

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

SECRET/NODIS/XGDS

DECLASSIFIED

E.O. 12958, Sec. 3.5

NSC Memo, 11/24/98, State Dept. Guidelines (Subser)

By KOH, NARA, Date 6/29/99

MEMORANDUM OF CONVERSATION

PARTICIPANTS: President Ford  
Mariano Rumor, Minister of Foreign Affairs,  
Italy  
Roberto Gaja, Italian Ambassador to the U.S.  
Lt. General Brent Scowcroft, Deputy Assistant  
to the President for National Security Affairs

DATE AND TIME: Tuesday, September 23, 1975  
4:30 - 5:10 p.m.

PLACE: The Oval Office

[The press was admitted. There was small talk about the press, the weather and the Foreign Minister's speech at the UN. The press was then dismissed.]

President: I hope your speech went well this morning.

Rumor: It seemed to go well. I hope it proved satisfactory to the General Assembly. The applause seemed to indicate so. I had a working lunch with Secretary Kissinger yesterday to discuss bilateral relations and those related to the Italian responsibility as President of the Nine.

President: I get the impression the atmosphere at the UN is better than last year.

Rumor: I have the same impression.

President: The last time we met was at Helsinki. What was the reaction in your country to Helsinki?

Rumor: I must confess the declaration didn't have much open echo, but basically it was positive.

SECRET/NODIS/XGDS

~~SECRET~~ - XGDS (3)  
CLASSIFIED BY: HENRY A. KISSINGER

President: There was some criticism here, but I think as the words and performance are seen and are better understood the reaction will be more and more positive.

Rumor: I think it will depend on performance. The EC has formed a study group to monitor the performance. I think we could do the same in NATO.

President: What has been the fallout of the recent regional elections?

Rumor: As I said in Helsinki, it was not a very favorable development, since, in the formation of city councils, and so on, the outcome has not been favorable. But nothing so negative it doesn't have a positive side. This development has pointed out to us the risks we are facing. I would say there are two positive aspects to stress: the Christian Democratic Party is wholly unified against participation by the Communists in the government.

President: I am glad to hear that. As I have said before, my government thinks such participation would be detrimental to all that we in the West stand for. I understand that Prime Minister Moro made a speech to this effect.

Rumor: No doubt of it. There were various interpretations of the speech -- some said it was equivocal. That is not the case. It was the Christian Democratic line -- that if it is possible to avoid early elections until the democratic parties recover their vitality, we do so; no Communists should be in the government. The Communists must be seen as the opposition and the minority, even though they represent 33%. They are the opposition -- we are the majority. So I think the situation has clarified some over the past few months. I don't want to make hasty forecasts, but I think the Socialists, who had been enamored of the Communists, have now had second thoughts.

President: Are you as encouraged as I am about Portugal?

Rumor: Yes, I am certain that developments there are of a positive nature. I think that the EC agrees and that we should encourage those developments. It is not without risk, but not to do anything would risk abandonment of our friends.

President: I think it is important to give economic help to get their economy moving and also to give them a psychological boost.

Rumor: I am happy to hear this is your impression. I, on behalf of the EC, feel this way and I think we must extend economic help. I don't want to compare Portugal and Italy -- they are very different -- but to the extent that the West is willing to aid Italy we will be able to combat the Communists. I am grateful to you and all our friends who take a personal interest.

If there is an economic summit I hope you will see to Italian participation. To leave us out would give a boost to the Communists.

Any technical assistance which might be available in the energy field which the US could extend would be very helpful.

President: I understand you have a big nuclear program and that the Export-Import Bank is considering a loan. We hope Italy can become less dependent on foreign energy, so I hope the Export-Import Bank can be of help.

Rumor: I appreciate that and, again, Prime Minister Moro asked that you see that we are included in any economic summit.

If I can speak as President of the EC, I think there are many areas where we can cooperate with the U.S. In my UN speech I spoke on behalf of the Nine. I expressed the Nine's appreciation to the UN for its role in the latest Israeli-Egyptian agreement. I am also trying to get a Cyprus agreement based on a two-zone formula. Also, we hope for a lifting of the embargo, which would help.

President: I have been noticing the latest meetings between Denktash and Clerides. I also see Makarios has made some inflammatory statements recently. We are trying hard to get the embargo lifted. It will keep Turkey in NATO and help settle Cyprus. I met recently with a group of Turkish businessmen who came here to get the embargo lifted. I told them if the embargo is lifted, there can't be extensive delay in getting progress on Cyprus, because the Congress would reimpose it. Anything you can do to get Turkey to move on Cyprus would be helpful.

Rumor: I think we will have to wait for the elections now. I also suggested to Waldheim that he press forward with his negotiations on both tracks -- bizonal government and territorial arrangements. Unless we press forward, we may fail to get timely results.

President: I was surprised to hear that Denktash and the Turkish Cypriot parliament thought the Turkish portion of Cyprus may be set up as an independent state. This is not helpful in solving the problem.

Rumor: This morning I spoke with the Turkish Foreign Minister. He said Turkey could not grant such independence and they couldn't get it without Turkish authorization. As far as the Denktash statement, this appears to have been cooked up by Denktash to create a confrontation with Makarios. They can't declare independence by themselves.

President: It would be helpful if the Turkish Government could say it publicly.

Rumor: I doubt they will before the election. Besides, there is one party in the coalition which favors such a declaration. Perhaps it can be clarified following the elections. We will keep a close watch on the situation -- as the EC also. It is very important.

President: What rumors did you hear at the UN about OPEC action with respect to prices?

Rumor: I haven't heard anything in UN circles, but we think there will be a modest increase, but it will not be out of proportion and can be absorbed. I am pleased that you assented to an oil conference because I think this will help defuse OPEC pressures and antagonisms. I think the open US attitude in the UN Special Session was very good also. The US came through as very sympathetic to developing countries.

President: Secretary Kissinger phrased his remarks to show the substance as well as the attitude of cooperation. Of course, we think it has to be a two-way street.

Rumor: Another thing we appreciate was the consideration of the UN speech -- that the US found a note of concurrence with the issues being debated. One thing we should try to clarify with respect to the Third World is those countries that have raw materials and those without raw materials. They are very different categories. We must develop a dialogue with those having raw materials and assist those without.

President: The IEA must move ahead. I think this way of having a dialogue on all the issues of oil, raw materials together yet separately, is best.

Rumor: I think the degree of cooperation in IEA has been very good and we must move forward.

President: If there is an economic summit we will be in touch with the others. I understand your point, and also as President of the European Community, Secretary Kissinger and I will be in touch with the others.

Rumor: I am very grateful for that. Italy's participation as a country will have considerable payoff, and internally, the fact that Italy is called on to participate will be very beneficial. I put my whole trust in your initiative -- your country is like the North Star to our foreign policy.

President: Please give your President my regards.

✓ P / Runner / Arab-Grja

23 Sept 75

Press in

Small talk about press, weather and F.M.  
~~press~~ speak at UN

Press out

P I hope your speech went well this morning.

R Sounded to go well, I hope it proved satisfactory to G.A. The applause seemed to be intense. I had working lunch w/ K yesterday to discuss bilateral relations & those related to my speech  
Up as Press of 9

P I get an impression at times - at UN is better than last year

R I have a same impression

P Last time we met I think was at Helsinki. What was reaction in your country to Helsinki

R I must confess declaration didn't have much fan club, but basically it was positive.

P There was some criticism here but I think we were <sup>+ performance assessment</sup> better equipped  
a reaction will be more & more positive

R I think it will depend on performance. The EC has formed a study group to monitor performance - I think we could do ~~some~~ some in NATO

P What has been fallout of recent regional election



L C, I said in Helsinki it was not a very favorable climate. Since, in formation of City Councils, etc, a certain bias has not been favorable. But nothing to say, it doesn't have positive risk, this climate was pointed out to me as risks will be facing. These 2 political aspects to stress: DC is wholly mixed against parties by Govts in part

P I glad to hear that. Or I have said before my government thinks such participation would be extremely to allow in what should be. I understood there was talk to this effect

R No doubt of it. There was various inter-pretation of speech - some said it exaggerated. That not case. It was a DC kind - that if possible to avoid only elections till when parties show their vitality, we do say as Govts in part; Govts must be seen as opposition & minority, even tho they represent 33%. They are opposition - are majority. So I think - it has clarified some over past few months. Don't want to make hasty forecasts, but I think a Secretary, who had been encouraged of Govts, have now had second thoughts.

P Are you as encouraged as I about Post?



R Yes, I believe that allegations there are of political nature. I think a EC report & that we should encourage those allegations. It's not w/o risk, but not to do anything would risk abandonment of our friends.

V I think it important to give them help to get their economy moving & also to give them a psy. boost

R I'm happy to have this from you. I, on behalf of EC, felt this way & I think we must extend some help. Don't want to impose rate & study - they are very dry - but to extent we're willing to aid study we will health to combat emote. I just told you all our friends who will take a personal interest. If there are some summit I hope you will see to station parties. To have us out would give boost to create. Any tech assist which might be avail. in energy field, which US could extend would be very helpful.

P I can understand you have big time pay & that X-M bank is considering a loan. We hope study can be less dept on foreign energy so I hope X-M can be of help

R I appreciate that & again, P<sup>III</sup> was asked that you see we are included in any summit. If I can speak out piece of EC, I think there are



many areas where we can engage/US. I'm  
very UN speak & speak on behalf of T. I'll present  
C & Cyprus, to C UN for its role in latest  
I-E agreement. Also trying to get Cyprus  
agreement based on 2-3 zone formula. Also  
we hope for lifting of embargo, which would  
help.

P I have nothing latest notes but Denbitch/  
Clebs. I also see Unkwan's has made  
some supplementary statements recently. We trying  
hard to get embargo lifted. It will help  
Turkey in NATO & help settle Cyprus. I  
went recently w/ group of T businessmen  
who came here to get embargo lifted. I told  
them if embargo lifted, there can't be extrinsic  
delay in getting prog on Cyprus, because Cong.  
could renege it. Anything you can do to  
get T & American Cyprus would be helpful.

R I think will have to wait for election over.  
I also suggested to Waldstein that he  
press forward w/ his report on both tracks -  
beyond just territorial arrangements. Unless  
we press forward, we may fail to get timely  
results.

P I was surprised to hear Denbitch & T Cypriot  
government that T portion of Cyprus may be  
set up as id est state. This not helpful  
in solving a part.



R This morning I spoke w/ TFM. He said Tom had not given such advice & they couldn't get it w/ a transition. Regarding Duple's statement, this appears to have been worked up by Duple to create confusion w/ Munk. They can't do this by themselves.

P Be helpful if T Govt could say it publicly.

R I doubt they will before election. Besides there is one party in a coalition which forms such a leadership. ~~But~~ Perhaps it can be clarified following election. We will keep a close watch on it - as EC also. It may be important.

P What sources did you, <sup>at UK</sup> hear about OPEC actions w/ respect to prices.

R Haven't heard anything in UK circles, but we think there will be a market & but it will not be out of proportion & can be absorbed. I phoned you as a result of oil crisis because I think this will help diffuse OPEC pressures & antagonism. I think a good US attitude in UN Spec Session was very good. US must be as very sympathetic - obliging countries.

P K phoned his remarks to show a substance as well as a attitude of comp. of course, we think it has to be a way street.

R Another thing appears. Was construction of a UN speech - that of a fundamental vote of conscience w/c issues being debated. One thing we should try to clarify w/ respect to 3rd world is that countries w/ + those w/o raw materials. They are very dif. categories & must they dialogue w/ those having raw materials & assist those w/o.

Start ↓

IEA must move ahead. I think this way of having a dialogue on all the issues of oil, raw materials together yet separately is best

R I think depth of my in IEA has been very good & we must move forward.

P If there is an low summit we will be in touch w/ a others. I understand your point & also as pres of EC. K + I will be in touch w/ others.

R I am grateful for that. Italy's position as country will have considerable payoff & externally, a fact Italy is called on to participate will be very beneficial. I put my whole trust in your initiative - your country is like North Star same PD

P Please give PM my regards