

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

~~SECRET/NODIS/XGDS~~

MEMORANDUM OF CONVERSATION

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

DATE AND TIME: Tuesday, November 23, 1976
 9:10 - 10:10 a.m.

PLACE: Oval Office

SUBJECT: President Ford's Meeting with President-Elect
 Carter

President: The meeting was interesting. I anticipated having only five or ten minutes alone with him [Carter] but he wanted to discuss foreign policy, so we talked for almost an hour. He wanted to discuss the same subjects as he did with you. He wanted to know what problems we would solve -- and hoped we would settle Panama. I told him it was very doubtful.

Kissinger: So did I.

President: He was interested in SALT.

Kissinger: He wants to stick us with a freeze.

President: I talked about that and said it was very disadvantageous, that it would leave them with higher numbers.

Kissinger: So did I. He says we have a technological advantage.



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 E.O. 12958, SEC. 3.5
 NSC MEMO, 11/23/76, STATE DEPT. GUIDELINES, STATE REVIEW 3/13/04
 BY hbk, MARA, DATE 7/12/04

President: I told him there were verification problems on that, too.

Kissinger: It is not even necessarily true we are ahead on technology. We might have to trade cruise missiles for Backfire.

President: He didn't mention Korea.

Kissinger: I told you he mentioned Schlesinger telling him about the Koreans offering us an island and then we could withdraw. I told him that was hogwash.

President: He wanted to know about NSC operations. He asked about the British financial crisis.

Kissinger: [To Scowcroft:] Have we heard from the British?

Scowcroft: Not yet.

[Discussion of the debate with Treasury and the Fed.]

Scowcroft: If we get to a sterling negotiation, you should talk with Treasury and Burns to make sure they follow your orders.

Kissinger: You don't want to get stuck with sinking the British. Joe Kraft had a piece on it today.

President: On meeting with the European leaders, Carter asked me a question in front of the press. They didn't report it accurately, but I had to say something.

What is going on with the CDU and CSU?

Kissinger: That really changes the political complexion in Germany. It is a power play to get rid of Kohl. It's a Reagan-like move; it's Straus's last chance.

President: What does it do to the FDP?

Kissinger: It complicates things. If now the CDU moves a bit to the left, it could take votes from Genscher and put him below 5%.

President: After you left the meeting Friday, we discussed oil prices. Then on Saturday Arthur Burns told me he was very worried about the impact of a price increase. He thought a delegation should go there, headed by me or the Vice President. I told him I would talk to the Vice President. The Vice President mentioned the oil deal with the Shah.

Kissinger: We can't get it now. There is no shortage now. We could have gotten it last summer. It would be humilitating for you to go. You would have to come back with no price increase if you were not to be humiliated. I feel the same way though less so about the Vice President's going. If you really feel strongly, he could go. If you feel you need it -- but the Europeans aren't doing much, and you have no clout. I just don't think it is the thing to do.

You could call in the Ambassadors.

President: That as a minimum we should do.

Kissinger: That would be a useful thing to do.

President: Let's set that up for early next week. I want to be well prepared, with the facts on the economics, political support, etc.

Kissinger: On the economics, you have a tough agreement with the Shah. He will show how we jacked military prices up 80 percent over the past few years. The best is the political argument -- that you will have to blast them for an increase and that they shouldn't put themselves in a bad light when they need our help in the Middle East.

Burns is irresponsible making a recommendation like that.

Scowcroft: He is concerned about the world financial impact. [He described what Burns and Greenspan see as the impact.]

Kissinger: I agree with that, just not with his prescription for dealing with it. Maybe we could get it postponed. I would call in the Saudi first. Zahedi, of course, is such a fool. What he will report will bear no relation to what you tell him.

[There was a short discussion of Carter and his advisers.]

Kissinger: I spoke with Dobrynin. He said to get SALT now he would have to insure that Carter was on board.

President: I think Carter would buy almost anything. But to negotiate with him, the Soviets, Defense, and Ikle at the same time.

Kissinger: That Ikle is vicious. [He described a story he gave the New York Times about Kissinger.]

President: Brent knows what I would have done about Ikle had I been reelected.

[There was a discussion of the Washington Star article on NSSM 246.]

Kissinger: The Israelis want landing rights at Miami. I don't know whether you want to do that before you leave. You know Carter will do it. The Syrians and Jordanians want landing rights too. That is a good idea but I don't think you can do it without doing the Israeli thing.

President: Have you heard any rumors about who will be Secretary of State?

Kissinger: The latest is Muskie.

[There was a discussion of Carter's selection process.]

If it were Muskie, there is the problem of Zbig. You can't have two Poles in the top jobs.

President: His views are on the record. He's not strong in foreign policy.

Kissinger: I don't know how you can have a President who knows nothing about foreign policy and a Secretary of State also.

P/K

Went Tues(?) Day of the
Party w/ Carter

23 Nov. 1976
9:10 - 10:10 am
1976

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P The party was interesting. I was there for
only 10 minutes alone w/ him, but he
wanted to discuss F.P., so we talked for
almost an hour. He wanted to discuss
some subjects as he did w/ you. Wanted
to hear what jobs we would solve - &
hoped we would settle Panama. I told
him it was doubtful.

K So did I.

P He was interested in SALT.

K He wants to strike w/ a freeze.

P I talked about that & said it was very
disadvantageous - that it would leave them
w/ higher #'s.

K So did I. He says we have a tech advantage.

P I told him there were suspicious jobs
on that too.

K Not even we, then we ahead on
tech. We might have to trade CAs for Bofors.

P He didn't mention Korea.

K I told you he mentioned Schles telling
him about Kaspers offering us an island
& then we could w/ draw. I told him that
was impossible.

P He wanted to know about NSC operation.
Asked about a British financial crisis.

K How we heard from a Brit.

S Not yet.

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E.O. 12958, SEC. 3.5

NSC MEMO, 11/24/88, STATE DEPT. GUIDELINES, *State Review 3/13/04*

BY John NARA DATE 7/13/04



(Discussion of the debate w/ Truss. + Fed)

S If we get ~~to~~ to stabilizing market, you should talk w/ Trussing + Burns to make sure they follow your wishes.
K You don't want to get stuck w/ something - British. Joe Kraft had a piece on it today.

Unfinished

P On mtg w/ Eur leaders, Carter asked me a question in front of the press. They didn't report it accurately, but I had to say something.

What is going on w/ CDO/CSO?

K That really changes the political complexion in Germany. It is a power play to get rid of Kohl. It is a Reagan - like move, 2 last chance

P What does it do to FDP?

K Complicates things. If now CDO moves a bit to the left, it could take votes from ~~Conrad~~ + put him below 5%.

P After you left the mtg Friday, we discussed oil prices. Then Sat. Burns ~~told~~ told me he was worried about impact of price \uparrow . That a delegation should go there headed by me or U.P. I told him I would talk to V.P. V.P. mentioned an oil deal w/ a Stark

K We can't get it now. There is no shortage now. We could have last summer



It would be humiliating for you & go
You would have to come back w/ no ↑
not to be humiliated. I feel same
but less so about VP. If you really feel
strongly, he could go. If you feel you
need it - but a Euros aren't doing
much, you have no clout. I just don't
think it is a thing to do.

You could call in a Ambassador.

P That as a mission we should do.

K That would be a useful thing to do.

* P Let's set that up for early next week.

I want to be well prepared, w/ economics,
political support, etc.

K On econ, you have to go against
w/c. Shek. He will show how we jacked
with prices 80% over past few years. The
best is a pol. argument. That you will
have to blast them for an increase +
that they shouldn't put themselves in a
bad light when they need our help in
a M-F.

Berens is ins, making a scene. Like
that

S~~B~~ He is concerned about world financial
impact. (Described what Berens/Greenspan
see as a impact)

K I agree w/ that, just not his prescription



for dealing w/ it. Maybe we could
get it postponed. I would call in a Somali
1st Zohabi of course is such a fool. What
he will report will bear no relation to what
you tell him

(Short discussion of Carter + his advisors)

K I spoke w/ Doby. He said to get Salt now
he would have to insure that Carter was
on board.

P I think Carter would buy about anything.

But to report w/ him, a Suez, Df, Ikle...

K That Ikle is vicious. (Described a story he
gave NYT about HAK)

P Brent knows what I would have done about
Ikle had I been selected.

(Discussion of Wash Star art. on NSSA 2X6)

K The Israelis want landing rights at Beirut.
I don't know whether you want to do that before
you leave. You know Carter will do it. The
Syrian/Jordanians want landing rights too.
That is good idea, but I don't think you
can do it w/o doing I.

P Have you heard any rumors about Sec State?

K The latest is Mushie.

(Discussion of a Carter selection process)

If it were Mushie, there is prob of 2 big. Can't
have two Poles in a top job.

P His name are one word. Not strong in FP



Find out when Santa Cruz is here, Monday apt.
He's going into instant opposition. Is that worth it when you
want to stand by them - at a time when they have big
problems of long.

K I don't know how you can have a Pres who
knows nothing about FP & Sec State also

