MEMORANDUM OF CONVERSATION

PARTICIPANTS: Tour Group (See attached List)

President Ford
Ron Nessen, Press Secretary to the President
John Marsh, Counsellor to the President
Lt. Gen. Brent Scowcroft, Deputy Assistant to the President for National Security Affairs

DATE AND TIME: Wednesday, February 12, 1975
4:00 p.m.

PLACE: The Oval Office
The White House

President: It was nice of you all to come in. I am interested in hearing about your trip.

[Publisher to John Marsh's left]: We wanted to discuss the issues of war and peace in the Middle East.

Group Member: People who are in the Middle East for two weeks write a book; those who are there for months write a poem, and those who live there are silent. Peace is a burning question in the Mideast. We were impressed with the unity of the Arabs. We were impressed there was not much empty rhetoric. We think now is the moment we must trust the Arabs.

Linowitz: I think we came back with a sense of optimism and yet of concern.

All the leaders we met spoke of peace and clearly desired it. The Arab leaders were more moderate than we anticipated. All the Arabs explicitly or implicitly recognized the right of Israel to exist.

President: Even the PLO?

Linowitz: Some of us were disappointed at the failure of the Israeli leaders to articulate a persuasive case.
The heritage of history hangs heavy everywhere. It is hard to underestimate the key role of the United States. No one mentioned the Soviet Union unless we did.

**Group Member:** We are an individualistic group, and our unity comes through because of the unanimity of the message we received. We found a sense of confidence among the Arabs -- coming from the October war, their new oil power, and their unity on insisting that the Palestine problem must be resolved.

It is surprising how many of the second-and third-echelon Arabs were educated in the United States. There was little affection expressed for the Soviet Union. They were, of course, on their best behavior, but they were convincing and sincere.

We shouldn't diminish our support of Israel, but we should deal with them.

Israel is even more adamant, inflexible, suspicious and unwilling to trust the Arabs. One of the problems is that among the Zionists it is a religious conflict and that is bad.

**John Lawson:** We think the most serious problems are the Palestinians and Jerusalem. But there is a great willingness to make peace and great faith and hope in the United States.

**Chauncey Schmidt:** The investment of oil wealth is a critical and complex issue. We didn't really see the impact of this, but we did get an impression of affluence in the Gulf area. Kuwait especially had a lot of young talented people. It's less so going down the gulf. There were many who questioned whether we wanted investment and what kinds.

There is a great need for this Arab capital.

We were impressed by the investment in their own countries. Imports are increasing rapidly -- perhaps this will solve the problem in the long run--but in the short run we see a need for the $25 billion fund and for guidelines for investment in the U.S.

**President:** We agree with this. Any recommendations you have would be welcome. Congress is getting into this also. My reaction is we want investment but must be careful about some industries.

**John Lawson:** We would hope they would help finance new capacity, and not just invest in the stock of going concerns.
Group Member: Oil was a natural subject. The gut issue is the time issue. They all talked about their depletable asset which they had to turn into wealth while they had the chance.

King Faisal passed off Kissinger's saber-rattling statement by saying you had said American interests would come first. King Faisal described those interests as anti-Soviet.

We can't—in my industry—we can't stand another embargo. Most of them didn't say there would be another embargo, but they got our attention.

Their whole strategy seemed to be the maintenance of their purchasing power, through indexing or something.

Most of them implicitly or explicitly linked the price of oil to movement to peace. Abu Dhabi has a million-bbd. capacity and is only pumping 300,000. But they are going along with the price.

They got the message we wouldn't permit an embargo—they never raised that issue except when we did.

John Lawson: They never mentioned the Soviet Union except that Faisal said we forced Syria to go to the Soviet Union.

I think they did not take offense at our war threats; they did have their effect and all of them were very careful in talking about the embargo.

We got the impression that all but one PLO group were willing to accept the existence of Israel.

Sadat and Asad impressed us especially.

That is a broad summing up. We saw many people. It was very well done by Time. Are there any other thoughts?

Group Member: One of the surprising reasons they gave for their urge to peace was a desire to develop—they said they couldn't afford a "no war-no peace" situation. They said peace is necessary to let development go forward. Their big armies are very costly. The expansion of peace would let them turn their efforts more to their development.
John Lawson: We think time is of the essence, before the people change their attitude.

We saw the Golan from both sides, and I got a different view.

Group Member: The Golan is critical for whoever holds it. We see Israel's concern and also the Syrian worry with the present position.

We spoke about demilitarized zones with the Arabs, but they want them on the Israeli as well as the Arabs' side.

President: Did you get into the matter of the passes and the oil?

Group Member: Israel is willing to give up the oil if it can get it replaced. The passes will require a strong quid pro quo. Israel said they needed to retain access to Aqaba.

President: Did you discuss the Israeli settlements on the Golan?

Linowitz: [Didn't respond]

Let me clarify our attitude about Israel. We went expecting not much from the Arabs and were pleasantly surprised, and we went to Israel expecting much... The Israelis seemed to be fearing that if they sounded dovish they would be open to attack, partly as a reflection of internal weaknesses.

President: Rabin is in a difficult situation. Some people there are waiting for an opening which could upset the balance.

You went at a critical time. Secretary Kissinger is there now and we think time is of the essence. Had there been movement last fall, Rabat might have been avoided.

Henry is there now for an exploratory visit. We hope something can be done on the Sinai. This would give us time. Israel is confident militarily and they are probably stronger than before the October war. Yet Sadat is strengthened by the fact of his better performance in October. But if he doesn't get some results, his position could be weakened or lost. I don't think it is in anyone's interest to go to Geneva now. The first issue would be the seating of the PLO and that would mean a deadlock.
Golan is significant psychologically and militarily to Israel, but also important to Syria. It will be hard for Israel to give up the settlements but Asad said he might be ready to move.

Without movement, another war is more possible, and also an oil embargo. The potentiality of a crisis between the U.S. and Soviet Union is always there in a war situation. The Soviet Union might have to move in a war to show its credibility.

We have to make every effort to get movement.

Fortunately the attitude seems reasonably receptive, but I shouldn't speculate--no matter what you read in the paper about the oil and the passes in return for some "piece of peace".

**Group Member:** Do you have a time frame for this chance of movement?

**President:** I would say within six weeks, or we must be ready for the results of a deadlock.

I know Israel's problem, but the Jewish community in the U.S. must realize the need for movement. The Israelis had terrible casualties in the last war and I don't think they can afford not to give. But they must get something in return.

We can't dictate the policy, but only urge the states in the area to move toward peace.

The Soviet Union urges a return to Geneva, but we don't see that.

**Group Member:** The Arabs constantly told us that a policy of divide and conquer wouldn't work--that all the issues had to be dealt with, not just the Sinai. Faisal especially said that.

**President:** A simple return to '67 is not reasonable.

**John Lawson:** Sadat said he could accept step-by-step if they were giant steps.

**Group Member:** We would hope there would be some step toward the PLO. Some of these young people are so pessimistic and some movement there is necessary.
President: What if the U.S. was asked to use troops for guarantee?

Several: Under the UN?

President: There are two questions: Should we do it and should Soviet troops be let in?

Group Member: I would rather pay the bill and let others do it.

Group Member: I think we must give Israel a sense of security.

Group Member: The Israeli military said they wanted U.S. Marines on the line. If that is what it would take, we should consider it.

President: In a desert war, the side having the longest lines has always lost. So the Sinai may not mean that much.

Group Member: One thing which impressed us is that military leaders head these governments. I am not sure these people can sit down themselves and make peace -- our intervention is essential.

Israel mentioned the $2 billion it wants. We said it was a problem for us. They said it was a problem for their own budget.

President: I understand they have it in their budget -- it is not in ours. I am not saying it couldn't be, but there is a different attitude now in the U.S.

We must keep Israel strong, but not so strong they won't negotiate. But I am not sure we and the Soviet Union can impose a settlement.

Murray Gart: Rabin mentioned $2.2 billion to us. He said you start at a point and maybe you end up with a billion or one and a quarter billion.

Group Member: Are we doing enough to support American industry in Arab lands?

President: We have joint commissions in many of these countries to help them in economic and social development.
Group Member: We are the only country where business and government are on an adversary basis. If we deal jointly with other countries, we are prohibited by the anti-trust laws. We can't compete with the French, or the others as independent private enterprise. I do think we need to be able to deal with this situation more effectively.

President: I would like to know if the commissions are inhibiting U.S. companies' activities. If there are problems, I want to know about it in specifics.

John Lawson: The French and German Governments give a much more active support to their firms.

President: Is that evident with our Ambassadors or with State? I would appreciate specifics.

Several: None of the Embassies mentioned the Commissions to any of us.

Jamison: With all of the talk, we have difficulty finding one major project which has been consummated.

Group Member: We have to change our methods. We aren't used to selling technology, just products.

[They present the President with a Steuben glass eagle, which had been given to each head of state they met.]

President: Thank you. It's a beautiful piece of art. It will be reported to State and kept in the Oval Office.

Thanks more importantly for your contribution. No problem is more urgent.
BUSINESS AND INDUSTRY ADDRESSES

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January, 1975

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I like you all to come in.

Your left wanted to take charge the various of world peace in the N.O.

Then in M.I. I decide to talk. Three or four people.

He's a braver person, and I was sure enough of a country of America.

He was supposed there was not much depth.

What, then, were movement in your time now in the trust?

Humor. I think he can help us towards just enough of a mention of a summary.

And the time, I think clearly did it.

And he does not more mathematical than we were intended.

All Americans, equality, and inequality recognized in part of it to get in the present.

I am not.

Some fine men disappeared at justifying leads to articulation perennial cases.

Their leadership being heavily for any other.

Then it had to reconstruct a thing about us on

maintained et al. unless we did.

Left out was one substantial group of some words from the same as a reminder for a way we will

we found a sense of reduction among all.

Ergodic from et al. and people do not even to interpret

invention for all we are not to wash it.

Yet surprising taxonomy of 2+2 is known.

And also were educated in the distribution.
They were, of course, one thing that behavior, that they were remaining and wise.

We shouldn’t diminish our support but we should think...

I saw some element in spite of the squabbling, something that was taking place. One person is saying, "If we do this, we are..." I think it was that kind of thing.

One person is a must serum for the faith and Jesus.

For there is great endurance from fruit and hope.

Homing meant. I mean that is a central and everywhere. We didn’t need sea or a support of the but were all put on an opinion.

If you have in God’s area, we need to explain a lot of... intended people here to go down a gulf.

Then we know the question whether we would invest or what kind.

This is a great mailed for the black capital.

We were inspired by a minister in their own

 ministry. Then morning is with—perhaps this will take a form in a long run—but sure that means can... a must for in US.

(continued...

P 2.7 am, they see... again have could be answer.

Any getting with this does, my situation is constant and must be careful about some... industry.

John 5. I would hope they would help everyone's capability and put in stock of going concerns.

sumptuous. 0 1 2. A great sermon in terms worse. They all talked about their delighted aspect which they had to.

For some part of K's father cotton statement by saying, "you had said US writers would come in."
We can't - my country - can't stand another outrage. What if there didn't say there would happen -
and maybe that's all they got our attention.
Then what if they needed to be stopped? If someone
protested - Time magazine or something.
Until there was nothing, an appeal, like a cancer flair
to movement to peace. Abu Dhabi has 10 billion/day cap.
I only pumping 7000 tons - but they are paid 7500-
each.
They got in sync we wouldn't prevent outrage - they
would cancel them except when needed.

Dun. They again mentioned 1500 that I did not find, about $50.

I think they did not like it. More arrests were
threats. They did have their effect if all was very
curious. Talking about outrage.
We sat in confusion that all but 1 PhD person
and I think accepted that.

So let's check the impossible one rep.
That's a hard thing to do. We saw many people, 10,000
may have done by Times Day with it.

I can't compute. However, for ages to come here
didn't appeal - They wouldn't appeal in their numbers,
and Peace movement to let klient get personal. Their
big aim is not really. I wanted to see wouldn't
turn them to more personal client.

1. We think time is of essence, before people change

At End
Column to criticize for someone, whether it. We are
It becomes a also 2 main ways of presenting.
can think, I am not sure if my words are right, but they went to lắm to get their answer.

P: Did you get what you said?

I was thinking of writing and for several reasons.

I was willing to share it, but I said they would lose something in the process.

P: Did you mean, I am misunderstanding then?

I wasn't actually aware of what I was thinking, but it seems that they would expect more from me than they did.

I didn't mean to say they are not to blame, though they would have to be better, particularly as they would never be anything.

I think it is my duty to show our respect for the people who are going to work with us.

You want it with that time. I think we think time is helpful. It adds time and lasts fall, I might have been around,

There is a lot of work to do. We hope to make something evident on this. This would give us time to consider what they are planning. It seems to me that they know how to do it, yet of the other people they don't have a very clear idea.

I don't think it is anyone's responsibility to get someone to understand that there will be changes needed.

Colin is very busy, but he is going to Spain. We had a long day and he picked up something to eat, but he said he might be ready to come.
We cannot move our own way in some parts of the world. Potentially, if there’s a S/S 
always stays in ways. S/S might have to move in a way to show its credibility.

We have to make every effort to get movement.
Fortunately, our attitude is more reasonably positive,
but I’m not sure why we don’t want people who believe in
your own self/ourselves in action for some sort

Do your homework before the change of moment

I am not saying of an event, but we must move in order to

I can’t see it, but a Jewish, truly in all that
subject need for movement. I have tried to
advocate for that which we cannot afford not to

We can’t let our country, but they want it.
S/S changes within nine, but not last for this.

And I don’t think that we can simply understand what
work that all nations could be united all for just

Have Feindler’s moral that

John C

What if US would like it to happen?

2 question: Should I return to the United States?

I would rather have it be doing so

It is possible to make this happen.

As I understand, will my threat to US become an issue?
That is what I would like we should consider it.

I was interested in trade being long-term basis but not.

So sign may be some other method.

One thing which impressed me is that with Indian land

These gates. I sat and these people can sit down.

Themselves and put on some information is important.

I mentioned 2 blocks we and it was a 40% for

We stayed it the peak from our budget.

I understand they have 1 in their budget it

But more. But anyway it shouldn't be, but this

Easily another room in U.S.

We must keep doing. But not to do they

Can't continue. But I don't think we can

Approach a settlement.

Can't

To have another 2 2 with us. It is hard for

That 2 or a part of maybe you and up to a bit

At 1/4 bit.

Look like we are doing something to support American

Understanding about land.

We have joint research in many of these

Countries to help them in some social aspect.

We need only country where becomes a constant

Advertising basis. If your country chooses other countries,

And are profitable for instance. We look complete

1 cent, 1st or 2nd level private enterprise. I expected
district we need to be able to get this in some

Affordably.

I should like to know if a Census is included US

Company activities. It that much, I want to learn

About it the information.

Thanks for your support. You have been active.
Support
P. Threatened Antibodies on a State
Survey of epinephrine
Second World War: 
Epidemic Influenza: 
Swine flu
Janet Wallis's 
Talk: new 
Drugs for 
Major 
Project: New 
Laminating Technology, 
gifted products.

Presented Stanley plans to take 
over each 
level of 
State.

P. Thanks for 
Beautiful 
piece, 
Will be 
given to 
State and 
kept in 
Office.

Thank you 
very 
important for 
your 
enthusiasm.

The 
plan 
will 
work.