

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

SECRET/NODIS

DECLASSIFIED  
E.O. 12958, Sec. 3.5  
NSC Memo, 11/24/98, State Dept. Guidelines (Subor)  
By KBH, NARA, Date 6/22/99

MEMORANDUM OF CONVERSATION

PARTICIPANTS: Giovanni Leone, President of Italy  
Aldo Moro, Minister of Foreign Affairs

President Gerald 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 AND TIME: Thursday, September 26, 1974  
4:30 p. m.

PLACE: The Oval Office  
The White House

President Ford: That was a generous toast last night. I appreciate it.

President Leone: Yours was so candid and friendly. I could only follow in the same tone. You may remember last night one of the journalists who said I am against the historical compromise.

I thank you very much for arranging a second visit. When one is talking to the President of such a powerful country, one needs as much time as possible. Yesterday's talks continued at dinner last night, and some at lunch today with the Secretary. With your permission I want Foreign Minister Moro to explain some of our problems.

President Ford: We would be glad to hear him and any observations and recommendations.

Minister Moro: Perhaps we can sum up the idea of all our talks that there is a broad agreement between us, and this is evidenced in our talks. The Atlantic Alliance is the basis of United States and Italian policy. It has a great basis of support in the Italian parliament. When the communists say they accept the fact of NATO, it may be a tactic but it shows the profound

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

effect of the Alliance. We can say the climate within the Alliance has cleared up, and the declaration and its signing shows there are no real differences among the allies even though circumstances have changed. As President Leone has said, NATO and the European Community are not contradictory but complementary, and both must be continued and strengthened. In those areas where sensibilities or ideas differ, we will make every effort to harmonize our policies -- like in the Middle East. We think the consultation machinery established will help us to understand each other's points of view and to harmonize them.

We understand the need for the American-Soviet dialogue and that a direct dialogue is necessary, and the consultation machinery will keep us abreast of things. We feel the major negotiations underway can be successful in the Conference on Security in Europe if all sides have limited objectives, and it can be brought to a conclusion soon.

In the Mediterranean there are many problems -- the Middle East is the most serious. It is good that it is in the capable hands of Secretary Kissinger. It will take all his skill. The existence of Israel must be guaranteed. We wish the Secretary well.

On Cyprus, it is less difficult, and can be solved after the Greek elections. We will work with the Greeks and tell them nothing can be gained by leaving NATO.

We want to reconfirm that Italy will ratify the non-proliferation treaty after the Euratom goes through. That is some sacrifice but we do it in the interest of the peace of the world.

President Ford: The Communists -- in Moscow, Italy, France, and elsewhere -- would be happy if NATO ended and our relationship terminated. We can't let Moscow or internal forces destroy the Alliance, and we must work together to assure that outside forces can't destroy it. Our efforts at detente are not to act unilaterally. Properly done, detente is beneficial not only to the United States and the Soviet Union, but to the Alliance and Western Europe. We will continue to work closely with NATO. We do get worried when one of the members attacks us. That is not helpful, and we hope the example of Italy in not attacking the United States will be followed by others.

Probably the most serious problem in the Alliance and worldwide is the economic impact of oil producers -- the price rises, their use of their income, and so on. These vitally concern all the major industrial powers.

It is vitally important that we work together or we fall together -- which won't help the producers. My plea to you is to stick with us and work with us as we work with the producers around the world.

Secretary Kissinger: The fact is we can deal with the oil problem alone, but Europe hasn't a chance without us. We want joint action because the well-being of Europe is important to us, but if Europe won't cooperate, we can easily go it alone.

President Leone: Kissinger is right. The United States can be self-sufficient, so the efforts of the United States are on the behalf of those like us. So we welcome the efforts of the United States to work with us and to make the Arab world understand.

In the course of all my talks with the Arabs, I explain what the situation really is and what the attitude of the United States is. They have gold but gold can't feed them. We have blandished them, put up with guff and urged them to be moderate. It is essential to see to other sources of oil. My meetings with Secretaries Simon, Dent and Schlesinger discussed the need to increase Italy's exports to prevent a collapse, which would have dire consequences. We need American capital investment in nuclear energy. We need more coal -- I understand there is a bill which will allow a step-up in coal production. Over and above this, you can help us establish confidence in Italy's ability to overcome its crisis.

President Ford: I assure you of my commitment to work with you. Secretary Kissinger will continue his efforts in the Middle East where he has been spectacularly successful. We are doing all we can -- and I know you are -- with Greece, Turkey and Cyprus in bringing this to a resolution. We need your support, and Secretary Kissinger has mine, as we move to deal with these problems. I appreciate Moro's summary. Do you have anything, Dr. Kissinger?

Secretary Kissinger: We have one practical problem with the communique -- we think it should be issued tonight so it doesn't get swallowed up in the Economic Summit news.

President Leone: Thank you. The whole of the visit is followed by the Italian press, which has sympathy for the United States.

In closing, may I mention the song which played first last night.

May I ask Secretary Kissinger about the meeting of the five?

Secretary Kissinger: It is not at all directed against Italy. It is an attempt to bring France in in a small forum. Italy will be the first beneficiary. If Italy comes in, Canada says it must be included, then Benelux would say the same thing, and then we would lose the opportunity to bring France along.

President Leone: I have never doubted the good intentions of the United States and wanted you to know this.

\* \* \* \* \*

Transcribed  
by PWR

P/Hove et al.

26 Sept

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P That a general trust last night. I appreciate it.  
L Yours was so critical & finally I could only follow  
in a some way. You may remember a <sup>small</sup> concord  
forums last night who had done agreed  
historical compromise. I think you very much  
for arranging a 2nd visit. When talking  
I found a power pub early one needs do much  
things possible. Yesterday talk continued at dinner  
last night & some w/ lunch today w/ Secy. ~~with~~ U/  
your permission I want here to explain some of  
our goals.

P Be glad to hear him any observations & recommendations.  
M Perhaps on some of ideas of all our talks that there  
had agreement but us & this evidenced in our talks.  
Atlantic Alliance is basis of US & Western policy. It  
has great based support in US parliament. When  
Crests say they ~~are~~ accept a part of NATO, it may  
be a tactic but it shows a profound effect of  
alliance. We can say ~~change~~ in alliance has  
clearly & a character & its signing shows no  
differences among allies even tho circumstances have  
changed. As we have said NATO & EC are not  
contradictory but complementary & both must be  
continued & strengthened. In those areas where possibilities  
or ideas differ we will make every effort to harmonize  
our policies (like in ME). We think consultation  
machinery estab. will help us to understand  
each others points of view & harmonize them.  
We understand need for US-SU dialogue & that  
direct dialogue necessary & consultation machinery  
will keep us abreast of ~~the~~ things. We feel a major  
negot understanding can be successful in CSE  
if all sides have limited objectives & can be brought  
to a conclusion soon.



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and it is for exp. hands of R. We'll take all his  
ball. Existence of E must be guaranteed. We wish  
say well. Our systems, it is less diff. & can be  
subsidy of the Greek electric. We work w/ Greeks & tell  
them nothing gained by leaving NATO. Want to see common  
state with which non-participating after E creation  
parliament. That some sacrifice but we do it in  
interest of peace of world

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Greece, in working, study E, obviously, would be  
happy if NATO ended & our relationship terminated.  
We could let Moscow as internal peace destroying &  
alliance & must work together & some outside  
peace don't do our destroying it. Our efforts at  
detente are not to be immediately. Regularly done, detente  
has helped not only to US & USSR but to alliance & W. Eur.  
We will continue to work closely w/ NATO. We do get  
worried when one of our members attacks us. That not  
helpful and we hope example of Italy in not attacking  
US will be followed by others. Peace most serious part  
in alliance & world wide is economic impact of  
oil producers - prices, use of their income, etc  
initially concern all major industrial powers. Vitally  
important we work together or we fall together - which  
would help producers. My plea to you is to stick  
w/ us work as far as we can w/ producers around  
world.

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Fact is we can deal w/ oil problems, but E can't  
chance w/o us. We want joint action because  
well being of Europe is important to us, but if  
E can wait long, we can easily go it alone.

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In course of all my talks w/ Arabs I explain what sit really is + attitude of US is. They have gold but gold can't feed them. We have bled dried them, put up w/ guff + urged them to be moderate. It is essential to see other sources of oil. My intyp w/ Secion, Dent, Schiller - need to increase study & prevent collapse of oil enterprises. Need <sup>capital</sup> investment in nuclear energy. We need more coal - I understand a bill will allow staying in coal prod. Over & above, you can help us restore confidence in study ability to overcome its crisis.

P I discuss your my commit to work w/ you - K will continue his efforts in ME where he has been spectacularly successful. We doing all we can - + know you are told Gona / Turkey / Cyprus in bringing them to a resolution. We need your support + K has brain as we need more to deal w/ these probs. I appreciate Mark's summary. Anything, K?

K We have one practical prob w/ communication - We think it should be issued tonight so it doesn't get swallowed up in our summit news.

L Thank you. Whole of event followed by Stalin press which has sympathy for US. In closing may I mention a song which played ~~for~~ last night. May I ask K about a vote of 5?

K It is not against Italy. It is attempt to bring France in in small form. Italy would be a part beneficiary. If Italy, Canada says it must be included, then Benelux would, + then we would have opportunity to bring France along.

L ~~#~~ We've doubted good intentions of US + counted upon

