MEMORANDUM OF CONVERSATION

PARTICIPANTS:

President Ford
Dr. Henry A. Kissinger, Secretary of State and Assistant to the President for National Security Affairs
Lt. Gen. Brent Scowcroft, Deputy Assistant to the President for National Security Affairs

DATE AND TIME:

Friday, August 8, 1975
9:30 - 10:40 a.m.

PLACE:

The Oval Office
The White House

SUBJECT:

Soviet grain deal; economic summit; Middle East; PFIAB

Kissinger: The Soviet Union has been very quiet on the Middle East.

The President: I can talk to Meany.

Kissinger: It may be too early. Let me talk to Dunlop first.

I talked to Shultz about the economic summit. I think it best for George to see Schmidt, Wilson, Giscard next week to get their concrete ideas. It would show you giving it quick attention and allow George to assess whether we should pursue it. If it looks good, we could have the private meeting and then the summit. From a non-economic view, I think it has merit in showing action. I know Treasury fears they will try to euche you into something unfavorable. But I doubt that, and why would you agree? I think you are getting the image as the leader of the Western industrial world.

For your press conference today, I would not be optimistic or pessimistic. Say the negotiations are proceeding and that's a hopeful sign, but you don't want to predict the outcome. If you get too optimistic, you will trigger the bastards in Jerusalem.

[Gets map out].
As you can imagine, Israel pocketed every Egyptian concession. They refused a two-kilometer move of the Egyptian line, but would agree to some move forward if there were equal compensation elsewhere. I said no.

They agreed to give up on the southern warning station and move it into Israeli territory. But they want Egypt to give up one of its stations. They insist on six American stations. I don't think we can justify it. Nancy thinks you would be crazy to do it but certainly crazy to do it without Congressional support. We could put a station by Umm Khisheiba to monitor access. We could maybe put one at the Mitla and claim it's a tactical warning station. I think you have to give up on Israeli support. The way they talk about you and me, there is no hope. I think they feel they have to get you out of the White House.

The President: They can't do that.

Kissinger: I agree, and if they do it openly, it will be an asset to you. Nancy thinks if you cut off aid to Israel, you would be a national hero.

Should we get the Congressional leaders to Vail before I leave, or wait until we have an agreement?

The President: I think it is better to wait until we have an agreement.

Kissinger: [Some discussion of PFIAB meeting]. The topics will be the weakness of strategic estimates, Soviet wiretap activity, and more emphasis on economic intelligence. They are overdoing the strategic estimate bit, but they could be improved. On the wiretaps, DOD is foot dragging. You may want to direct accelerated action here.
8 Aug 75

[Handwritten text]

First I should like to mention that I have been very quiet in the last few days. I think I should try to go back to see [name omitted] next week and try to get in touch with him. I would then go to [location omitted] and discuss what I should pursue. If it looks good, we could have a private meeting with [name omitted]. From an even greater distance, I think it has merit in theory, but I know there are problems that need to be addressed. If you get the opportunity, you will trigger a discussion on [topic omitted].

(Handwritten note)

As far as my travels, I plan to travel to [destination] next week. I will meet with [name omitted] and discuss further. They are interested in the project and seem open to discussing further. I will keep you updated on the progress.
I think you have to price again I suggest. When they talk about your one, there is no hope. I think they feel they have to get your money first.

P

If they could do that.

K

If they do it openly it will be more exact to you. Now think if you write as to 55 you would be a model here.

Should not get your hands to D in order to have a model until we have an agreement.

P

I think it better to wait until we have an agreement.

K

(Some discussion of P) Repr. will have possibility of that. (Refer to concept of more complete or more simplified case instead. They examine c what interests what, but they could be combined.)

On c concept, D is justifying gain. You may want to start accelerated action line.