

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

~~SECRET~~ - XGDS

MEMORANDUM OF CONVERSATION

PARTICIPANTS: Umar al-Saqqaf, Minister of State for Foreign Affairs, Saudi Arabia
 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 & TIME: Thursday, August 29, 1974
 4:08 - 4:45 p. m.

PLACE: The Oval Office
 The White House

President: When did you get here?

Saqqaf: Yesterday. We stopped overnight in London. I saw the King just two days ago.

President: It is amazing how fast you can get places now.

I speak for all Americans when I say we are grateful for the help of His Majesty over all this period. We consider that with your country and the King we have a very good relationship.

Saqqaf: We are glad to hear this, because the King has the same feelings towards the United States. His Majesty was first here in '43 and has always followed this policy of friendship for America. This was his father's advice.

In our assessment we have never felt the U. S. was not friendly to us.

President: We feel the same about Saudi Arabia.

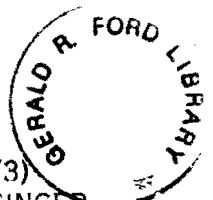
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E.O. 12958, SEC. 3.5

NSC MEMO, 11/24/98, STATE DEPT. GUIDELINES, State Dep. v. 23/19/04
 BY: [signature] NARA, DATE: 3/21/04

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



Saqqaf: We have had some difficulty but never because of problems between the U. S. and Saudi Arabia, but always because of a third party -- in the Suez business it was France and Britain. We always felt the U. S. was a good friend and we need to keep this friendship. This is not just my feeling but that of the King, his supporters and the people. No one can not respect the U. S. and its people. We were looking forward to an offer from Dr. Kissinger and President Nixon for help in the Middle East. We think now is the time for more cooperation. Dr. Kissinger has done things that no one would have dreamt could be done.

President: No one.

Kissinger: I must say, Omar's advice has been the best in the Middle East. Before we move, we always check with him. Besides his friendship.

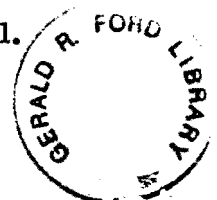
President: His Majesty has always kept his word, even when we maybe didn't like it. That is a great ingredient in friendship and trust.

Saqqaf: The King appreciates your letter and your pledge of the continuity of your policy. We know it is not a one-man policy, but it is reassuring. I was happy after the press conference yesterday. We weren't expecting a change in your policy. We are your friends -- we know what the Soviet Union wants. They want to buy time and let things fester -- and use Iraq and Yemen. They do unbelievable things. Eventually that will help us. There is a vacuum which we don't want filled by any other power. We are opposed to any other bases in the area -- by the Soviet Union, the British, or anyone. Unfortunately, we see everyone leaving but the Soviet Union. They have established bases in Somalia and Yemen.

President: As I said yesterday in my press conference, we must have a presence there. The Soviet Union is there already and we must be there to moderate it. Tell the King that President Nixon was very effective and it was done with the skill, patience and help of Secretary Kissinger. It was done under difficult circumstances. The King should know my relationship with Dr. Kissinger is good and his policies will be supported by me.

Saqqaf: We never doubted it. As a friend I was pleased, but I am also speaking of public opinion in the Arab world. We all were happy and relieved to know he was staying.

President: Dr. Kissinger's popularity has gone down in Israel.



Sagqaf: Off the record, I will convert you and you will convert me.

Kissinger: The King is working on me.

Sagqaf: We are a small country and the Arabs do not count that much. We know when you do something you do it after thought. The more things go in the Arab-Israeli negotiation, the more relaxed we become.

President: We will continue.

Sagqaf: I am 100% sure the Soviet Union can't do anything between now and the Arab Summit, which will be on the 24th of October. After seeing you and Henry, it is much easier for me to explain everything.

Kissinger: I explained to Omar our domestic situation -- that the Jewish community would try to drive a wedge between you and me and the Vice President -- they couldn't do it but they would try. We couldn't push during the election. You would talk tough to Rabin, I would talk in September and October and then move into high gear in November. Omar thought he could handle this time schedule. Omar has been a great help with the Syrians. They and Egypt have a kind of rivalry, and Saudi Arabia has been most helpful.

Omar, I lost credit with the President because Khaddam turned out to be so nice.

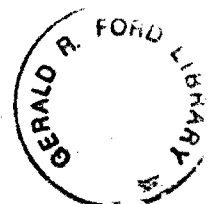
President: Henry had told me the Syrians were the most difficult to deal with.

Sagqaf: I went to Damascus and talked to Asad. I talked him out of sending a military man. This could be very helpful -- it will calm Khaddam a lot.

Kissinger: I think Omar and Egypt can manage the summit and then we can go into high gear in November.

Sagqaf: Our goal is to solve this by peaceful means. We cannot have another miracle. The miracle was Henry getting the disengagement agreements, especially with the Syrians. It is the principle -- once Israel gives a meter, the principle is established.

Kissinger: Never before has Israel given up a meter.



Saqqaf: Once the people see that there is progress and a chance to live in peace, we will be okay. Israel will see that no one wants to throw them into the sea. Throughout history people have come in from outside. This time by the use of force, but the Arabs are patient and we will call them guests.

President: There are two things. We hope we don't have an embargo again. We understand the circumstances last time, but we hope there is no repeat. It would be very serious. And then about prices.

Saqqaf: I have been asked that question several times. I have said that oil is not a toy to play with. We used it once and we succeeded; if we use it again without reason we punish ourselves as well. To me it is not going to happen. I don't decide the policy of my country, but I am ninety-nine percent sure.

President: That is reassuring.

Saqqaf: Once somebody starts firing....

President: That is different. I believe the American people have a growing friendship for the Arabs and I would hate to see it harmed by something.

Saqqaf: No, things are going better. And in the Gulf things are good. And we hope the time will come when Syria will have dialogues aside from the Israeli-Arab context.

Kissinger: We are beginning with them. We have a rudimentary Joint Commission with them, and if we can we will give them PL 480, to get a US presence....

Saqqaf: That is good because the Soviet Union is pushing them to do something reckless.

President: We will know in a month what we can do with our crops to help our friends.

Saqqaf: I talked to Marei, the head of the World Food Organization. I promised to help all I could. We are doing what we can to make life easier for others. This embargo -- this is not the way we think. If this issue is raised in the Arab League, it will mean a fight. I would never have.



Kissinger: I told him it would play into radical hands leading to a confrontation between us and the embargoers.

Saqqaf: Some of the Arab countries have no money and no oil and they took a tough game without responsibility. On price, we were the last to accept it. The increase was pushed by Venezuela, Indonesia, Iran, and then the Arabs. I am very tough on this question. The word got out we would lower the prices. Yamani said we would have an auction before we make a decision. We would have had major problems with other Arabs. We will not countenance an increase. There is talk about a surplus. I don't believe it. Countries come to me and say "we are not getting half the oil we want." There is an empire of oil. We must be very careful. The auction was stopped to avoid playing with oil.

Kissinger: An auction could have counter-results. If there is not a surplus, an auction would drive the price up.

Saqqaf: That was what happened last Spring.

President: Are the joint commissions working well? The one on security and the one on development?

Saqqaf: Yes. The security one is going well. On the development one, you have given us ideas. Personally I was expecting more.

Kissinger: Any specific ideas you have, you should let us know.

Saqqaf: I was a member of the last committee. We still have to discuss it. This is my personal opinion.

Kissinger: We want the maximum cooperation, and maybe we didn't have enough imagination.

Saqqaf: I wanted it to be more positive and stronger.

Kissinger: Doing it through the bureaucrcy, they always think of what you can't do. Give me your ideas and I will get them through.

Saqqaf: Some of my thoughts would satisfy the king, and Prince Fahd and the Crown Prince. We will go as far as you want when the Middle East is done.

I have had it from Boumedienne -- whom I respect -- that they have a different lens through which they see the United States. Now they complain about the Soviet Union. No one can refuse your cooperation. This Palestinian



thing is the only stumbling block. We don't want to cause you problems while you get your internal situation set. So between the Arab Summit and 5 November, nothing can happen. I expect no problem with Egypt, but they have to face their problems. Don't give them the idea you are giving up. I will talk to the Syrians. And Boumedienne. Even Iraq is coming around. They want to talk with us.

Kissinger: They just settled a problem with Abu Dhabi.

Sagqaf: Concerning price, I will raise it with the King. I can't say anything about it. It would be more important coming from you.

President: We have to keep a healthy economy to exercise world leadership. If there are problems at home, it is more difficult to exercise our role in the Middle East and the world.

Sagqaf: I know and I see people taking advantage of it. I know if it hurts you it hurts us. It is not a matter of billions; it is a matter of balances. But I don't think any increase will be discussed.



P/Saygo/K
29 Aug 74

During pass - Talk about meeting before

P Where did you get home

S Yesterday. Stopped over night in London. Same
King 2 days ago.

P Amazing how fast you can get pleasure
& speak for all areas when I say we grateful
for help of HM over at this period. We would
your unity & King a very good relationship

S Glad to hear this because King has some
feelings toward US. K was here in 43 & has
always followed this friendship for them. At this
his sentiments alone.

In our office we have never felt US not friendly
to us

P We feel same about SA

S We have had some difficulty but never US-SA,
always a 3rd party - Suez, Ex-AS. Always felt
US good friend & we need to keep this friendship.
Not just my feeling but King's suggestions & c
people. No one can not but respect & US
& its people. Looking forward to offer support
to N ~~over~~ for help in ME. We think now
is time for more exp. K has done things
we can would have dreamt could be done

P No one

K I must say, I was a bit has been the best
in ME. Before we were we always check
of him.

P Brotherly friendship
HM has always kept the word, even when

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NSC MEMO, 11/24/00, STATE DEPT. GUIDELINES *stl/ev/ew 3/9/04*
BY DA, NARA, DATE 3/30/04



we maybe doubt the it. I had a great regard
in friendly spirit.

S King appreciate your letter - continuity
of policy - we know not, even policy, but
it reassuring. I happy after press conf.
yesterday. We weren't expecting a change
in your policy. We are your friends - we
know what S U wants. They want to buy
time + hot things faster - I say, Y man. They
do unbelievable things. Eventually that will help
us. There is a vacuum which we don't want
filled by any other power. We opposed to any
other basis in world - S U, BR, etc. Unfortun.
we see every one leaning but S U. They establish
basis in Socialist Y man.

P Q I + ind yesterday in p.c. we must have
a presence there. S U there already + we must
be there to neutralize it. Tell King N was
very effective - have w/ still pattern + help
of K. Done under chief circumstances. King
should know my relationship w/ H as good
+ his policies will be supported by me

S We were doubted it. As a friend I was pleased,
but I speaking of job again in Arab
world. All were happy + returned to know how
staying.

P K popularity goes down in I

~~HA~~ S Opponent I will ^{convert} convert you + you need

R King is working on me.

S We are small country & Arabs do not want that much. We know when you do something you do it after thought. The more things go in I-A the more relaxed we become
P We will continue.

S I 100% sure I've cut do anything but now I don't know 24 Oct. after seeing you & K it much easier to explain anything.

K I explained to Osama our domestic sit - that Jewish can't win wedge bet you & me + P - would do it but would try. We could not push during election. You would talk tough to Kabin, I would talk Sept, Oct + we in high gear in Nov. Osama thought he could handle this time. I was here great talk w/ Syria - they + E have a kind of unity, & SA has not happen. Osama, I last credit w/ P as cause Khaddam to visit.

P K told me he was very hot but

S I went to Dam. + talked to Arab. I talked him out of teaching me a man. # This is very helpful - will calm Khaddam a lot.

K I think Osama + E can manage short term + then we can go into high gear in Nov.

S One goal is to solve this by peaceful means. We cannot have another massive (?) crisis ^{K getting} escalating. Esp w/c Syria it is a principle - once E gives a matter a principle is set.

K I was before how I given up a matter

S Once a people see that there going to change
to this in peace, we be ok. I will see how
wants them then into sea. I want first
peop have come in from outside this area
use of force, but necessary patient & we will
call them guests.

I hope King will cooperate. (crossed it)

P There are 2 things. Hope we don't have bombings
again. Understand crisis, but hope no report
& turn about price.

S I been asked that position several times - I said
not not a try to play w/. We resist it once & we
succeeded - if we use again w/o reason we
punish our selves as well. To me it not going
to happen. I don't believe policy of my country
but 99% sure.

P That messaging.

S Once somebody starts firing.

P That is different. I believe Arabs have growing
friendship for Arabs & would hate to see it broken
by society.

S War things are going better & in a few things
are good & we hope time will come when
Cyria will have dialogue outside from I-A.

K Also during, we have secondary element
if we can we give them P&FO & get
UC presence.

S That good because SU pushing them to do

→ saddle breakfast tomorrow ←

Something useless

P We will know in a month what we can do w/ crops to help some people.

S McCain - head of world food crisis. I promised to help him all I could. We doing what we can to make life easier for others. This sucks - this not a way we think. If this result in Arab being in a mess a fight - I would have chosen.

K I told him it would play into various trends leading to cooperation bet us & Arab countries.

S Some of C Arab countries have no money + we out + they took a tough course w/ O. We.

Our price - we had to accept it. Increase was pushed by Kenya, India, Iran, (C. Africa) + then C. Arabs.

I was very tough on this question. We had got out we would have price (Yemen said we would have auction) before we made a decision. We would have had major problems w/ other Arabs. We will not continue an increase. There is talk about surplus.

I don't believe it. Countries come to me + say we are getting 1/2 oil we want. There is an empire of oil. We must be very careful. Auction was stopped to avoid playing w/ oil.

K Auction could have another market. If not surplus, auction would drive price up.

S That's what happened ~~was~~ last spring.

P All the joint issues working well - a security & depend.

S Yes. The security one is going well. On depend

you have given us ideas - personally I was expecting more

K Any specific ideas you have...

S I remember of last week. We still have to discuss it. This my personal opinion

K We want more corp & maybe we didn't have enough information

S I would like to be more positive & stronger

K Doing this means they always think of what you can't do - give me ideas & we'll get them then, ^{what}

S Some of my thoughts would be to stay King, to hold down Berlin. We go as far as you want when ME is done.

I have had it from Bonnairne - who I ^{expect} trust - they have chips more than which they see US. how they explain about S U. No one can replace your corp. This puts things the only shakably back. We don't want to cause you prob while you get your internal set set. So let Arab summit & 5 Nov, nothing can happen. I expect no prob w/E, but they have to face their prob - don't give them idea you giving up. I talk to Syria, Bonnairne. Eren Drap is coming around. They want to talk w/us.

K They just talked a prob w/ Abu Dhabi

S Concerning price I will raise w/ King. I don't say anything about it. It more important coming from you.



P We have to keep healthy economy to preserve
world leadership. If problems at home it more
diff. to preserve our role in NE & world.

S I know & I see people taking advantage of it. I
know if it hurts you it hurts us. It not a
matter of billions it a matter of balance. But
I don't think any increase in services.