MEMORANDUM OF CONVERSATION

PARTICIPANTS: President Ford's Meeting with the Cabinet

DATE AND TIME: Friday - February 21, 1975
11:00 a.m. - 12:30 p.m.

PLACE: The Cabinet Room
The White House

[The President opened the meeting with a discussion of the Savings Bond Program, the organization of the White House, and the Domestic Council. The Vice President described the organization and operation of the Domestic Council.]

President: I want to discuss the import tariff vote, and emphasize how important it is. Every day that goes by makes us more vulnerable to outside pressure. We have seen no other plan offered. By the time they [the Democrats] get together, it probably won't have much substance. We will talk about compromise, but only if there is some real substance.

Let me turn to the Middle East. Henry has just come back from there. Henry?

Kissinger: It is important to understand what we are trying to do in the Middle East. We hear a lot of criticisms. Most of them are two-fold: Why not do it with the Soviet Union? And why not go back to Geneva?

Let me stress that we would be happy to work with the Soviet Union, but the only position they have ever offered is support of the radical Arab line -- the '67 borders, return of Jerusalem and rights of the Palestinians. If we were ready to do that, we could do it directly without the Soviet Union. Whenever the Soviet Union is willing to make a moderate proposition or put some pressure on their clients, we will be delighted to work with them. Until then, this is just a debating option.
Secondly, we are happy to go to Geneva, but it depends under what conditions we go to Geneva. If we go there after a failure of step-by-step diplomacy, we can't even urge a moderate program -- since it will have been shown we couldn't deliver. The Soviet radical program will be supported by everyone there. If we go to Geneva after a success, every Arab state will know that only we have delivered. Then we have a chance to get either a moderate program or hold the Soviet Union up as the obstructionist. With a failure, we would face massive pressures from the Europeans and the Japanese to come up with something to avoid the economic problems and another oil embargo.

This is strategically what is at issue. Tactically, the issue is whether we can get one more step before Geneva. If we could move simultaneously in the Sinai and Golan, we could really settle things down. But the Israeli domestic situation won't permit that now -- it would require that some of their settlements be moved.

The problem now is to match specific territorial moves by Israel with some intangible political moves by the Egyptians. The Israeli Government has an extraordinarily difficult domestic situation. They have a very thin majority and a massive leaking problem. The problem is, can they do what is necessary, and can they present it in such a way as to present it acceptably to their people? That is a problem.

Sadat is a statesman who understands the need for peace.

Buz: He has implicit confidence in Kissinger.

Kissinger: The problem is that Sadat can do more than he can say. The problem is working out some de facto arrangements with Egypt and Israel. The tragedy is that the less he says, the more he can do -- and Israel needs to demonstrate to its people that they got something.

Then there is the Syrian complication. They have one way or another been behind every war that has occurred there. They are more of a problem now that they are more moderate than when they were so radical that they wouldn't even talk. There is almost no way we can move with them simultaneously. They are already lining up support to prevent Sadat from moving. Syria has a real problem -- they lost 10,000 men in the war and have nothing to show for it -- but we must keep Syria quiet if we are to succeed.
Then the Soviet Union has only one play. Gromyko keeps saying to go back to Geneva, but he has no idea what to do there. Geneva is partly a matter of prestige for them, but they don't understand the Syrians and they enshrine the extreme Syrian initial proposals as serious negotiating positions. The Arabs right now think that one way or another we are going to help. If we strike out, they will move massively to the Soviet Union and we will have a huge problem with them, the Soviet Union, the Europeans and the Japanese.

We have a 50% chance. But we also have to help the Saudis in line.

It is obvious that the President's talks in Vladivostok were a very positive development. We hear this not only from the Soviet Union, but from what they have told the Europeans. But there is a slight cooling—everything is maybe 5% harder. Also they think we have added conditions, for in the 1972 economic discussions, none of these problems were brought up that were later added on. Secondly, they are moving massively to the Europeans. The Europeans have given about $7.5 billion in credits to them now. The economic impact is obvious, but there is also a political cost. While detente was warm, we held the Europeans at bay. They were scared. Now the danger is they will go running to the Soviet Union and we have lost control.

We should do something about reversing the trade decision.

Our relations with the Europeans are better than they have ever been, except that they greatly fear a Middle East crisis. I get the impression that in energy, the bargaining perception is beginning to swing from the producers to the consumers. Our cooperation in energy is going well.

President: Thank you, Henry. Our energy policy has foreign policy ramifications that are equal to the domestic ones. We have now a strong position at home and abroad and we have to stand together to achieve our program and confirm that perception. We have to insist on a guaranteed price and alternative sources.

Morton: How can we ease the burden of the Trade Act?

Kissinger: We should urge Congressional movement, but without any specific proposals right now. One solution may be to try to separate the Export-Import from the Trade Bill.
Lynn: We now will run into Hill opposition that if we have money to loan, we should loan it here. It is shortsighted, but it's a fact. It is an illustrative problem and your argument will have to be supported with facts and figures.

President: We should point out that the Europeans have loaned $7.5 billion to them already.
P. Savings Bank Program.
Agreement of Wilt,
Domestic Council
VP. (Describe agreement of Foreign Council)
P. (Describe N.T. tariff)

Every day we make more and more innovations. Some people are against this.
We have seen the other plan by the time they get together, it will not work as much substance.
We will talk compromise, but only if there is some real substance.

K. Important to understand what we are trying to achieve:
In the first place, we need to decide:
What are the benefits?
We will be happy to work if we are not working.
We will be happy to do this. It is always better.
If we couldn't do it, then we wouldn't care.
We need to put it in perspective and pressure them.

I. If we go over our line, we must compromise on moderate program or would be stuck to some.
If we go too far, we will be stuck to some.
So a final program will be suggested. If we go over the line, it will be known.

II. If we get certain amount of money, we will pressure them.
We must be clear.

This is basically what is at stake.

Actually, our main issue is whether we can get a more stable future.
If we wind those up, it will be stable.
We can still do this, but I don't know if we want.
prevent that war would require settlement of
Peace. I feel that we must be firmly of our
opinions. I am very much impressed by the
fact that the people are determined to
 resist. That is what they show with
their voices. It is a fact that people
will not give in easily.

That is a fact.

Said it in a statement with unmistakable
authority. He has a reputation that
is.

And said it more than he can say. But it is
working with some definite arrangements in

It is the demonstration that it just something.

Then there is a Symon in my opinion. They have
never a written before and each was.

They are some for just now that the war
involves. They say that this would
not work. About as well as some never of it
happened. They are already doing my report to
prevent. Said from missing. Symon has a good job (a job in
now) that we must bring before a point. If we are
the conciliate.

The S.C. has only 1 play. Germany keeps trying to take

The country, but the town are also what is the thing.

Germany so partly prestige for them, but they don't
understand. Germany so greatly depends on Germany
profit and prestige. They are so important to Germany.

The Arabs report as think it was a matter we
are for to help. If not, a piece out, they will move
immediately. If we were to have a large part of
Our relations with the U.S. are better than they have been for a long time. The situation is very difficult. I agree with your assessment of the energy situation. We cannot continue to import energy from other countries. We need to develop our own energy resources.

Considering this, we should focus on renewable energy sources. We can start by investing in solar and wind power. These technologies are becoming more efficient and cost-effective. In addition, we should promote energy conservation. By reducing our energy consumption, we can lower our dependence on imported energy.

We should also encourage the development of electric vehicles. They have the potential to revolutionize the transportation sector. By offering incentives for the purchase of electric vehicles, we can encourage people to switch from fossil fuels to sustainable energy sources.

In conclusion, we need to embrace a new energy policy that prioritizes sustainability. By doing so, we can ensure a bright future for our children.
Many errors are simple, once you know it by heart. It's straightforward, but a fact. It is an education problem & you should work with history to support your future figures.

We should scrutinize errors here.

1, 2, 3.