE + agreed jointly on training of mid IT  
Decided ME. FR, you know, supports 67 bodies,  
which I believe of price. More + more states going  
w/ FR partner. Work K-arrangement on Brussels  
mtg.

K First word on Martinique - ~~It~~ In an unsecured

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E.O. 12958, SEC. 3.5

NSC MEMO, 11/24/98, STATE DEPT. GUIDELINES State Review 3/10/04

BY VA NARA DATE 5/10/04



need unity, we would be beaten & death & would be  
 better off dealing bilaterally. Solution broader than binary  
 civil war in Atlantic north where each has to choose  
 but US & F.R. should be informed if F.R. carries out its  
 declaration. Also, F.R. has now agreed to cooperate  
 & cooperate on economic policies. Of course, it all depends  
 on how these are carried out, but if they are we have  
 made big steps toward cohesion of inter- countries.  
 Brussels covered 2 principal topics: U.S. & we assumed  
 there was some deal was made. Also discussed  
 energy, E-W relations, MBR & some that ~~was~~ was not  
 part of Salt. Very extensive talks w/ G & T F.R.'s.  
 I struck by fact (Saw each about 5 times) that each  
 saw 2 choices: dig in for long negotiation trying  
 to get US involved; or move for rapid settlement.  
 I think they decided on latter & there will be moves  
 very soon. Will provide documents to FA entities. W. from  
 back & on influence we may see some deal prog  
 in early part of a year & visible prog over coming  
 weeks. We have discussing ~~with~~ w/ Carr leaders in  
 getting F.R. aid bill in shape to support this &  
 great credit due to Carr leaders.

P Let me think everyone in a loop & who worked  
 one place. The bill as I understand it will  
 be helpful not only in T but in <sup>other groups</sup> ~~other areas~~  
 It not just a way we would have written it  
 & dollar counts not all we would want, but  
 it a good bill & I thank all.

Want you to know K & I want <sup>to</sup> ~~you~~ <sup>you</sup> ~~you~~  
 except in cases of high national interest. We  
 grateful for your help & will help ~~you~~ <sup>our</sup> ~~our~~  
 thinking & advising. We will consult closely

am going <sup>to</sup> but when we come to you it will be primarily matter of tactics which I think only I man in a position closely to determine. Any questions - would like to make this year & talk

Each just w/ but are ME projects? Pagers talk of war in ME

P I had talked to many & all agree that unless prog made, chances of war is very high. No one thinks otherwise. Each war gets more costly in arms & arm armaments. There is also possibility a war would never end. Also a US-SR confrontation is likely. Come close in '73. Rabot conf. important - could have been avoided if had been more movement. W/ working w/ both sides to try to move, but opposed to Geneva but fear that at this point it would lead to Helsinki.

O'Neill How about /hd

P I refuse to negot w/ them

K This not a fruitful area negot now. They don't see any I right to exist.

Trip I recall 4 issues - Simeon, Golan, Rakos, Jen

K Have moved in 1st 2, but Simeon just got back what lost in '73. If I had moved (in this room) w/ H. Simeon, a most successful, would have been no Rabot. Simeon then moved. Only E point open, but Simeon becoming isolated & if I offer not suff. to justify his going it alone, he may not be willing to try.

The friends of I should urge it to be flex. of E friends, w/ Jordan pushing & Simeon being told every day nothing possible, we in bad shape.

Joe Fall Has anyone suggested something which might



Falkland Hamp says he great supporter of I. Says said earlier SD would have to be brought in. hans less & less likely now w/ deteriorate. Deby says they willing to join a guarantee. I think if we would go to Amun, Senos would help.

K Wedgell. It a matter of timing. We thinking of Amun after a 2<sup>nd</sup> Amun.

If SD would agree to compromise bet I & Amun we could work it out - but if they just support Arab extreme positions, there is no reason to get them involved.

→ Stennis We have helped I greatly, but it should be clear we can't support them w/ involvement.

P W has made no commitment & made that clear to them.

Amun There is a limit on money Amun willing to give. more & more reluctant.

Ray but only money. We giving some trucks in cases of food.

P Hans about CR A.

Maya We have worked out Truck law w/ Feb 5<sup>th</sup> Conf agreed should be to go by transmission right.

Amun We agreed no CR A prior to Amun bill. No agreement just a single news reporting data - w/ nothing for Cyprus refugees. Something also for job

K by understanding was that CR would approve a part of amth. Egypt has given 2 years after a year of association w/ no. We had hoped that CR would make an part of that amth.

Admiral What date. Not practical to make it short of hours.

P of amth passes, shouldn't CR

Place CR law case over basis of amth.



Wahba Give the whole asset?

Cedebay at some rate

Wahba Don't settle that here.

Wahba Maybe not can add a ME package.

P Let me turn to a couple of other things. Rockefeller to be sworn in in Senate?

Scott/O'Neill Yes.

McClellan There will be an amendment on C.R. to cut 3.5 bil from contingency + 10 bil from <sup>old authority</sup> ~~contingency~~. It will be a battle.

(Some discussion of this)

Hump. What can we say on oil bill on floor.

R I'm skeptical Brademas et al will support report but don't want it said it came out of left w/ some.

P What est outside bill.

— Russ said he would get it down this week.

P We will place something in for Thomas.

