

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

~~SECRET~~/NODIS/XGDS

MEMORANDUM OF CONVERSATION

PARTICIPANTS: President Ford  
Amb. Ali Abdallah Alireza, Saudi Ambassador  
Brent Scowcroft, Assistant to the President  
for National Security Affairs

DATE AND TIME: Tuesday, December 14, 1976  
4:51 - 5:26 p.m.

PLACE: The Oval Office

The President: I enjoyed it the other night. I learned a great deal about religion.

Alireza: I didn't mean to preach.

The President: It was very instructive and fun.

Alireza: I wouldn't presume on your time again except I know your intense interest in the subject and His Majesty asked me to specically deliver it personally and to convey again his warm best wishes and his admiration for you. [He hands letter to the President.]

The President: That is a very kind and beautiful thought at the conclusion, and I am very grateful for the analysis and the thought His Majesty indicates. I deeply appreciate the position your country is taking to moderate and hold down prices.

Alireza: Since our last meeting I received a phone call from Jidda that we hope to keep it a maximum of 10%, and are hoping for 6 to 7%. But with the attitude of the oil companies, a 5% increase is built in.

The President: Listen to this, Brent. [He reads the letter about the oil companies increasing prices because of demand.]

CLASSIFIED BY Brent Scowcroft  
EXEMPT FROM GENERAL DECLASSIFICATION  
SCHEDULE OF EXECUTIVE ORDER 11652  
EXEMPTION CATEGORY 5(B)(3)  
AUTOMATICALLY DECLASSIFIED ON Imp. to Det.

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DECLASSIFIED  
E.O. 12958, SEC. 3.5  
NSC MEMO, 11/24/99, STATE DEPT. GUIDELINES, State Review 3/13/04  
BY 141, NARA, DATE 7/13/04



Alireza: Aramco is now selling for \$12 and all the profits go to the company. In fact, though, some of the other countries have raised their prices and the company rather had to go along.

The President: What about a postponement of an increase?

Alireza: I thought of that and discussed it with Zahedi. He said he thought it came too late but he would forward it. He discussed it with me and it is clear the idea had no support. It really wouldn't be fair to the new Administration to wait until March, say.

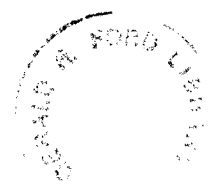
The President: I am interested in what the letter says about the boycott. We were opposed, as you know. I hope Carter's remarks were in fact just for the campaign.

Alireza: I have assurances that it is so. I met with Vance last Friday. He indicated a request for a meeting would be well received. He said the Administration plans to continue your policy. That it is the Congress. I told him that it is okay for the Congress to keep on studying it but not to rush it through.

The President: It was a purely political ploy. Congress has behaved very irresponsibly.

Alireza: We do have assurances -- and as you know you had extended and invitation to Prince Saud to come next year. I am pleased to be able to tell you that that invitation has been reconfirmed by the new Administration. I will be seeing His Majesty in Geneva in a few days. If there is anything I can convey, anything you may wish.

The President: Please tell His Majesty that I intend to do everything I can for our relations both in office and afterwards -- and I will talk to Mr. Carter in the same vein about the boycott issue.



P/Abriz  
14 Dec 16 ✓

P I enjoyed it the other night. I learned a great deal about religion.

a I didn't mean to preach.

P It was very instructive - and fun.

a I wouldn't presume on your time again except I know your intense interest in the subject and HMI asked me specifically to deliver it personally and to convey again his warm best wishes + his administration for you.  
(Humbly letter to H)

P That is a very kind & beautiful thought & conclusion & I am grateful for the analysis & that HMI indicates & I deeply appreciate your country is taking to understand a hard down price.

a Since our last meeting I read some all from Jidda that we hope to hop it on max of 10%, & hoping for 6-7%. But w/c attitude of oil companies, a 5% increase is limited.

P Hepter & this Kuwait <sup>letter</sup> (Reads about oil companies & prices because of demand).

a ~~Some~~ Aramco is now selling for 12 & all the profits go to the company. In fact, the same of other countries have caused their prices & the company rather had to go along.

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NSC/MIA, 11/24/00, STATE DEPT. GUIDELINES State Review 3/13/04

BY WJG, NARA, DATE 7/13/04



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remarks were in fact just for a comparison.

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a Cong. to keep on studying it but not  
to rush it thru.

P It was a publicly political play. Cong has  
behaved very responsibly.

Q We do have assurances - and as you  
know you had extended an invite to Prince  
Sand to come next year. I pleased to  
be able to tell you that that invitation  
has been renewed by a new Admin.  
I will be seeing HM in Geneva  
in a few days. If there is anything  
I can do anything you may  
write.



P Please tell HM that I intend  
to do every thing I can for our relations  
both in office & afterwards - and I  
will talk to Mr. Carter in a few  
min about a long cutt issue.

