MEMORANDUM OF CONVERSATION

PARTICIPANTS:

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

DATE & TIME: November or December, 1976

PLACE: The Oval Office

Kissinger: I would make a strong pitch on your papers. I would not have Phil in charge. It may be going great but I would move them and ask questions later.

President: I will look into it. As far as I know, it is going fine.

Kissinger: I have two things. One is the Angola vote in the UN. I recommend we abstain, with a strong statement, but noting the unanimous recommendation of the OAU.

President: I agree.

Kissinger: I will tell Scranton.

The other question is cognac. You made a decision yesterday on the tariff on cognac. This is a fight between Dent and the French. I question whether you want a fight with the French in your last weeks. It will make an impression in France and maybe some nasty statements. I would reject the solution and keep on with the negotiation.

President: I took the middle position. Is it a big deal?

Kissinger: It’s an emotional one. You might mention it at 11:15. It might cut off country exports, which it is designed to help.
On the British thing, they have come half way. They are willing to agree to the IMF conditions, but they want a simultaneous safety net for the sterling balances. I would lean in that direction.

President: My indication is to be sympathetic, but it will be tough if Arthur is implacable.

Scowcroft: Burns will be opposed, but I think he will not be inflexible. It is my impression that he will accept a political override of his economic concerns.

[More discussion]

Kissinger: Let me bring you up on OPEC. [Discussed leak of comment yesterday]

I called in the Saudi and Iranian Ambassador. The Saudi was sympathetic but the Iranian was a bit belligerent. We have weighed in with our European allies. I think a public mission would be counterproductive. So do the two Ambassadors and our own Ambassadors. Schmidt has already said he could absorb 15%. The Saudis said they might have to accept 5%.
K I read you do not know how to change, but if you do not know, I would not know, then you have interest.

P I would look at it. If you want it.

K It might look into it. If you do not know

C (initials, unclear)

K I have an idea. One is a country man.

G We will deal abstain in strong statement, strong reasoning, or a)

P Square

K In my mind.

The other question is: you are a

discussion particularly on Texas in support. This is a light that Boston in France. I want

whether you want to fight or a fight in

by your last month. Would such a reason

is it maybe a country situation, is it

would reject a statement or keep a reject.

P I am a middle person. Is it a big deal?

K In my mind, you might mention

it at FTC if reject that by policy X, which

is designed to help.

Or if you feel, they have come to a way

They will it reject to FTC something how

they cannot find a situation, a safety unit for Tuesday.
I would have been in that direction.

We need to be sympathetic, but it will be tough if Arama is impecunious.

Even with the approval, I think it will not be simplified. It may require that

we would accept a political condition.

(unreadable)

K.

We have been up to 80% (Decreed

as government's policy)

Great Britain: Farnim Armin Arab. The

Saudia was wrong, but the Armin area

to its neighbors. Can have resolved in

when Farnim allies. I think a further

statement would be counterproductive. So

due to Armi and once over Arabo, Schmidt

has already said he would accept 15%. The

Saudia said they might have to accept 5%.