

MEMORANDUM

THE WHITE HOUSE

~~SECRET~~/NODIS/XGDS

WASHINGTON

MEMORANDUM OF CONVERSATION

PARTICIPANTS: Cabinet Meeting

DATE & TIME: Thursday, June 20, 1974

President: There is not much on the Middle East that you have not already had.

Without our conduct in the October war, the profound change in the Middle East would not have taken place. Before that Israel didn't think it had to move, and the Arabs insisted on total withdrawal. The war demonstrated to the Arabs that war couldn't do it and to the Israelis that it was an increasingly unpalatable alternative. Without U.S. firmness against the Soviets, and detente, we would not be where we are and the Soviet Union would not jeopardize its relationship for the Middle East -- and because of our opening toward the Chinese.

From here -- we don't go to Geneva, because a comprehensive agreement is not possible. We must go step by step, but that doesn't mean foot-dragging. The Israeli government is weak, but they won't get a blank check for one and a half billion dollars a year over the next 10 years. An Israeli budget of \$4 billion a year is not an option, not only because of the cost but because of the reaction of the Arabs.

Our goals are first, support of Israel in its reasonable requests for equipment. They must be strong enough to be prepared to negotiate and so their neighbors have an incentive to negotiate, but not so much that they don't feel the need to negotiate. With the Arabs we will try to make continued progress.

There are tough issues: the Golan Heights, the Palestinians, the West Bank, Jerusalem. Israel takes an uncompromising position on Jerusalem and the West Bank. The Soviet Union wants a Palestinian state and neither Jordan nor Israel can accept that. We support Israel, but they must negotiate. Egypt has a reasonable leader with great influence. He knows what is negotiable although he will need to make occasional strong public statements. We want to move in bilateral areas with the Arabs to give them a stake in cooperation with the United States.

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BY [signature] NARA, DATE 6/19/04

✓ Cabinet Mtg 20 June [1974]

P. Just much on ME - you had not clearly had.  
 w/o Our conduct in 67 war, ~~arguing of oil embargo~~,  
 & proposed change in ME would not have taken  
 place. Before that I didn't think it had to succeed, &  
 Arabs would not have been so desperate. War demonstrated  
 to Arabs we could do it & that that it an increasingly  
irreversible alternative. W/o detente, US firmness  
 against Suro, & detente, we would not be where we are  
 & SU would not jeopardize its relationship for ME -  
 & because of our opening toward PRC.

From here - we don't go to Geneva, because language -  
 however agreement not possible. Don't go step by step  
 but that doesn't mean footdragging. I get weak, but  
 they won't get a bank check for 1% till / yr over  
 next 10 yrs. A budget of 4 bil a year is not an  
 option, not only because of cost but because of a sur  
 of Arabs.

Our goals: (1) Support of I in reasonable request  
 for equip. They must be strong enough to be prepared  
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 feel need to negotiate. W/Arabs we will try to  
 make continued prog.

There are tough issues: Golan, Paks, W Bank,  
 Jerusalem. I take increasing part in  
 on Jeru & W Bank. SV wants to get Paks  
 state & within Jeru but I can accept that.

Support I, but they must negotiate. E has reasonable  
 leader w/ great influence. He knows what is negotiable,  
 altho he will need to make occasional strong public  
 statements. We want to move in bilateral areas  
 w/c Arabs to give them a stake in evry w/US