

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

~~SECRET/NODIS/XGDS~~

MEMORANDUM OF CONVERSATION

PARTICIPANTS: President Ford  
 Dr. Henry A. Kissinger, Secretary of State  
 Brent Scowcroft, Assistant to the President  
 for National Security Affairs

DATE AND TIME: Tuesday, November 23, 1976  
 9:10 - 10:10 a.m.

PLACE: Oval Office

SUBJECT: President Ford's Meeting with President-Elect  
 Carter

President: The meeting was interesting. I anticipated having only five or ten minutes alone with him [Carter] but he wanted to discuss foreign policy, so we talked for almost an hour. He wanted to discuss the same subjects as he did with you. He wanted to know what problems we would solve -- and hoped we would settle Panama. I told him it was very doubtful.

Kissinger: So did I.

President: He was interested in SALT.

Kissinger: He wants to stick us with a freeze.

President: I talked about that and said it was very disadvantageous, that it would leave them with higher numbers.

Kissinger: So did I. He says we have a technological advantage.



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 NSC MEMO, 11/23/76, STATE DEPT. GUIDELINES, STATE REVIEW 3/13/04  
 BY hbk, MARA, DATE 7/12/04

President: I told him there were verification problems on that, too.

Kissinger: It is not even necessarily true we are ahead on technology. We might have to trade cruise missiles for Backfire.

President: He didn't mention Korea.

Kissinger: I told you he mentioned Schlesinger telling him about the Koreans offering us an island and then we could withdraw. I told him that was hogwash.

President: He wanted to know about NSC operations. He asked about the British financial crisis.

Kissinger: [To Scowcroft:] Have we heard from the British?

Scowcroft: Not yet.

[Discussion of the debate with Treasury and the Fed.]

Scowcroft: If we get to a sterling negotiation, you should talk with Treasury and Burns to make sure they follow your orders.

Kissinger: You don't want to get stuck with sinking the British. Joe Kraft had a piece on it today.

President: On meeting with the European leaders, Carter asked me a question in front of the press. They didn't report it accurately, but I had to say something.

What is going on with the CDU and CSU?

Kissinger: That really changes the political complexion in Germany. It is a power play to get rid of Kohl. It's a Reagan-like move; it's Straus's last chance.

President: What does it do to the FDP?

Kissinger: It complicates things. If now the CDU moves a bit to the left, it could take votes from Genscher and put him below 5%.

President: After you left the meeting Friday, we discussed oil prices. Then on Saturday Arthur Burns told me he was very worried about the impact of a price increase. He thought a delegation should go there, headed by me or the Vice President. I told him I would talk to the Vice President. The Vice President mentioned the oil deal with the Shah.

Kissinger: We can't get it now. There is no shortage now. We could have gotten it last summer. It would be humilitating for you to go. You would have to come back with no price increase if you were not to be humiliated. I feel the same way though less so about the Vice President's going. If you really feel strongly, he could go. If you feel you need it -- but the Europeans aren't doing much, and you have no clout. I just don't think it is the thing to do.

You could call in the Ambassadors.

President: That as a minimum we should do.

Kissinger: That would be a useful thing to do.

President: Let's set that up for early next week. I want to be well prepared, with the facts on the economics, political support, etc.

Kissinger: On the economics, you have a tough agreement with the Shah. He will show how we jacked military prices up 80 percent over the past few years. The best is the political argument -- that you will have to blast them for an increase and that they shouldn't put themselves in a bad light when they need our help in the Middle East.

Burns is irresponsible making a recommendation like that.

Scowcroft: He is concerned about the world financial impact. [He described what Burns and Greenspan see as the impact.]

Kissinger: I agree with that, just not with his prescription for dealing with it. Maybe we could get it postponed. I would call in the Saudi first. Zahedi, of course, is such a fool. What he will report will bear no relation to what you tell him.

[There was a short discussion of Carter and his advisers.]

Kissinger: I spoke with Dobrynin. He said to get SALT now he would have to insure that Carter was on board.

President: I think Carter would buy almost anything. But to negotiate with him, the Soviets, Defense, and Ikle at the same time.

Kissinger: That Ikle is vicious. [ He described a story he gave the New York Times about Kissinger. ]

President: Brent knows what I would have done about Ikle had I been reelected.

[ There was a discussion of the Washington Star article on NSSM 246. ]

Kissinger: The Israelis want landing rights at Miami. I don't know whether you want to do that before you leave. You know Carter will do it. The Syrians and Jordanians want landing rights too. That is a good idea but I don't think you can do it without doing the Israeli thing.

President: Have you heard any rumors about who will be Secretary of State?

Kissinger: The latest is Muskie.

[ There was a discussion of Carter's selection process. ]

If it were Muskie, there is the problem of Zbig. You can't have two Poles in the top jobs.

President: His views are on the record. He's not strong in foreign policy.

Kissinger: I don't know how you can have a President who knows nothing about foreign policy and a Secretary of State also.



(Discussion of the debate w/ Truss. + Fed)

S If we get ~~to~~ to stabilizing market, you should talk w/ Trussing + Burns to make sure they follow your orders.  
K You don't want to get stuck w/ something - British. Joe Kraft had a piece on it today.

Unfinished

P On mtg w/ Eur leaders, Carter asked me a question in front of the press. They didn't report it accurately, but I had to say something.

What is going on w/ CDO/CSO?

K That really changes the political complexion in Germany. It is a power play to get rid of Kohl. It is a Reagan - like move, 2 last chance

P What does it do to FDP?

K Complicates things. If now CDO moves a bit to the left, it could take votes from ~~Conrad~~ + put him below 5%.

P After you left the mtg Friday, we discussed oil prices. Then Sat. Burns ~~told~~ told me he was worried about impact of price  $\uparrow$ . That a delegation should go there headed by me or VP. I told him I would talk to VP. VP mentioned oil deal w/ a Stark

K We can't get it now. There is no shortage now. We could have last summer



It would be humiliating for you & go  
You would have to come back w/ no ↑  
not to be humiliated. I feel same  
but less so about VP. If you really feel  
strongly, he could go. If you feel you  
need it - but a Euros aren't doing  
much, you have no clout. I just don't  
think it is a thing to do.

You could call in a Ambassador.

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I want to be well prepared, w/ economics,  
political support, etc.

K On econ, you have to go agreement  
w/ a slash. He will show how we jacked  
with prices 80% over past few years. The  
best is a pol. argument. That you will  
have to blast them for an increase +  
that they shouldn't put themselves in a  
bad light when they need our help in  
a M-F.

Berens is ins, making a scene. Like  
that

S~~B~~ He is concerned about world financial  
impact. (Described what Berens/Greenspan  
see as a impact)

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(Short discussion of Carter + his advisors)

K I spoke w/ Boby. He said to get Salt now  
he would have to insure that Carter was  
on board.

P I think Carter would buy about anything.

But to report w/ him, a Snow, Dy, Ikle...

K That Ikle is vicious. (Described a story he  
gave NYT about HAK)

P Brent knows what I would have done about  
Ikle had I been selected.

(Discussion of Wash Star art. on NSSA 2x6)

K The Israelis want landing rights at Beirut.  
I don't know whether you want to do that before  
you leave. You know Carter will do it. The  
Syrian/Jordanians want landing rights too.  
That is good idea, but I don't think you  
can do it w/o doing I.

P Have you heard any rumors about Sen State?

K The latest is Mushie.

(Discussion of a Carter selection process)

If it were Mushie, there is prob of 2 big. Can't  
have two Poles in a top job.

P His name are one word. Not strong in EP



Find out when Santa Cruz is here, Monday apt.  
Hess & go into instant of action. Is that worth it when you  
want to stand by them - at a time when they have big  
problem of lang.

K I don't know how you can have a Pres who  
knows nothing about FP & Sec State also

