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:
Friday, October 3, 1975
8:36 - 9:20 a.m.

PLACE:
The Oval Office
The White House

Kissinger: On the wheat deal, it is being nitpicked again. We have an
escape clause, so they want one. Another issue is reserves. Enders is
hipped on them, but I am overruling him. We can get an agreement over
the weekend. We will get a simultaneous oil deal. About 250,000 barrels
per day.

The President: At what kind of price?

Kissinger: We will get a discount. It won't be listed as such, but it will
amount to about 15%.

The President: How much this year?

Kissinger: About the same as in the agreement.

The President: Can it be announced?

Kissinger: Yes.

Scowcroft: Before the October crop report?

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EXEMPT FROM GENERAL DECLASSIFICATION
SCHEDULE OF EXECUTIVE ORDER 11652
EXEMPTION CATEGORY 5(b)(3)
AUTOMATICALLY DECLASSIFIED ON Imp. to Det.
The President: Let's get the estimates for October and find out from Robinson how much they want and when.

Kissinger: The SFRC is an amazing operation. Scott says he is disgusted. Even Percy is not very good. There is no way we can work out a summary. What we have submitted, the Committee staff... When you get reelected, you must do something about these Committee staffs. They are infiltrated with ultra-left wingers.

The President: I agree completely. It is a national disgrace.

Kissinger: Anyway, the Committee staff analyzed our summary and showed how it differed from the documents. So Percy and Church plan a statement saying they are publishing the documents since they leaked and otherwise the Committee can't discharge its duties.

The President: What does that prove?

Kissinger: The son-of-a-bitch is Case. He has seen the letters and is asserting there are other commitments. I have said there are no other commitments, and on TV I said that we have submitted all the binding commitments but that not everything submitted is binding. I told them they could say in the resolution that nothing that was not submitted is binding. That is okay -- we didn't want the letters anyway. I told Dinitz they are killing themselves.

[Scowcroft left to get the documents, and returns.]

Kissinger: [Reads the Golan Heights letter and the Sadat letter] Admittedly these are artfully phrased. They are defensible, not contradictory, and not commitments, but there would be a brawl if they came out.

The President: We are not going to release them.

Kissinger: I think all but Case want to get on with it. The legal drafting office [of the Congress] did a study saying these had the character of a treaty. My lawyers say it is a disgraceful paper.

The President: Didn't the House Committee vote?
Kissinger: Today, but they are behaving like patriots. They declined to look at the letters; they are voting it out without fuss or fanfare.

The President: Tell Case he has seen everything and this is the end of it.

Kissinger: I would wait for completion of the disengagement and then move to military aid for Egypt. I would tell Sadat that. Case is a weird man.

On Syria, they [the Syrians] are getting tougher and tougher. If they continue, there is no reason for you to meet with Asad. They now want Sadat to cancel the agreement.

We must not forget in all this excitement that it is Israel driving this to explosion.

The Turk statement was not too helpful.

Scowcroft: It is not so bad.

Kissinger: They probably want to get through their election.

On Spain. We have agreed to set up three commissions: cultural, economic and defense. The protocols for these and aid have to be okayed, so we would initial only the basic agreement tomorrow.

If we initial it, there will be a lot of flak by the liberals and the Europeans.

The President: I feel the same as yesterday about it.

Kissinger: With Schmidt, one of us should mention the Spanish deal. We must point out that the agreement makes a contribution to NATO security. Schmidt is not rational on this. We should point out that we are trying to contribute to the management of the post-Franco period.

Otherwise, I would talk over the major international issues -- SALT, MBFR. At lunch I would discuss economic issues.

The Japanese can't meet on the 15th.
K. Our whole deal, it is being put aside again. We have several times talked about it. Another issue is whether it makes it difficult to get an agreement when we have not agreed on them. We are discussing them. We can get an agreement when we have not agreed on them. We will get the agreement and deal. About 25-30 can stay.

P. What about price?

K. We'll get a discount. What is the quality of the discount as such, but will amount to about 15%?

P. How much this agree?

K. About 10% on the agreement.

P. Can we agree?

K. Yes.

S. Before a Q&A open session?

P. We can get a compromise for 10% and final amount.

K. This is a major issue. Such a step may be to be negotiated. Even more will go.

P. We can work on a scenario. What we have submitted to the United States what you get is what you want. We can negotiate nearly.

P. I agree completely. It is an awful decrease.

K. Anyway, a major step can be taken even more. It should be agreed upon.

S. Plan a limited plan and start publishing.

K. Without additional details.

P. Can we exchange it already?
The SCD is fast. He is more active now. I have
seen him more now than ever. He is doing
well. We have submitted all bonding contracts.
Not everything submitted is bonding. I told
them they would pay in the future. That
is okay. I don't want to be letters anymore. I told
them they are killing themselves.
(kept right channels)

(Feels device. Better to submit to Sack of letters)
Admittedly they are actually pleased. They are
desperate, not conflicting or not competing, but
that would be a breach of confidentiality.

We are not going to release them.

I think all I did here wasn't a good idea. The
/legal department offends (?) with a study saying
these had a character of truth, my高层
say it is a disapproved paper.

I think a letter wrote in it?

Today, I don't know what they are doing. I have
wanted to look at a letter, they are writing it
and I need to focus on it.

Tell them he has done everything. This is coming
from him.

Can't say he wants to continue or contract to do.

I have no direction depending on it.
I would wait for completion of justice against them. I would retract that. Case is a used man.

On Spain, ... and for them. They cannot affect Salas & ... a precedent.
We must forget all the ... to do this to Spain.

Read statement not to be helpful.

S

T

They just want to get them that electric.
On Spain, we have agreed to set up some
established, even, ... the President for those & all
shares to be drafted to support until only
(declared tomorrow).

If not mutual, there will be a lot of black by
a letter & E

P

We remain as fishing about it.

W. Schmidt, and if we should mention a
Spanish dollar. We must point out that
agreement contains the US-Sp. arrangement
under contribution to NATO security. Schmidt
will attend on this. We should point out that
we are trying to contribute to support just
previous period.

Otherwise, I would take one or two insti.
1 PM - Salas, M. FR. As lunch, I would
do some some issues. Jobs end part on 15th.