

*Scowcroft file*

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

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MEMORANDUM OF CONVERSATION

AUTHORITY State RW. 3/9/04; RAC RW. 9/9/04

BY dal NLF, DATE 4/3/07

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:

Saturday, May 24, 1975  
10:40 a.m. - 12:45 p.m.

PLACE:

The Oval Office  
The White House



President: It makes me mad the way we have procrastinated on uranium enrichment.

Scowcroft: Lynn has held it up.

Kissinger: We are missing a chance to get a stranglehold like OPEC has on oil.

President: We will be ready to go by June 30.

Kissinger: There is another of these economic deals coming to you. I am not reliable on economic matters. But these issues are not basically economic. My role is to project an image of the U.S. which is progressive. Greenspan is a theoretician. He wants to vindicate a system which no one will support. Schmidt told me that unless we pull ourselves together on raw materials, he will go it alone. I want to fuzz it up. I don't want to accept a New Economic Order but I don't want to confront Boumedienne. I want to fuzz the ground. On substance I agree with Simon. I am not against Simon - only Schlesinger. [Laughter]

President: Let them work out commodity agreements -- they won't work.

Kissinger: We made points with Giscard and Schmidt with my Kansas City speech, and we said nothing.

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SCHEDULE OF EXECUTIVE ORDER 11652  
EXEMPTION CATEGORY 5 (b) (1, 3)  
AUTOMATICALLY DECLASSIFIED ON Imp. to det.

President: When does this come up?

Kissinger: I think perhaps we can work it out. Perhaps Monday. I just want to be able to say "we have heard you and we are willing to discuss raw materials" -- but not agree to indexing.

President: Let me look at the language. But I see no reason to talk theory when we can in a practical way just screw up the negotiations.

Kissinger: I don't think we should buy the New Economic Order or say the present system is great with just a little tinkering.

President: I agree.

Kissinger: Take the Brits. If we could say, "They have come out with proposals. We don't agree on all the points but think they have asked the right questions." I think we should be tough on the substance, but not on the theory.

President: If it comes up, I will express it in my way because that's the way I feel.

Kissinger: On the Mideast - we are facing a massive onslaught by Israel. You had approved that we must handle Rabin like we did for Hussein. Now they are running amok. They are pressuring us on the dinner, and now his wife is coming. I just don't think we can cave on this.

[Reads from Allon briefing to the National War College.]

President: We will have a working dinner and Betty, Happy or Nancy can also give one.

Kissinger: Their way is to pressure us to normalize relations and then they can have their way. [Talked about the Golan book.] My press said that war veterans are being sent to American Jewish committees to talk against you and me.

I think this letter of the 76 is one of the most unpatriotic, outrageous things I have seen.

President: This kind of pressure is not the way to get decisions from me. They maybe can scare someone else, but that doesn't work with me.



Kissinger: We shouldn't take on the substance of the letter. But I note now their press is dropping nonbelligerency and stressing the length of the agreement and UNEF. I wouldn't tip your hand to Sadat -- he will leak -- but you should lay out the two alternatives. Step-by-step is easy, but partial; comprehensive gets them what they want but may cause such a brawl they won't get anything.

You might ask Sadat if he would agree to a two-year renewal of UNEF the first time, and maybe lift the boycott for ten firms.

[Scowcroft goes out for a map, and returns. The Secretary described the agreement.]

But for that you can't promise not to advance something at Geneva or not to propose something on Syria. I think you would have a chance to get this, with an agreement by June.

Anything Sadat can give you, you could say you will put it as a U. S. proposal -- to protect him. You could promise him the principle of the '67 frontiers for Egypt and, with minor modifications, for the other frontiers.

For the talks, we could have Eilts in, maybe Sisco. I would see him ten minutes alone to say I am determined to make progress and the only question is how.

[Rumsfeld was called in.]

President: Did you get comments on my interview?

Kissinger: No, but I read it and it is good. Schlesinger's comments on detente were very bad. We have got to get them under control.

There is great concern in Europe about the United States, Vietnam and a heavy impact. I acted as if Vietnam had never happened. The Mayaguez had a tremendous impact -- not the ship itself, but the act, Schmidt said it had helped him greatly -- he is up to 68%. Even Genscher has gone up 40% -- to 8% of the total.

[He discussed the history of the German Socialist Party, especially the coalitions, how Brandt left, what Schmidt inherited.]

Schmidt's course is very similar to yours.



President: He certainly is more capable than Brandt.

Rumsfeld: How about Bahr?

Kissinger: He is soft-headed -- a pro-Communist.

You have money in the bank with the European leaders who have met you. Schmidt thinks we have underestimated the depth of our economic difficulties. He thinks we have no one who knows what he is talking about in economics. He likes Shultz.

President: That's interesting, because Shultz is like Alan [Greenspan.]

Kissinger: Yes, but Shultz knows foreign policy and he doesn't push the theory. Shultz wasn't too different than Connally -- whom the economists hated -- but he gave them a feeling of participation.

Schmidt will separate from us on raw materials if we insist on theoretical positions, because he can't afford a depression. That is what he is most interested in. I would like to send him a speech draft.

He will not follow us on a confrontation course with the LDC's. If he won't, neither will France, Great Britain or Japan. He wants to work with us. If you can reassure him on the economic facts... If we will work with him on the economy, he will support us on everything else.

President: What does he want?

Kissinger: He likes the idea internationally of doing what you did domestically -- an economic conference. To see how we can build in growth. There will be opposition -- but internationally you don't have to agree to anything but talk.

The second thing -- if you got some world leading economists over here for a meeting -- private people.

Rumsfeld: It is a spectacular idea.

Kissinger: I would announce it when you got back, but tell him when you have lunch.

Rumsfeld: Goldwin could start on it now.



Kissinger: The trick in the world now is to use economics to build a world political structure.

President: How would Alan react?

Kissinger: He wouldn't oppose it but he would want to discuss theory. We should not raise the theoretical system but will support whatever works. We can object to individual ideas on many grounds but not on grounds of a theory that no one will buy.

Schmidt is pathological on a few points -- one is offset agreements. He will not agree to another one. Our Treasury group want to push it. If we insist, he will pull money out and put it back in.

You should confirm your close cooperation with him. He is your closest ally. You have done wonders with Giscard, but you can't rely on France.

President: How about Portugal?

Kissinger: They are all against you on this, but what you said was exactly right.

We have to keep this position or we will be faced with the same situation in Italy and France. European governments have left-wing socialist elements whose tradition is "no enemies on the left." That is why they oppose Spain, which is no threat to anyone. They are bitterly opposed. Their stand on Portugal shows their moral weakness. You think you are right but won't object to what they do, but how do you help moderates by aiding the radicals? You will be proved right.

I met with Antunes in Bonn. He is more similar to Kaunda than anyone else. The Portuguese Army is not Portuguese; they are African. They spent their whole lives in Africa. He is not a Communist; he is a primitive. He said the Armed Forces Movement reflected the national will. I asked about elections and he said none of the parties represent more than a small slice.

There are two choices in Portugal: an Algeria-like regime or a Yugoslavia-like regime. Either one is unacceptable to have in NATO. The demoralization this would produce in Europe would be disastrous. You can't do much about it on your trip. In Portugal, the Socialists, who would be left-wing Socialists elsewhere, are on the right of the spectrum.



You must see Goncalves. Listen, and say we won't meddle in their internal affairs, but a neutralist government is an odd phenomenon and to have one in five cabinet posts filled by Communists is even more of an anomaly. He shouldn't come out being able to say either you threatened or supported him.

All Europe will be against you. I would be relaxed about Portugal if we could get them kicked out of NATO.

Rumsfeld: It is not understood the degree to which the Marxists are taking over the universities and the media. Vietnam, multi-national corporations, CIA, etc. -- these issues are pervasive in European TV.

Kissinger: You will start the day with Thorn. He's a good guy. Listen to him. What they want is the impression of strength, that you can rally this country. Get him on Atlantic unity, be good on that. He is on our side. He's a useful decent man. The Dane is like the Dutchman -- vapid, sappy.

The previous evening will be Tindemans, a former student of mine. You can say to him what we are trying in the consumer-producer field, trying to keep aid going in the world, etc.

Tell Tindemans we have no objection to a European defense industry, but if it is done as a means of competing with the U. S., it is not really possible. You can't discourage a European defense industry, but if it is done on the basis of French organization, you will lose American support for NATO.

Luns is very upset that Giscard is coming only to the dinner. Giscard is putting out that you invited him, so he is coming to dinner. We should make clear he is coming to the NATO dinner and therefore you are going to see him. You can't confront France, but we really can't cooperate with them on this.

[The President leaves for a minute and then returns.]

On Spain, I have talked with the Ambassador about the wisdom of getting together private people of a wide spectrum. Ordinarily I would oppose it, but this would show you weren't propping up France. We could have them in about 6:00. But the Ambassador would have to ask the Spanish and you couldn't do it if they seriously objected. I propose it only because Franco can't last more than a year or so.

President: How do the people like this existence?



Kissinger: Spain really isn't very oppressive.

President: I would like to do it.

Kissinger: The Greek-Turk situation: Karamanlis is a powerful person -- very vain and clever. The Greeks are 50% ahead of Turkey in quickness. Demirel looks like a linebacker for the Lions. They are no match in suaveness and subtlety for the Greeks. Bitsios is very suave and clever.

I think the next candidate for a Portuguese situation is Greece. The military is sick of us for our anti-junta attitude and not supporting them. The Greek left is viciously anti-American.

Karamanlis is ready to settle because at best it will be a lousy deal for Greece, so it is all very relative.

The main issues are a bizonal federation, the size of the territory, the strength of the central government, and the number of refugees who can return.

Your attitude with Karamanlis should be general. He would like to stick us with the tactics. You shouldn't get into any details.

The tragedy is if Congress had kept its hands off, it would be settled. Ecevit won't take it and he can give it up -- but if someone else gives it away, Ecevit has a great issue. Any good settlement helps Demirel. Flatter Karamanlis, but stay away from the percentage of the island. But tell him we can't tolerate meddling in our domestic affairs. But we want to keep things going in Cyprus and settle it. Ecevit is the strong man in Turkey, but the parliament can be dissolved only by voting itself out. The present coalition has only their self-preservation in common. Ecevit's game is that he will help Demirel on Cyprus only in return for having elections now. Demirel wants to wait until next year so he can get an economic program under way.

If the Turks went to 30-31 percent and part of Famagusta.... If Ecevit were in office, Cyprus would be solved in a month.

If Demirel could get the aid restored, he could then say Ecevit screwed up aid and he got it restored -- then he could settle Cyprus. We've got to get the cutoff lifted. We have four to six weeks.

Whether Demirel will tell you what he will settle for, I am not sure.



We didn't get much from the Senate vote because it was so close, and Brademas was on the front page in Turkey saying I wanted leverage, so here it is now, so what can Karamanlis do with it? You shouldn't look more eager to the Greeks for a settlement than they are.

The ideal position is not to appear to line up with either. We need to get Turkey to move and not to have the Greeks think we can squeeze the Turks to give more.

My press people were shaken by the Turkish attitude.

The Turks really can't understand how you can embargo a friend. They are being charged for storage on the equipment we won't ship.



