

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

SECRET/XGDS

MEMORANDUM OF CONVERSATION

PARTICIPANTS: President Gerald R. Ford  
Dr. James R. Schlesinger, Secretary of Defense  
Lt. General Brent Scowcroft, Deputy Assistant  
to the President for National Security Affairs

DATE AND TIME: Tuesday, March 11, 1975  
2:00 p.m.

PLACE: The Oval Office  
The White House

The President: How about Hersey?

Secretary Schlesinger: We can take up the sensitive ones first.

The situation in Phnom Penh is this: There is some problem holding the airport. We put a hold on Gayler who wanted to parachute in supplies. I think if we get to that point, we should forget it. We will run out of money.

The President: Why do we run out any more so that way?

Secretary Schlesinger: We won't. It is just that this gives us an excuse -- if we have lost the airport.

The President: Is there a problem now?

Secretary Schlesinger: No. We are flying 130's and some DC-8's. They are more of a problem. The crews are reluctant. We sent [Maj. Gen John R. D. ] Cleland out there. He is more optimistic -- they have a plan to recapture Tnol Leap. The problem is in their execution. Coordination is poor now.

The President: When will we know?

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CLASSIFIED BY Henry A. Kissinger  
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Secretary Schlesinger: Four or five days. If they don't take Tmol Leap. we will be subject to fire. One hit on an ammo plane and WOW!

The President: What do the JCS recommend?

Secretary Schlesinger: They would keep on as long as physically possible, but it is a political position.

The President: What is your recommendation?

Secretary Schlesinger: If we can't keep the airport open, that we execute Eagle Pull and withdraw.

The President: How much do you need to get by?

Secretary Schlesinger: About \$100 million.

The probability of their survival is 5-10%. If we get aid, it gives them a better than 50-50 chance to get through the dry season. If we are going to lose it, it is best to do it in a way which best helps our foreign policy.

The President: I don't think we should give the timid souls on the Hill the idea that we are quitting because they couldn't keep the airport open. We have to put it on the basis that they lost the airport because of the supply shortage.

Secretary Schlesinger: They have a severe psychological problem but no actual arms shortages.

The President: How about Vietnam?

Secretary Schlesinger: I think our chances depend in part on Cambodia. The mood is not good.

The President: Suppose they don't get the \$300 million?

Secretary Schlesinger: They will draw down their supplies, there will be a shrinkage of pacification, they will pull back from some areas. If they have to pull back from areas, it creates signs that are very bad for the long term.



The President: Are your people working on getting it?

Secretary Schlesinger: Yes. I have told Mahon we will go whenever he has a supplemental to put it on. Stennis is being urged to move the '76 along because if we got \$1.3 billion, it would be a shot in the arm to cover the loss of the \$300 million. The worst would be not to get the \$300 million and have the \$1.3 billion cut to \$750 million or so.

The President: The \$300 million is not in this supplemental coming up.

Secretary Schlesinger: No.

The President: Good, because I will probably veto it. That would be tough. I suppose the Senate could put it on.

Secretary Schlesinger: Preston was thinking of putting it on the pay supplemental.

The President: That would be good. Keep the pressure on. In the meantime, Church is working with Habib on a three-year deal. We are within range.

How about the Nunn report [on nuclear weapons deployments]?

Schlesinger: It is an education for Congress. We would talk in generalities. We would not go into details of numbers. Nunn is in agreement that we keep it this way to stay out of MBFR.

Secretary Schlesinger: I would like to discuss communications within the NSC system. I keep reading things in the paper -- like Cuba [in Kissinger's speech of March 1 in Houston]. If we are going to be having a policy change, I think it should be discussed in the system. Cuba costs the Soviet Union \$500 million each year.

The President: There is no change in our policy.

Secretary Schlesinger: Good. Also Iran. I see we are selling eight reactors to Iran. What if I am asked about it? Panama too. The Army is very much involved in that.



General Scowcroft: I think we are in good shape there.

Secretary Schlesinger: Yes, but maybe in the future we should have an NSC meeting on Panama and Cuba.

Also, FRELOC. We have supported the solution so it is not a complaint on substance -- but I read about it in the newspaper.

General Scowcroft: Then I was misled. I was sure you had coordinated.

Secretary Schlesinger: I just mention these as points of potential concern.

That is all the sensitive items.

The President: Let's get Hersey in then.

[Discussion of Hersey while waiting for him]

Secretary Schlesinger: The article on the Colby testimony was bad.

The President: Brent told me about it. He said it was distorted.

Secretary Schlesinger: The GI Bill. We came up with a plan which would cost \$400 million.

The President: When are you cutting the two-year enlistment?

Secretary Schlesinger: 30 June.

The President: Will you go to four years?

Secretary Schlesinger: The Air Force and Navy will; the Army may have to stay at three. After three, they would get 18 months education at nominal stipend. The benefits (cost) will be fixed, but he can spread it or concentrate it.

The President: You have 4-5 million eligibles now. They get a minimum of \$200 per month. They have this eligibility for eight years. Now this new group would have lower benefits. How can you justify it?



Secretary Schlesinger: Earlier it was based on wartime service. That is over now. I am not sure Congress will like wiping out benefits -- they would say you are against education.

The President: It is a contradiction. You are after a career military, yet you are giving them an inducement for getting out.

Secretary Schlesinger: Some will be induced in and decide to stay.

The President: How about giving them education for staying in?

Secretary Schlesinger: We do that. We will continue that but allow only professionally useful courses.

The President: There has to be an end to the Vietnam war and I want to vote it quickly. When will it be here?

General Scowcroft: It is with OMB. It will be here in a day or two.

Secretary Schlesinger: On executive pay. The inversion is killing us. We are losing good men.

The President: What happened to Worth Bagley?

Secretary Schlesinger: He left for personal reasons. He has children to educate. Had we known, we wouldn't have made him Vice Chief of Naval Operations. It was a combination of pay and family reasons.

The President: I met with the Chief Justice. The Congressional people there didn't seem too enthusiastic. We will look at it carefully. If we can't get it out of the Committee, there is no use going in.

Secretary Schlesinger: We have a bigger problem of inversion. If a full general stays after September, he will lose \$70,000 or \$120 each month. It is a terrible morale problem. My biggest. I have had some bashing around on commissaries, but this is the worst.

The President: I don't understand. It's Cushman against his predecessor.

Secretary Schlesinger: [Described the problem]



Maybe we could recalculate retirement or entitled pay rather than pay received.

Shear is one of the most effective men in the Navy. David Bagley is not as capable as Worth, but will do a good job as CINCUSNAVEUR.

The Diego Garcia Presidential Determination.....

General Scowcroft: That will be to you this week.

Secretary Schlesinger: OMB is questioning your decision.

General Scowcroft: Only at the low levels.

Secretary Schlesinger: [Shows the Berbera cruise missile photos]  
This gives them a reload capability.

The President: I guess these reinforce your need for Diego Garcia.

Secretary Schlesinger: We could take some slant range photos of these for the press.

The President: I think we need to convince people. They don't see the need for us to be out there.

Secretary Schlesinger: I think the Senate is in pretty good shape on the Defense bill.

The President: That is good.

Secretary Schlesinger: On Thailand: They wanted us out in 18 months.

The President: But he got thrown out. Didn't the new one ask us to get out earlier?

General Scowcroft: It's press speculation. The new government is not yet formed.

Secretary Schlesinger: You approved 21,000. We think there is benefit to pulling down Headquarters, 7th Air Force and other headquarters people.

The President: How many is that?



Secretary Schlesinger: About 1500. We think the Headquarters in Bangkok is one of the greatest sources of irritation.

The President: Where would the 7th go?

Secretary Schlesinger: We would eliminate it. We have chopped PACAF. We would combine the three Air Forces under one at Clark. It would serve as Headquarters forces.

The President: You will send me your recommendation in the usual way?

Secretary Schlesinger: Yes. This is just preliminary.

The President: What will you do with the officers?

Secretary Schlesinger: We are cutting Lt. Colonels and Colonels. We have reduced 120 generals over the past year.

On Turk aid . . . . .

General Scowcroft: [Described Secretary Kissinger's report on his talks with Turkish leaders in Ankara.]

The President: Sparkman will bring it up this week. It looks fairly good in the Senate.

Secretary Schlesinger: It looks like we could get it in the Senate and lose in the House. We have the tough job of arranging it so it doesn't look like anyone backed down.

The President: But I don't want anything so that Brademas et al can accuse us of shenanigans. I want anything in writing. That is a legal matter. The cutoff followed 614 and a lawyer would ordinarily argue it was governing.

Secretary Schlesinger: Eagleton's people have told us that privately.

The President: I need it in writing.

Secretary Schlesinger: Hopefully we won't need it. If it passes the Senate, the Turks move, then we get it through the House, and we are in good shape.



The President: I just want there to be no mistake.

Secretary Schlesinger: I think they agree you have the authority because they threatened to take it away.

The President: Then a letter would be easy.

Have your people appeared before the House Armed Services Committee on Elk Hills?

Secretary Schlesinger: Not that I know.

The President: Get them up there. Otherwise I will turn it over to Interior. I want action and I feel the Navy is reluctant.

Secretary Schlesinger: No. sir. We are eager -- at least the civilians.

The President: The Navy doesn't want their cozy deal upset. You bash some heads. I am really serious about it.

[The meeting ended.]



P/S Schlesinger

11 Nov 75

P How about Jersey

S we can take up sensitive areas etc

There is some pub holding airports. We put a hold on Eagle who wanted to parachute in supplies. I think if we get to that point we should forget it. we will run out of money.

P Why are you so sure about that way?

S We won't. It just that this gives us an expense - if we have lost apt.

P Is there a pub now?

S We are flying 130's + some DC-8's. They are more for pub ~~to~~ as reluctant. We sent Cleland out there. He more optimistic - they have plan to recapture Tan Son Nhut. The pub is in their expectations. Coordination for now.

P Where will we be?

S 4 or 5 days. If they don't take T. L. we will be subject to fire. It is our crossing plane - WOW!

P What do JCS recommend.

S They would keep us as long as physically possible, but at a political price

P What is your recommendation?

S If we can't keep a airport open, that we operate Eagle hold + w/dm.

P How much do you need to get by

S About a 100 mil.

Probability of survival is 5-10%. If we get out it better than 50-50% to get through dry season.

If we going to lose it best to do it in way which least helps it.

P I don't think we should give tried words on

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AUTHORITY <sup>on</sup> 102-01-42, 44, 01-53, 427, 401-103, 417

BY ll NARA, DATE 8/17/09



Hill that we putting because ~~we~~ they couldn't  
buy aircraft gun. We have to put it on  
basis that they have aircraft because of supply  
shortages.

S They have ~~no~~ a severe pay prob but we  
actual ~~no~~ shortages.

P How about UN

S I think our demands original in part of Cambodia.  
The moral is not good.

P Suppose they don't get 200

S They will show down supplies, shrinkage of  
participation, pull back from some areas. If they  
have to pull back from areas, it creates signs  
that are very bad for a long term.

P Are your people working on getting it?

S Yes. I have told Graham we will go whenever  
he has or supplemented to put it on.

Stennis being urged to move '75 along canal if  
we get 1.3 it would be a shot in the arm  
over loss of 300 mil.

Worst would be not to get 300 mil & have  
1.3 cut to 250 or so

P Ten 200 is not in the supplemental coming up

S No

P Good, cause I will prob veto. That would be tough.  
I suppose Senate could put it on.

S Preston was thinking of putting it on pay supplement

P That would be good. Key's pressure. Unanimous,  
Church working w/Habib on a 3 yr deal. We are  
w/in range.

How about Union report

S We would say. It is a contract for Cong. We



would talk in general. Would not go into details  
of this. Nixon is in agreement that we keep it  
this way to stay out of NSC.

(When we are on NSC)

S I would like to discuss communication w/in NSC system  
if they realize they are responsible for  
we are going to be having a policy change, I think  
it should be discussed in a system. Costa  
costs \$0.50 mil/yr.

P There is no change.

S Good. Also learn. I see we are talking & reacting  
to frame what we are talking about it?

Panama also. Any way involved

S I think we are good shape there.

S Yes, but maybe in a future we should have NSC  
on Panama & Cuba.

Also Fulbr. We have supported the solution as it  
not substance - but deal about it in newspaper.

S Tom I was misled - I was sure you had  
concluded

S I just mention these as points of potential concern.  
That is all the sensitive items.

P Let's get Hershey in there

(Discussion of Hershey while waiting for him)

S The article on Colby testing was bad.

P Bent told me about it. He said it was distorted

S G. Bill. We came up w/ plan which would cost  
400 mil.

P When are you cutting 2 eye contact?

S 30 June.

P Well you got 4 yrs?

S AF & Navy will, Army may have to stay at 5.

After 3, they would get 15 yrs & duration of nominal



stopped. The benefits (cost) will be paid, but he can spend it or concentrate it.

P You have 4-5 mil eligible over. <sup>They get</sup> ~~million~~ of £00/100. They have this <sup>eligibility</sup> for 8 yrs. ~~Now this new group would have lower benefit than justifying!~~

S Easier was based on constant service. That is not now. I don't see why will like giving out benefits - they would say you against education

P It a contradiction, you offer a career training - yet you giving them an instrument for getting out.

S Some will be induced in & decide to stay

P How about giving them ~~some~~ education for staying in

S Use do that. We will continue but ~~not~~ allow only professionally useful courses.

V There has to be an end to UK war & 2 month to make it quickly. When will it be here?

S. At W/O M.B. ~~Be~~ here in day 2.

S Expect pay. The invasion is killing us. We losing good men.

P What happened to Worth Boyly

S Personal reasons. He has children to educate. Had no money, we wouldn't have made him VCNO. Combination of pay & family reasons.

P I met a ~~for~~ Chief Justice. The Army people there didn't seem to ~~enthusiastic~~. We will look at it carefully. If we ~~do~~ can't get it out of course there is no use going in.

S We have bigger job of invasion. If a full full stops after Sept, he will lose 70,000, a £20/100



It is terrible mess. My biggest - I have had  
some looking around on commissions, but this  
is worst.

P I don't understand. Customers vs publisher.

S (Disputed - pub)

Maybe we could recalculate retirement or  
entitled pay rather than pay received.

Shaw - one of most effective men in Navy. Bayly  
is not as capable as Werth, but will do a good  
job as CINCUSNAVEUR.

Diego Garcia P.O. -

S That will be ~~over~~ <sup>to</sup> you this week.

S ~~Shaw~~ OMB questioning your decision

S Only at low levels.

S (Shows Beaker cruise missile photo) (This gives them  
or below capabilities)

P I guess that interface you need for Diego Garcia.

S We could take some short range photos of these for press

P I think we need to convince people. They don't see a  
need for us & be out there.

S I think a Senate is in pretty good shape as a Def. bill

P That is good.

S Thailand. They intend to put in 18 men.

P But ~~that~~ he got them out. Didn't you see  
ask us out earlier?

S Peras speculation. We've got not yet formed.

S You approved 21000. We think there is benefit  
to pulling down by 2<sup>nd</sup> ~~and~~ AI + other by people.

P How many?

S About 1500. We think the by people in Bangkok  
are a greatest source of irritation.

P Where would 2<sup>nd</sup> go

S We would eliminate it. We have dropped P&AT



We would combine c 3 Air Force under 1 at  
Clark. It would save us the faces.

P. You will send me your memo concerning?

S. Yes. This just preliminary.

P. What will you do w/c officers.

S. We cutting LT Col & Col. It was reduced 120 jobs  
one just gone.

Thank and

S. (Described HAK report)

P. Spachman will bring it up in this wk. looks  
fairly good in a Senate

S. Looks like we could get it in Senate + lose in House.  
We have a tough job of arranging it so it doesn't  
look like anyone backed down.

P. But I don't want anything so that Brad et al can  
accuse us of shenanigans. Don't anything in  
writing. That is a legal matter. The cutoff  
followed 6/4 so lawyers would retroactively say  
it was governing.

S. Eayleton's people have told us that privately

P. Don't it in writing

S. Hopefully we can't read it. If it passes Senate,  
Tanks more, then we get it from House,  
we in good shape.

P. I just want there to be no mistake

S. I think they agree you have authority cause they  
threatened to take it away.

P. Then a letter would be long.

Have you people appeared before H. Armed Services  
Committee on Eek Hill?

S. Not that I know

P. Get them up there. Otherwise I will turn



So now to Anteria. I want action and I ~~want~~  
feel a way is important

S Do sir. We are eager - at least I am

P The long doesn't want their cozy deal - just  
you high some heads, I am really serious  
about it. The

