MEMORANDUM

THE WHITE HOUSE
WASHINGTON

SECRET/NODIS/XGDS

MEMORANDUM OF CONVERSATION

PARTICIPANTS:  Geir Hallgrímsson, Prime Minister of Iceland
               Einar Agustsson, Minister of Foreign Affairs
               President Ford
               Dr. Henry A. Kissinger, Secretary of State
               and Assistant to the President
               for National Security Affairs
               Helmut Sonnenfeldt, Counselor of the Dept. of State
               Lt. General Brent Scowcroft, Deputy Assistant
               to the President for National Security Affairs

DATE AND TIME:  Friday, May 30, 1975
                5:40 p.m.

PLACE:  NATO Headquarters
        Brussels, Belgium

President: Are you going right back to Iceland?

Hallgrímsson: Yes.

Kissinger: I told the President that last time I was there for the meeting
           with President Pompidou, you were declaring war on Great Britain.

Hallgrímsson: Now Great Britain is moving closer to us.

President: How do you feel about the Law of the Sea negotiations?

Hallgrímsson: Pretty good. We think it will come out well, but we have
            had to declare our economic zone. We know you have some things like
            this being considered in your country.

President: What is happening now in that dispute with Britain?

Hallgrímsson: Pretty good. We think it will come out well, but we have
            had to declare our economic zone. We know you have some things like
            this being considered in your country.
Hallgrímsson: We now are concerned only with fishery boundaries. We know your fishermen, like ours, are interested in this.

Kissinger: Except when other countries apply it to us.

President: Our fishermen get involved in Latin America and we have to get diplomatically involved.

If there isn't something from the negotiation on the Law of the Sea by early 1976, there will be Congressional legislation, I fear. We prefer the orderly way to do it through the Law of the Sea Conference.

Kissinger: When some start doing it unilaterally, it leads others to do things -- like unilaterally declaring patrimonial seas.

Hallgrímsson: We base our intention to the extension of the limits only on fisheries; for other things it is 12 miles.

This is the whole problem confronting the Law of the Sea Conference. It is difficult.

President: What is next?

Kissinger: The next meeting is early 1976. We will drive hard for a successful conclusion at that session.

Hallgrímsson: We were pleased to have reached a difficult agreement with Sisco. The Foreign Minister can say more about that.

Agustsson: There is not much to say. We have no complaints about Americans in Iceland.

Kissinger: It was done very discreetly.

Agustsson: We are implementing it in a very leisurely fashion. If there are problems, I will let Secretary Kissinger know. You have a good Ambassador.

Hallgrímsson: I can tell you in confidence, in the works of the renewed issue of defense arrangements, the Soviet Union has made new efforts to make themselves visible in the area. There are more and more ships coming. That is, I am sure, to let us and our neighbors know they are still to be counted.
President: Were there Soviet maneuvers there?

Hallgrímsson: Very much so. Our information came from you.

We appreciate the cooperation extended to us on your behalf. If we have problems on the extension of our fishery zone, I am sure we can count on your sympathetic understanding.
I. Can your going make bank in 205 hours.

II. I think I kept time over there.

III. We are doing even in 2-8.

IV. We are going closer to us.

V. How do you feel about this?

VI. Pretty good. I still think it will rain even if we get through.

VII. Doctor, an idea comes up here, I think you have your brain thing figured.

VIII. [illegible]

IX. [illegible]

X. [illegible]

XI. Next week early 26, we will have a drink

XII. [illegible]
R. It was done very directly.
R. We are implementing it in
very directly fashion. Of times
and types I will let knives, your
change your, and.
H. In craftsmanship, in making many
pieces of wood, and will make efforts to make themselves
sensible in a way. Now I know
the production of the rest of the
pieces. We are still in the control,
also some manufacturing.
H. Very much so. Can't make much
for you.
We appreciate it very much, and
your behalf. You have
made us feel theplace of
our feeling gone. Now we
will come through. Your
sympathetic understanding.