MEMORANDUM
THE WHITE HOUSE
WASHINGTON

MEMORANDUM OF CONVERSATION

PARTICIPANTS: President 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 AND TIME: Monday, March 3, 1975
9:53 - 10:22 a.m.

PLACE: The Oval Office

The President: Did the French...

Kissinger: I wanted to talk about that. They told us last week they wanted to issue invitations to their consumer-producer meeting because of the OPEC meeting. We opposed tying it to the OPEC meeting and allowing OPEC to concert. Anyway we have not yet agreed on a program for alternative sources. I told the Germans and British last night we wouldn't answer until we see how the next IEA meeting goes. Unless we look too tough to handle, the French will take over.

The President: I think we have to be tough -- just like with the Congress.

Kissinger: Okay, I will stay on a collision course. That gets me to the IEA meeting. We can't have Parsky running around with a different position. Enders is a genius but he is abrasive. Basically, Treasury wants a tariff which anyone can put on and it is a little different from the free market. The alternative to our plan is a roller coaster on prices -- as the Economist article stated.

The President: Didn't my statement and the joint statement...
Kissinger: There are two types of tariff. One is tied to the floor price. The other is a tariff you just slap on without relation to price.

The President: I didn't understand that.

Kissinger: If the tariff is variable and related to target prices...

The President: Treasury wants to put on a $3 tariff now and leave it regardless of oil prices?

Kissinger: That is right. If that were done, international oil would have to go to $4 before it affected oil prices.

The President: Talk to Simon first.

Kissinger: I would like us to sign joint instructions. If he won't, we will come in.

On commodities, Simon has seen an internal memo of State, and is rushing through a paper of his own. I think we have a new world and we will have to treat commodities like we are treating oil. If we don't respond, the producers will band together and we will face an OPEC in every category.

The cattlemen told me Saturday they are losing their shirts. They suggest buying meat for PL 480. It's not a bad idea. I think we need a joint State-Treasury study effort.

I would like to call Brademas to tell him you won't buy his way out, using that NATO clause.

The President: No, I don't want to make that kind of a deal. Even action by the Senate would be useful.

It was obvious to me in the meeting last Friday that Mansfield wanted to be helpful on energy, and we should get him to help on Turkey. A little reciprocity.

Kissinger: My worry is that in effect we will have given up two thirds of our program. If after 60 days they come in with obfuscated program, you are in a tough situation.
The President: I think we have to let them have their hearings. Ullman will come around.

Kissinger: They will claim it is a big victory. But it's done.

The President: I will make a final decision after the vote count today, but I am leaning to delay. The best shot in the arm would be a House vote to sustain.

Kissinger: Katzir (the Israeli President) is non-political. He is a fine man who understands nothing. Be very tough. The American people will not understand if the negotiations fail. You should be especially tough, because he can't talk back but just report it. Say there is erosion of support in the country.

The President: I heard that somewhere recently.

Kissinger: It is a novel idea -- Saudi Arabia has been bigoted forever. The Saudis -- if we insist on Jews in the Foreign Service and military -- will just tell us to go to hell. It may overthrow the government, which would bring us a Qadaffi-type government. I told a Jewish reporter that we send FSO's where they can be effective. Every day our spokesmen are being harassed on this issue. If this keeps up like on the Soviet Union, the Saudis will do worse than the Russians.

The President: Do we send Jews to Iran?

Kissinger: There's no problem there. We don't keep records by religion, but I guess there aren't any in the Arab countries.

If you could be tough with Katzir and say what we don't need is public statesmen. I am beginning to think Dinitz is too much of a politician for this job.

Cederberg said we don't have a chance.

The President: He said he would fight, but he told me the same thing.

Kissinger: If we lose, can we go the waiver route?

The President: That would go through authorization committees.
Kissinger: Morgan is such a coward.

[The President reads the statements made at the time of the bombing halt.]

That was the turning point. The PRC was passing messages to Cambodia for us.

You are meeting with Church tomorrow. We will do a talker also on the NSC meeting. We will give you a talker for you to say we want this to work and we don't want their testimony to undermine Vladivostok.

The President: We want that agreement. Give me a strong talker.

[He reads Habib cable.]

I talked to Brent about the delegation coming down to see me. Is that a good idea?

Kissinger: They will push for a peace initiative, but they only work if the situation on the ground is favorable. Maybe we should put out a record of all the peace initiatives we have made.

The President: Let's meet maybe Wednesday morning.

Kissinger: The delegation won't be all that favorable when they get back here. There will be hookers we can't buy.

I have never seen such a period -- it is inexplicable.

The President: A bunch of cowards in the public arena.

Kissinger: Scared of what? I think it is a systematic effort to destroy our foreign policy. If we lose Vietnam, Korea may go; Japan will shift and we will have bitter divisiveness here for years.

My instinct is they are drawing the lines so sharply that you are better off being strong. My instinct is in that direction but I haven't done the arithmetic.
The President: Let me think. If I do it, let's emphasize we have $1 on now and we will put the next one on 1 May.

Kissinger: The tariff gives you all kinds of flexibility. It is a very good tool.

The President: But if we lose, we don't have any flexibility.

Kissinger: Tomorrow we should go over in detail every negotiation.
P. Did a French.

K. I wanted to talk about that. They told me last week they wanted to invite because of ORC, etc. My approach tonight's decision to invite companies we have not already been dealt issues.

J. And Israeli. In that might we consider to invite companies we have not dealt issues. Companies will be invited to invite.

K. Or invite even a joint like the US.

P. I think it would be typical joint like the one.

K. Or, don't step in a different scenario. That plane is a US and US. We can't have fully a common model as a one plan. Either it's genius but his is Chinese. Basically, Taiwan wants a tariff which cannot be put on it. Little bit from free market.

P. That plan is a Joint because genius is a common scenario.

K. I think that's the statement.

P. There are 3 types of tariff: One is to put price.

K. Other is a tariff for joint use or a relationship to price.

P. Did not understand that.

K. If a tariff is normal or a related to target price.

P. I also want to put on a tariff some kind of price regardless of our price.

K. That right. If that were done, we would have to go to the highest supplied our price.

P. Talk to Smith first.

K. I would like us to sign joint instructions.

P. We need we will have in.

K. On condition, Taiwan has been on critical issue of trade and I wish them a positive view.

P. I think we have a new cloth.
I wish to thank everyone who has made any contributions to the committee in any way. It is my understanding that we will have a joint meeting in every category. The committee is taking the initiative to bring about change. They will report the progress to the UN. It is hoped that we will have a joint effort.

If you have any additional information or questions, please contact the UN Office.

[Signature]

*Note: The handwriting is difficult to read due to the nature of the document.*
Students need Warning w/ Election

many sanctions a part -- which would be in a Dialogue for it's on Jewish origins that we need ED's where they can be effective. Everyday more questions are being discussed on the issues. If this keeps up like on 30 a minute will be across the air tomorrow.

P.1. Does this sound familiar?

K. The parties there can't keep secrets by religion, but I guess there can't anyway. At one time...

K. If you could go through religion or any other come down in public. Statement... I happen to think being in the mouth of politics is rather pitiful.

K. Calmness and our instant reaction.

K. He said he would fight, but to tell me something.

K. If we lost, can we go for a closer route?

K. What would be the authoritarian route.

K. Wayne is such a demand.

K. Church statement at time of leaving hall.

*That was turning point. The Lie was passing

W. They may change tomorrow. We will be talking.

K. Our SBC with we will give Organizing Fair

K. We must learn this with us don't want

K. This going to undermine them.

K. We must that agreement. Give me a Team Talkin

K. (Chip Hills Cobb)

K. Talked to Frank about a delegation coming don't know

K. It's about this.

K. They asked for a negro minister but they only wanted

K. We're going to favor the Negroes. Negroes should

K. Put out word favor Negro ministers

K. P at last minute had success

K. He's not sure can't look back
I. The obligation must be all that favorable when they put
their time, there will be burdens we can't 

bear. I have never seen such a point - it is indescrib-

e. Almost of course is a public form.

Q. Second question? I think it is a systematic effort. That

on F.C. I return the base may get, I know, you will

think and we will have with characters here.

My constant is that no chance - is although

that you are better off being strong. My insti-

t is in what direction, but I haven't done anything.

Let me think. If I do it, let's go because we have

or an answer. I will just write now one on the

and the twist gives you all twisted. It is a very

good idea.

I think we live without being any flex.

Tomorrow we should our own at least no repeat.

For example,