MEMORANDUM OF CONVERSATION

PARTICIPANTS: Dr. Henry A. Kissinger, Secretary of State and Assistant to the President for National Security Affairs
James R. Schlesinger, Secretary of Defense
Lt. General Brent Scowcroft, Deputy Assistant to the President for National Security Affairs

DATE & TIME: Friday - August 30, 1974
Breakfast meeting, 7:30 a.m.

PLACE: The Secretary of Defense’s Office
The Pentagon

Schlesinger: General Murray [DAO, Saigon] is disconcerted about South Vietnam.

Kissinger: What country is Martin in?

Schlesinger: They have had to cut back ammunition consumption. They are losing two to one. One bitterness between Martin and Murray is that Murray wanted to cut back last December and Martin said no.

Kissinger: The President said he would go all-out to get the cuts restored.

Schlesinger: The law authorizes $1 billion, but there is no law preventing me asking the committees to permit the transfer of $300 million more. That is hairy stuff.

Scowcroft: There is still an overall ceiling.

Schlesinger: True. We have to get that removed.

I want to cut the DAO. We are getting the dregs out there. The DAO pay is charged against MASF.

Kissinger: It depends on how much you cut. The only interest I have is the symbolic one.
Schlesinger: Murray says these guys are so bad that the Vietnamese despise them.

Kissinger: Can we talk to Martin?

Schlesinger: Yes, but don't mention Murray. Ask Martin about the DAO cut. Casey is briefing for 15 minutes at 0800. Also Murray.

Kissinger: Congress wants to force Thieu to compromise. There is no compromise.

Schlesinger: We should send a joint letter to the Hill describing the ammunition shortage.

Kissinger: Draft it. The President will support it. What else can we do?

Schlesinger: We are looking at every way to scrounge. They are closing all the loopholes.

Kissinger: The President thinks he can do something in the House. Brent, get a paper on what we have to have.

Schlesinger: The worst is the overall spending ceiling.

On the Israeli business: Allon okayed 200 tanks on an as-is, where-is basis. Now they want the A-1 rather than the A-1.

Kissinger: Allon wanted the gasoline one and said they could modify it.

Scowcroft: That is the A-1.

Kissinger: That Israeli program -- how can we get it in shape for the President?

If we have a 10-year program, what are the financing aspects?

Scowcroft: The paper wants us to focus on the Urgent List.

Schlesinger: I don't think we can address a 10-year package. It's based on their threat assessment.
Kissinger: I do not believe now that the Syrians were provocative. I think Israel is trying to provoke so they can justify the arms. Rabin wants to show Arab belligerence so Israel can sit back at the end of an assured U.S. arms supply.

Schlesinger: Jordan was worried about Syria.

Kissinger: Don't get me wrong — over the next year they'll be a problem, yes, but not right now. The Syrians were willing to make another small step and not insist on the '67 borders in the next move. If we could get a third of the Golan, we could get two-to-three years. But the problem is the Israeli settlements. No Israeli Government would agree to move them. We would have to threaten a cutoff of everything and order it.

I think there will be no war this fall, but there is a 50-50 chance of one by next summer. The Egyptians are on the verge of copping out. But one more move and they would be out of the game. We can get one extension of UNDOF but not more.

We can't commit the billion until we get an Israeli agreement on the route of March.

Can we get an assessment of the forces?

Scowcroft: They are a little better off.

Schlesinger: That is right.

Kissinger: I want to talk about SALT for a minute. I want to talk a minute at the SRG. I discussed it with the President. Geneva should talk only general principles. I will ask the Working Group to come up with what the principles would be and start coming up with the numbers. We need maybe two NSC meetings.

Schlesinger: Here are some draft instructions. The delegation should discuss the elements of the balance, the implications of growth and stability.

Kissinger: Yes. In the numbers, over 10 years, could we give them the edge in the totals in return for an edge in MIRVs?

Schlesinger: MIRV's are a lot of crap. The Poseidon doesn't give you much. We test them only against one target.
Kissinger: Doesn't the Trident I give us more throw-weight?

Schlesinger: Not necessarily. It let's you back off.

Kissinger: If MIRV is nonsense, what does make sense?

Schlesinger: It depends on what you can do with them. Poseidon is not a very good weapon. I will see if I can work up a paper over the weekend for you and me.

Kissinger: What could we theoretically give up? The B-1? If they give up the 18?

Schlesinger: We can't give up a replacement bomber.

Kissinger: But should it be the B-1?

Schlesinger: We are too far down the pike to change.

Kissinger: I strongly support a bomber, but why must it be supersonic, etcetera?

Schlesinger: I agree. But we are so far down the line it doesn't make sense. The B-1 can fly at low altitudes. Adding supersonic doesn't cost much. We can slow the Trident or slow the retrofit of the Poseidon.

Kissinger: What can you do to save them in next year's budget?

Schlesinger: The Minuteman dropped from the C-5, the heavy missile air-launched cruise missile looks good. The important thing about the bomber is it screws up their planning for attack. It makes it impossibly complicated.

Kissinger: Could we limit bombers as a trade-off?

Schlesinger: How about giving up the B-52's?

Kissinger: The President is anxious to avoid public debate on hard and soft positions as we get a position. We all want a tough position. The issue is, are we better off with an agreement of a kind that is negotiable or with none at all? In retrospect, the 750-1150 effort was not worth it -- it wouldn't have helped.

Schlesinger: I always regretted it. The rush was all tied up with Watergate. It caused the urgency and fright back here.
Kissinger: Next year is the best time to get an agreement. The Soviets are not sure which way the President will go and they will pay a price to influence it. They will hope to line up both political parties for '76. I (and the President) think we can't get for six years through Congress what we can over the next two years.

I will defend your strategic budget completely. This is what we have working for us now. We will lose a lot of these by '76.

Schlesinger: We should make a push next year.

Our differences are: You think any reduction of Soviet programs helps; I am working to maintain stability by holding back destabilizing programs. Hughes Rudd says you oppose weapons R & D.

Kissinger: Nonsense. I strongly favor strategic R & D.

Schlesinger: I get these questions at the War Colleges. The imagery is that you oppose R & D and weapons acquisition.

Kissinger: My fear is there is a ceiling beyond which we can't fund in the absence of a major crisis. I think with SALT you can keep your power above what you would otherwise, because Congress would be reluctant to cut below agreed levels.

Scowcroft: Could we cut the Trident boats?

Schlesinger: Sure. It depends on what they offer.

Kissinger: We should tell Brezhnev that there are various models over the next 10 years. One requires no cutback; the others mean cutbacks at varying levels.

Schlesinger: Greece. They may have the bases we need. We shouldn't help Papandreou replace Karamanlis.

Kissinger: So?

Schlesinger: We ought to give Karamanlis some bonus.

We can let Karamanlis say no second-stage Home porting or even reverse the first stage. We need the...
Kissinger: We want to help the Greeks, but we can't have them give us unattainable objectives. We must get them to make attainable proposals. We can't get into a Defense-State good guy-bad guy fight. We need time to bring Karamanlis along. He has to kick us around a bit before he can work with us. This is a tactical issue, not who is for or against Greece.

Schlesinger: What was the purpose of that speech?

Kissinger: Only that we have not to split on this.

We can't placate the Greeks now, because that stiffens them. We must hold our capital with Turkey until the negotiations.

The Greeks have to realize reality -- we will come out modestly okay with the Greeks.

Schlesinger: It sounds okay. You're the honest broker.

Kissinger: We just can't get into the middle of this right now. Karamanlis has a problem -- the Left almost took over, the army is politically demoralized, and the center is weak.
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