

6/20/74 Cabinet

M-E

Where we are & where we're
going

Oct War - demonstrated that
Arabs, even w/ Soviet help could
not take over Israel.

Israel saw that it would not
continue to do as well as before

U.S. standing firm agst USSR played
a key role - & USSR decision
that other matters w/ US were
more imp than ME

Soviet line of huge Conf in
Geneva w/out work - must
go step by step w/o frontloading
(Very hard for Israelis to
swallow)

Israeli defense budget of
\$4 bil a year compares
to a U.S. Def budget of
\$300 bil - w/out help as
Israelis can be destroyed
by attrition

Open policy

- continue to support Israel on reasonable requests - They must be strong enough to be able to negotiate but not so strong they wait
- Continue to support freedom & Saudi Arabia
- Continue movement in a measured way on the negotiating front

Tough issues -

Syria - Golan Heights -
Palestinians future
West bank
Jerusalem

Israel - support reassure them but they must negotiate

Egypt - Sadat - reasonable a good man - great influence

Jordan - stay friendly
Saudi's

Need to build relationships based on other substantive issues economy etc.

Profound change in ME - as significant rel w/ PRC and USSR

Nasser - charmed the Americans
 right out of their shoes -
 Put on Israel - adamant -
 they must go -

Egypt & Syria - very hostile to U.S.
 now the whole situation
 has changed - millions out cheering
 why - natural for Arabs &
 Americans to be friends - not
 normal to be enemies - said
 by all leaders in ME -

No chance for lasting peace in
 ME w/o a strong American role

Israel upset abt dogs - (some are)
 they still believe the old way will
 work it won't.

Need strong domestic programs
 which make America the
 heart of other countries in
 the world -

Rush

Inflation - problem #1

People want us to have a
 policy - must be tied
 to P

Must all sing from the same
 sheet of music.