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RECENT ARMS SALES TO ISRAEL

Mr. President, your recent decision to provide additional items of highly sophisticated military equipment to Israel appears curious in its timing following Governor Carter's criticism of your policy as not fully responsive. Was your decision a reaction to that charge and if not, what motivated it? Further, it is reported that the normal review process was circumvented so as to facilitate an early announcement and exploitation before the election. Is that true?

As a matter of policy we do not discuss the details of arms transfers with Israel or any other country. As Foreign Minister Allon made clear in remarks following our meeting on Monday, there are many items which have been requested by the Israeli government and which have been under consideration for a long time.

As details of this sale are worked out, they will be provided to the Congress as is the case with all military sales.

Q:

A:

Q:

A:

But wasn't your decision last week timed for maximum election impact?

As I have already mentioned, these items have been under consideration for some time. The Israeli government had requested an early response, and after a careful review of all of the considerations involved, I made a decision. It was a decision made on its merits in the interests of U.S. foreign policy. There was no particular reason to delay the decision or its transmittal to the Government of Israel.

Q: But isn't it true that you bypassed all of your advisers and made the decision without benefit of the advice of the experts.

A:

Not at all. Each of these items had been carefully reviewed by all relevant agencies and I had the benefit of their views in making my decision.

۰.

ISRAEL

- Q: In FY 1975, Security Assistance for Israel was only \$300 million; this year it will be \$2.3 billion. How can you justify an increase of this magnitude?
- A: Comparisons on the basis of absolute fiscal years are very misleading, since much of the equipment delivered to Israel in FY 1975 was actually funded during or after the October "1973" war, that is, during FY 1974. A more accurate comparison should be based on the average levels of security assistance support provided Israel since the October War. The major component of the FY '76 request is \$1.5 billion in FMS credits; this compares with \$2.5 billion provided Israel in FMS credits since the October War (\$300 million in FY 1975 and \$2.2 billion in FY 1974). Against the total of \$2.5 billion the figure of \$1.5 for the current fiscal year represents normal continuation of existing programs, with minor corrections to accommodate such things as increased costs due to inflation.

QUESTION:

Did the two men discuss the Israeli refusal to allow AMOCO to drill in that part of the Gulf of Suez which Israel claims to control through its occupation of Sinai?

ANSWER:

The the spirit of friendship between Israel and the United States. While these discussions continue, I have nothing to say about their substance.

QUESTION:

Did the President discuss with Allon the President's plans to take stricter anti-boycott measures against those American firms complying with the Arab boycott against Israel?

ANSWER:



The President assured Mr. Allon that the United States Government remains firmly committed to opposing discriminatory restrictions on American trade with friendly nations. The President's record is clear on that score. He repeated to Mr. Allon the steps this administration has taken with respect to the boycott as it affects American firms.

QUESTION:

Did they discuss resumption of the Geneva Conference and reach any decisions about when to go back to Geneva?

ANSWER:

They discussed generally possible ways for maintaining the peace process in the Middle East, which include resumption of the work of the Geneva Conference, or

GRAIN DEAL WITH ISRAEL

Mr. President, did the State Department inform Israel that it would not be possible to sign a long-term grain agreement with them? If so, why?

There have been ongoing discussions with the Israeli Government on US supply of agricultural commodities to that country. With respect to the agreement you refer to, any problems are purely technical. The issue is not whether or not we will provide sufficient grain and other agricultural commodities to Israel. Of course the United States will provide Israel all the grain Israel requires to meet her needs.

We anticipate shipments to Israel of approximately

2 million metric tons of grain products in 1977.

| • | <u>1977</u> (thousands of metric tons) |
|-------------|--|
| Wheat | 450-500 |
| Sorghum | 700 |
| Corn | 300 |
| Soybean | 400 |
| Soybean Oil | Up to 10 |
| | 1,900,000 |

Q:

A:

Q. Did the U.S. government have advance notification? on the Israeli raid to free the hijack hostages in Entebbe?

A. No.

Q. When did the Dept. of IState clear n of this.

A. Saturday evening around 6 p.m.

Q. Does the President's statement expressing satisfaction that passengers have been saved indicate acquisance in and support for an act of priacy against a soverign state?

A. No. The President's statement speaks for itself. Of course we end only acts in violation of other states soverignity. Louid only add that international territorism is a special circumstance of our modern age, and that for years the U.S. has been calling on the international territorism.

(GO NO FURTHER THAN THE ABOVE. REFER TO PRESIDENT'S STATEMENT AS BEING SELF-EXPLANATORY). Budget Figure on Military Aid to Israel States guilance

- Q. Is it true that the administration is proposing a billion dollars in military aid to Israel for FY 1977, as in the President's budget?
- A. That general figure is in the budget, and it is correct. But it is only

 (All)
 part of the security assistance package which the Administration will be
 proposing to Congress for Israel. In mid-February we will be presenting
 a detailled foreign assistance program to the Congress, for other countries,
 as well as Israel. I have no details for you on the program at this time.
- Q. Well, was the publication of that \$1 billion figure as surprise to the State Department? Was it a mistake? Is it an embarrassment on the eve of Prime Minister Rabin's visit?
- A. Look it, let's not make a big thing out of this. I have said the figure is presented to Congress correct, but it is only part of a total which will be muchiched in mid-February, as part of a request for all other countries. While I cannot give you any details on the aid package for Israel, I can say that it is quite substantial, and arrived at after very careful consideration of Israeli security needs in light of our own economic situation. We recognize well that Israel also has serious economic problems, but we believe our overall aid package will be adequate to ensure that Israel will continue to be able to meet its security requirements.

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Q. But were you surprised by publication of the \$1 billion figure?

A. I do not know why this particular figure was published the other day, but you should not read any special significance into its publication.

Q. Did the Israelis know in advance? Have you been in contact with the Israelis? A. I want to make it clear that publication of that figure had nothing whatever to do with our being in touch with the Israelis about the proposed level of aid. We have been in touch with the Israeli government (Assistant Secretary Atherton called Ambassador Dinitz yesterday) about the aid package. Our intention has always been to advise the Israelis of our decisions before Prime Minister Robin's visit. Naturally, our ongoing economic and military aid relationship with Israel will be a subject for discussion during his stay

here.

NEA--Nr. Atherton

G. Sherman

WHITE HOUSE STATEMENT AFTER PRESIDENT FORD'S MEETING WITH FORMER ISRAELI PRIME MINISTER GOLDA MEIR

President Ford and former Israeli Prime Minister Golda Meir met in the Oval Office for ______minutes. Secretary of State Kissinger, ______ were also present on the American side, and _____ on the Israeli side.

President Ford welcomed the opportunity provided by Mrs. Meir's private visit to the United States to renew his acquaintance with the former Israeli Prime Minister. The President has great admiration for the gifted and popular leadership which Mrs. Meir brought to her country for so long. Her warmth and herepity have won her a place in the hearts of Americans. The President welcomed her here as an old friend who embedies the close cordial relations between Tsrael and the United States

Naturally the President and former Prime Minister also took the occasion to review the situation in the Middle East. They expressed their joint hopes for further movement in negotiations toward a genuine peace settlement in that area of the world.

Ford Complains of Leaked Story on Israeli Proposal

WASHINGTON MM-The White Jouse and the State Department omplained Wednesday that publicafon in the New York Times of a reorted Israeli disengagement propoal to Egypt complicates the process? If working out an agreement. The criticism was unusual in that it was made in the name of President ord, and appeared to be directed sartly at a foreign government; Is-API. In the article, filed from Jerusalem, he New York Times said Israel ofered Egypt a land corridor to the oil ield at Abu Rodeis in occupied Sinai nd a partial withdrawal from the trategic Giddi and Matla passes.

The account was attributed to Istaeli government officials. The reported proposal involved some moditications of an arrangement rejected by Egypt last March while Secretary of State Henry A. Kissinger was inthe area.

State Department spokesman Robert Anderson summoned news correspondents, told them the story and raised "a lot of questions" and then read this statement: partment of State to state that we will not get into the business of competitive leaks of confidential diplomatic exchanges.

LATimes 6/26

"The maps that appeared in the New York Times are inaccurate and highly misleading. We would caution anyone from drawing any conclusions from these press accounts.

"Finally, competitive leaks of confidential exchanges makes negotiations extremely difficult."

Anderson, in response to questions, a said he was not criticizing the New-York Times for running the story and that the statement was not dial rected at completition among newspapers.

the spokesman refused to be drawn out on whether he was criticizing Iraeli officials. "Obviously this is not journalistic competition." he said.

Commenting for the newspaper, Foreign Editor James Greenfield said, "This is what was told to us by responsible officials in Jerusalem. If they, (the State Department) would like to correct it from their point of view they can do so." 8. Do you have any reaction to the Israeli retaliatory raid on Beirut?

> <u>Guidance</u>: We deplore the continuing cycle of violence which leads to the loss of innocent life and would hope **THAT** ALL form peaceful solution to the Middle East situation.

PARTIES WILL REFERIN FROM ACTIONS WHICH MIGHT JEOPARDIZE

Foreign IMPOR

A:

Q: Your Administration has been pledged to lowering trade barriers wherever possible. Now in the next few weeks and months you will be facing some tough calls on imports of various items such as specialty steel. What will be your criteria for making these decisions? Do you favor the new laws that make it easier to block imports?

The objective of our trade policy is to enhance the welfare of American industry, American workers, and American consumers. It is for this reason that we seek a more open global economy. We believe such a system serves the interests of other nations as well. Interest of the sector of the sector

My advisors have given me their recommendations on the Country findings on steel. I am reviewing those recommendations and I will announce my decision shortly. (Deadline is March 16)

On <u>shoes</u>, the International Trade Commission (which was i 75 divided on this issue) only recently made findings and recommendations; and my advisors have not yet completed their review. (Deadline mid-April)

My decisions will be based on the merits of each case, the welfare of American workers and consumers, and the impact on our trading relationships with other nations.

 The welfare of US workers and firms has been and will remain a primary objective of this Administration. I
 can assure our workers that I will not allow unfair practices
 by others to undermine competitive American industry and
 jobs. • I shall also carefully consider the interests of American consumers. And I shall take into full account our relationships with important trading partners, who constitute important markets for our exports. In keeping with the spirit of Rambouillet, I intend to consult with these partners as trade problems arise.

I recognize that these decisions are sometimes difficult. Because they are so difficult, I shall weigh carefully the various positions and attempt to arrive at judgments, fair to all parties concerned, which best serve the interests of the American people.

We are working in the Multilateral Trade Negotiations, in Geneva, and elsewhere to improve the international trading system. lower global trade barriers, and manage in an orderly fashion problems which arise from time to time. The Trade Act of 1974 gives us ample authority to achieve these goals.

The Trade Act also provides adequate authority to deal with such issues as dumping, export subsidies and unfair trading practices by other nations. In keeping with the letter and apirit of the Act I have directed my advisors to carry out thorough studies of the International Trade Commission (ITC) findings. I certainly will make my decisions on each case within the 60 days allowed me by the Trade Act.

- 2 -

SCHLESINGER ON THE PERSHINGS

- Q: The <u>Baltimore Sun</u> reports today that Secretary Schlesinger has commented on the attitude of the Europeans toward Pershings for Israel saying that he thinks there is a "predilection in Europe that the introduction of this weapons system to the Middle East would not serve at this time the purposes of stability." Is this more evidence of Schlesinger's disagreement on the Pershing deal? Has the President received indications from European leaders that they do not favor the Pershings for Israel?
- A: The President has stated repeatedly that no commitments on the Pershing have been made; the matter is under study. As far as evidence of disagreement in his Cabinet is concerned, the President addressed that question yesterday in Omaha and I have nothing further to add to his remarks.

ISRAELI SINAI PULLBACK

Q: What is your view of the Israeli gesture to pullback from the Sinai and did the announcement -- coinciding with your visit with Sadat -- have a favorable impact on your talks in Salzburg? Did you sense that the Egyptians might make a further reciprocal gesture?

Does the Israeli pullback really mean much militarily or is it more of a symbolic gesture?

A: I think that the Israeli decision was a constructive move. We have said all along that we would welcome moves by any of the parties which would decrease tensions in the area and enhance the negotiating environment. For this reason, we welcomed Egypt's decision to reopen the Suez Canal. I cannot speculate as to any further Egyptian steps or those by other parties but we strongly encourage any moves contributing to greater understanding between the parties of what we believe to be a common desire for peace.

TREND IN U.S. -ISRAELI RELATIONS

How do you see U.S. -Israeli relations evolving as contrasted to the improvement in U.S. -Arab world relations? Do you agree with some Israeli assessments that there is an erosion in U.S. support -- including public opinion and Congressional support -for Israel and for Israel's negotiating positions? Since the Israelis believe that the Administration is privately blaming Israel for the breakdown of the recent negotiations, do you expect them to toughen their position until the U.S. -Israeli relationship is straightened out?

Support for Israel's survival is an essential element of the policy of this Administration, and I am sure it continues to have strong support from the Congress and the public. In the spirit of our close relations, I have already met with Prime Minister Rabin, President Katzir, Foreign Minister Allon and former Prime Minister Golda Meir. Secretary Kissinger recently saw Foreign Minister Allon, and I look forward to meeting Prime Minister Rabin again in the near future. America's commitment to Israel's survival has not changed; nor has America's commitment to peace.

To this end, we are trying to work with Israel as well as with the Arab parties, focusing on where we go from here, rather than what has happened in the past. Our reassessment is not punitive nor is it directed at any particular country.

We are reserving our decision on certain Israeli requests for new or advanced technology arms, but we will make decisions

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Q.

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in due course, just as we will on certain programs for Arab countries. For neither Israel nor the Arab countries have we reached the point of decision on aid figures for presentation to Congress.

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MEIR MEETING

- Q. Did the President discuss with Mrs. Meir next steps in possible negotiations between Israel and Egypt following Foreign Minister Allon's visit?
- A. They reviewed the current situation but I cannot get into details of the discussion. The US is engaged in a period of quiet diplomacy in pursuing its commitment to help the Middle East find just and lasting peace. Although Mrs. Meir's visit was entirely private, the President was glad to hear her personal assessment based on her long years of experience as the Israeli leader. He was also able to discuss with Mrs. Meir how the US views the situation in the Middle East. The exchange between the President and Mrs. Meir was in keeping with the private unofficial nature of her visit.

[All other questions on the negotiations or on US-Israeli bilateral relations should be referred to State] Why are we providing additional support for Israel at this time?

The \$274.5 million amendment raises the amount for Israel to \$324.5 million for fiscal year 1975. Of that total, \$150 million is already included in the 1975 column of the 1976 Budget.

When Administration officials testified on the 1975 budget last year, they indicated that if Israel's changing economic situation warranted additional economic aid, the Administration would seek it. The Administration also considers this request an essential part of our foreign policy and diplomatic interests in seeking stability and a negotiated solution to the problems in the Middle East.

The Administration has already sought \$250 million in supporting assistance to Egypt for 1975; this amount together with aid under P.L. 480 will approximate total economic aid to Israel.

Q.

A.

6. <u>FYI ONLY</u> you were asked yesterday how much aid the U.S. is giving Israel at this time. If asked today, you should note that Congress has appropriated or authorized about \$674 Million for the current fiscal year. A will more the unit mulitar The President will meet with President Katzir of Israel on Monday afternoon, March 3. President Katzir is making a private visit to the U.S. over the period February 27 - March 15 during which time he will be receiving several honorary degrees from U.S. universities. (Refer to State for specifics) Given the close relations between the United States and Israel, the President wanted to take advantage of President Katzir's visit to this country to become personally acquainted There will be a photo session before the meeting begins and we will post a bulletin following its conclusion.

Q. Is Katzir's meeting with the President related to the Middle East negotiations or Israeli aid requests?

A. There is no agenda for the meeting. It is mainly an opportunity for President Ford and President Katzir to become personally acquaimed and have an exchange of views on issues of mutual interest.

2. <u>Golda Meir Visit</u> Former Israeli Prime Minister Golda Meir will pay a visit on the President tomorrow afternoon. Mrs. Meir is in the United States for a thread of the final state for a thread of the states of the president an opportunity to meet Mrs. Meir and to discuss will give the President an opportunity to meet Mrs. Meir and to discuss with her the situation in the Middle East.

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FYI: The initiative for the meeting was taken by the White House because President Ford has not had an opportunity to meet with her as President. Mrs. Meir relinquished the Prime Ministership of Israel in the Spring of 1974. Her last meeting in the White House was in November, 1973. Mrs. Meir is no longer an official of the Israeli government, and there was no plan to discuss the details of the current Middle East settlement negotiations with Mrs. Meir. Her visit here is strictly private. 4. Gan you confirm reports from Israel that the U.S. is speeding up the shipmen of arms? Is this a reassurance to Israel in the wake of the Rabat Summit Conference?

<u>Guidance</u>: The State Department said yesterday that the recent flurry of reports concerning an increase and acceleration of U.S. arms shipments to Israel asemotic Curate. There has been not such speedup. Beyond that we would have no comment on our military supply relationship with other countries in keeping with our long standing practice. 9. Can you confirm reports from the Israeli press and elsewhere that it is the President's view that Israelinnessed its opportunity to achieve a West Bank settlement by dealing with Jordan and that now Israel may have to face the reality of dealing with the PLO? Did the President give a backgrounder to someone along these lines?

<u>Guidance</u>: As you know, the President meets with various people from time to time and he has had background sessions with journalists in recent weeks. Of course I cannot discuss what was talked about in those meetings under the background rules. I am not awase of the President expressed the views you refer to

in you question. I'm mot report to answer that energian.

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Can you comment on Ambassador Moynihan's statements to the effect that the United States should withdraw its financial support and suspend its participation in the General Assembly if a Third World move to expel Israel succeeds?

IF ASKED: How does this square with Ambassadordesignate Toon's belief that we should work with the Third World Nations to bring about a change of views?

First, let me say that the United States is totally opposed to the use of expulsion from UN membership as a method of political retaliation against a member. As for the personal opinions of Ambassadors Moynihan (and Toon) they were asked for their personal opinions on that question and they gave them.

FYI. Do not go beyond; Secretary Kissinger approved the above and suggests that we not amplify or expand the remarks.

Q:

A:

MILITARY ASSISTANCE TO ISRAEL

- Q: Is the US holding up or delaying delivery of the LANCE missile and F-15s or any aid, credit, sales or arms support for Israel?
- A: Deliveries have already been completed on the large arms request which Israel made in late 1974 on an urgent basis, except in three or four cases where there are technical or availability problems. As for regular pipeline supplies, we are continuing to meet routine arms supply requests.

Decisions on any major, new military programs and on a few major sophisticated items which have already been requested will probably not be taken until after the current Middle East policy reassessment has been completed.

Why has the U.S. held up certain new items for Israel as part of the Middle East policy reassessment but has gone ahead with the sale of the Hawk to Jordan? Is Israel being discriminated against?

We are moving on schedule to complete our economic and military assistance agreements with all countries in the Middle East for FY 75. On arms, the large special program Israel requested in late 1974 on an urgent basis has already been delivered, except in three or four cases of technical or availability problems. As for the regular military supply relationship, we are continuing to meet routine arms supply requests and deliver a large number of items in the pipeline; however, commitments for deliveries of new or advanced technology are not being made during the course of the reassessment. As our overall policy review proceeds, decisions will also be taken regarding these.

We have been discussing for over a year what help we might be able to give Jordan for its air defense. King Hussein was informed several months ago of our decision in principle to supply air defense equipment over the next several years. A survey team went to Jordan in February

Q.

Α.

and the matter was discussed further during King Hussein's visit last week during which final agreement was reached on details. A decision was made in principle before our reassessment began and, after careful consideration during the reassessment process, we have decided to go forward with it. The equipment involves purely defensive weapons and does not constitute a step to shift the balance in the area. In due course, decisions will be made with respect to other countries as well.



ALLON VISIT

The Prime Minister will be visiting the United States on a private visit fundraising for the United Jewish Appeal. April 16 he will be in New York and it is expected that he and Secretary Kissinger will meet here in Washington, on April 18.

Q. Will Sec. Kissinger meet with Prime Minister Allon while he is in the United States?

A. There is every chance that the Secretary and the Prime Minister

will meet during the course of Allon's visit this month, possibly the

18th of April. For confirmation I suggest you check with State.



ISRAELI-SOVIET CONTACTS

Q: Are we involved in the emerging contacts between the Israelis and the Soviets and do we support these contacts? How do you see a rapproachement between Israel and the USSR affecting power relationships in the area and the prospects for a Middle East peace, including settlement of the Palestinian issue?

> This is a matter for the parties concerned to determine and I am not going to comment except to say we welcome any moves that would further the cause of peace in the Middle East.

A:

ECONOMIC ASSISTANCE TO ISRAEL

Q:

A:

Are you planning to slash Israel's \$2.5 billion aid request?

We have always done our best in support of our commitment to Israel's well-being. At the present time, all aspects of our Middle East policies are being integrated into our overall reassessment. New aid levels have not yet been determined, but we will make our own decisions on aid on the basis of our national objectives and our commitment to the survival of Israel and the pursuit of peace in the Middle East. The reassessment is not a punitive exercise against any country.

SENATORS LETTER TO THE PRESIDENT

BACKGROUND:

Q.

Α.

Seventy-five Senators have sent a letter to President Ford reaffirming their support for **Israel**'s security and expressing their expectation that the Administration will submit an aid request for Israel responsive to its military and economic needs. The letter also states that the Senate wants to have a voice in the Middle East reassessment. The timing of the letter is particularly unfortunate coming on the heels of Schlesinger's remarks on an Arab oil embargo and just prior to the President's meeting with Sadat.

Has the letter from the Senators in support of Israel been received, and if so, what is the President's reaction?

The letter has been received at the White House. As to the points the letter raises, let me say first that there has been no change in the Administration's commitment to the survival of Israel -- a commitment that has been reaffirmed publicly.

Secondly, the President stated in his speech to the Congress April 10 that he intends to work very closely with the Congress; he welcomes all expressions of views and has appreciated the interest, reflected by many that have traveled to countries in the area. As you know, Secretary Kissinger, Under Secretary Sisco and others have testified on the Hill and there have been many informal meetings among Congressional and Administration officials. Thirdly, as to our assistance to Israel, new aid levels have not been determined, but we will make our own decisions on aid on the basis of our national objectives and the pursuit of peace in the Middle East.

The President has also repeatedly made clear his determination that the US will continue to play an active role in pursuit of peace in the Middle East which is, after all, the best long-term guarantee for Israel as for other states in the area.

FYI ONLY: Approximate FY '75 aid levels to Israel are \$300 million in military assistance and \$398.5 million in economic assistance. END FYI ONLY

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Q. This week Ambassador Scranton gave a conciliatory speech on the Occupied Territories indicating that the USH policy is not to support much of Israeli activities in the Occupied Territories as prejudicial to future segotiations on these territories. Yet the US decided to veto the UNSC resolution of Thursday, March 25. Why did we veto? Was it a result of Israeli pressures since the Israelis strongly objected to Ambassador Scranton's speech earlier this week?

A. Our veto was absolutely consistent with Ambassador Scranton's speech made earlier this week on the matter before the Security Council. At that time the Ambassador laid out three criteria by which we would judge any resolution -- whether a resolution would contain judgments which correspond to the actual facts on the ground, whether a resolution in practice would advance the proper administration of the areas involved and finally, whether a resolution will help or hinder the peace settlement process.

As the Ambassador clearly explained in casting the US veto of the SC resolution on the Occupied Territories, it was our judgment that the resolution did not meet these criteria. In our view, it reflected or implied judgments which do not correspond to the actual situation, particularly with respect to the way in which Israel has administered the Holy Places where and we believe they have minimized tensions. Also, and very while allowing fill access. important, it is our belief that the resolution would not help in efforts to bring about a peaceful settlement of the Middle East situation. Therefore, the US cast a veto and it may fully consistent with the criteria the Ambassador had laid out in his speech earlier this week.

Q. Do you stand by Ambassador Scranton's speech earlier this week which laid out the USG position on various aspects of Israeli occu-

pation of the Occupied Territories -- including administration of the Holy Places, unilateral acts in Jerusalem and settlements on the West Bank? Do you believe that that speech represents a shift in US policy as the Israelis have charged?

A. I commend that speech to careful reading. It clearly points out that US policy on the various issues is of long-standing and has been developed over a number of years. This is not a shift in policy. Our position has always been that the status of the Occupied Territories must be decided in negotiations among the parties involved.

ASSURANCES TO THE ISRAELIS ON SYRIAN NEGOTIATION

Q. There were reports that you sent a letter to Prime Minister Rabin promising that the U.S. would not pressure Israel for more than a cosmetic pullback in the Golan Heights if a negotiation deadlocked. Is this true?

That story is speculation.

A.

Our policy is to maintain the momentum of the negotiations. Responsible members of Congress were fully briefed on any commitments made by this Government.

AMBASSADOR TOON

- Q: The other day, Ambassador Toon made some remarks in Israel critical of President Sadat, of the Zionist Resolution and on foreign intervention in Lebanon. Does the President agree with Toon's remarks?
- A: Our views on all of these issues are well known -- the Zionist Resolution, our assessment of the negotiating position of the parties and our position on the question of outside intervention in Lebanon -- and were addressed in full at the State Department briefing yesterday.

Insofar as Ambassador Toon departed from U.S. policy, his views do not reflect those of the United States Government.

Q: Does the President still retain confidence in Toon?

A: Yes.

GRAIN DEAL WITH ISRAEL

Q:

A:

Mr. President, did the State Department inform Israel that it would not be possible to sign a long-term grain agreement with them? If so, why?

There have been ongoing discussions with the Israeli Government on US supply of agricultural commodities to that country. With respect to the agreement you refer to, any problems are purely technical. The issue is not whether or not we will provide sufficient grain and other agricultural commodities to Israel. Of course the United States will provide Israel all the grain Israel requires to meet her needs.

We anticipate shipments to Israel of approximately 2 million metric tons of grain products in 1977.

1977 (thousands of metric tons)

| Wheat | 450-500 |
|-------------|-----------------|
| Sorghum | 700 |
| Corn | 300 |
| Soybean | 400 |
| Soybean Oil | <u>Up to</u> 10 |
| | 1,900,000 |