JUNE 1, 1975

## AIR FORCE ONE POOL REPORT Madrid to Salzburg aboard Air Force One

Secretary Kissinger came back and made this statement on the record: "I do not expect a dramatic announcement (after the Sadat meetings) because whatever is discussed here, we will then discuss the same subjects with the Israeli Prime Minister. And after the President has talked to both leaders, he will make an assessment as to which approach is most promising and where he will put the American weight. The President has repeatedly stated that the United States will not have a diplomatic stal emate."

(end on the record material)

Also during the flight, a senior official aboard the plane said the following on background:

The Sadat talks will be a first step of whatever peace initiative is developed, in the sense that the first thing we have to do is figure out where we are going. We had a step-by-step approach that was suspended. Now we have to see what Sadat and Rabin want. If their approaches jibe, we can see what specific negotiations may develop. It could be step-by-step; it could be Geneva. Geneva is still a live possibility. Six weeks ago, he thought the chances were three out of four it would be Geneva. Now the senior official's gut feeling is the chances are 50-50. If Sadat and Rabin prefer to go to Geneva, that's all right with us. It's up to the parties. He cautioned us against leaning too far forward step-by-step, although he conceded that U.S. thinks step-by-step is more manageable.

The issues to be discussed with Sadat are: 1. borders, 2. what the Arabs are prepared to give in the way of concrete peace pledges, 3. what happens to the Palestinians, and 4. Jerusalem. After we talk with him and Rabin, the President will have to sit down and assess where we want to put the American weight.

The official said the Sadat meeting is a very important meeting for three reasons: 1. it's first meeting between Ford and leader of the largest and most influential Arab country; 2. everything has been in suspense for months, waiting for something to happen, and 3. a decision has to be made which way to go. The situation in the Mideast is explosive. It can't go on for 5-10 years without something happening.

On Spanish matters, the official had this to say on background:

Visit to Spain was both symbolic and related to the base negotiations, which resume on June 16. It was a delicate thing to deal with the present government and also be aware of what is gong to be happening in the future. Asked if Spain will get the relationship it wants with Europe, he said not right now, but we can perhaps serve as a bridge.

About the bases, the official said the Spaniards have not requested the U.S. to close any, but neither are we in a position to say we can keep all four. It depends on how the negotiations go.

(MORE)

Asked what Spain wants, the officials said modernization of weapons, but it is more interested in relationship with other European countries than a formal security guarantee from the UuN.

(ON DEEP BACKGROUND (no attribution), the senior official said there obviously has to be an evolution in Spain. The question is how to relate to it so that it doesn't get completely isolated. He said he felt the Ford visit laid a certain basis for this very delicate matter, which the official was obviously reluctant to discuss).

Earlier, at Madrid airport, pool asked Kissinger if U.S. is going to lose a base or two in Spain. He replied (on the record) "That's not been decided yet." Asked if the U.S. would keep all four bases, he said, "That's not sewed up." Pool interpreted this exchange to mean that question of losing a base is still very much open.

Ron Nessen said he will try to arrange briefing by Sisco or Atherton after 5-to-6:30 p.m. meeting with Sadat today. The senior official said not to expect much from the briefing, since the discussions will be only half way over.

CORRECTION -- In paragraph beginning "The issues to be discussed ..."
the senior official was referring to issues to be settled in the overall
negotiations, but not necessarily to be specifically discussed with Sadat....

Bob Boyd