

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

~~SECRET/NODIS/XGDS~~

MEMORANDUM OF CONVERSATION

PARTICIPANTS: President Ford
 Liam Cosgrave, Prime Minister of the Republic of Ireland
 Garret FitzGerald, Minister for Foreign Affairs
 Paul J. G. Keating, Irish Department of Foreign Affairs
 Henry A. Kissinger, Secretary of State
 Brent Scowcroft, Assistant to the President for National Security Affairs

DATE AND TIME: Wednesday, March 17, 1976
 11:00 a.m. - 12:12 p.m.

PLACE: The Oval Office

President: It is a great privilege and pleasure to have you here. You said it is a special time to be meeting on St. Patrick's Day and our bi-centennial. All America greets you. Our relations have always been excellent and will always stay excellent.

Cosgrave: It is an honor for us to be here. Our relations have never been better. We have really been expanding our relations through the forums of the Economic Community and the US-EC contacts and consultations, and so forth. In recent years there has been a great deal of American investment. It has been very helpful to us because previously we were an agricultural country. About 12 percent of our labor force is in American industry. American industry has a special advantage because it can export to Europe. We also give tax concessions. The recession has hurt us badly -- footwear is especially hard hit.

FitzGerald: Footwear is our hardest hit.

DECLASSIFIED
 E.O. 12958, SEC. 3.5
 NSC MEMO, 11/14/99, STATE DEPT. GUIDELINES, State Rev. - 11/12/04
 BY 114 MARA DATE 6/27/04

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CLASSIFIED BY Brent Scowcroft
 EXEMPT FROM GENERAL DECLASSIFICATION
 SCHEDULE OF EXECUTIVE ORDER 11652
 EXEMPTION CATEGORY 5 (b) (1, 3)
 AUTOMATICALLY DECLASSIFIED ON Imp. to det.

Cosgrave: It affects so many of our people -- 3.5 million pounds of exports, but it's only two percent of your imports.

President: This has been a problem for us for years. We have been on the decline. Unfortunately, most of it has come in New England. They have not been able to modernize, and wages are high. It effects several countries. I must decide by mid-April. Our new law is less flexible. The old law just provided for recommendations. This one allows for Congress to override it by majority vote. It just happened yesterday on steel. I would have been overridden on this if I hadn't done what I did. But I will decide each one on a case-by-case basis.

Kissinger: The law has little flexibility. The industry can bring a suit and the government can delay it but not stop it.

FitzGerald: It isn't understood in Europe how you can do it when you export 50 percent more than you import. It could set off a trade war -- shades of the 1930's.

President: I will be as for free trade as much as I can, but both labor and industry got the Congress to go as far as they have. There is not much lobbying for exports. The best export lobby is agriculture.

FitzGerald: Would you care to mention beef?

Cosgrave: Your quota is very small to you, but it is very important to us. We would like to hold that part of your market. We don't have much this year. Our cattle are grass fed so it is variable -- most of it is in the fall. We would like as large a quota as possible.

President: We have a problem here, too. A company can bring a suit when there is a subsidy. I think the technicians ought to work on this.

Kissinger: There are two problems -- one is the quota. The other is countervailing duties for a subsidy.

FitzGerald: You have proposed a quota of 8 million pounds. That is what we shipped last year, and it is too low. The subsidy is an economic problem.

President: We will look into the quota.



FitzGerald: Three-and-a-half thousand tons is very low.

Cosgrave: I want to say a word on bilateral issues. There is a tax issue, where we defer taxes on exports. We are concerned that you will take action.

Scowcroft: I think that is not an active issue now.

Kissinger: We are content the way it is and will take no steps.

Cosgrave: Then there is the airline issue.

FitzGerald: We don't have an active issue there now. But there is an associated issue of visas for students coming here for summer work. You gave us a small quota last year, thanks to Dr. Kissinger, but we would like more if possible.

Cosgrave: I would hope our countries could work on the North Atlantic air routes.

FitzGerald: Anything we can do to keep from bankrupting each other....

Cosgrave: That is about everything. We would be interested in hearing from you.

President: Let me say a few words first on the economy. All the trends we see are moving in the right direction. [He discusses the statistical trends -- employment, inflation, etc.] We think our efforts are paying off and that things will get even better. I see encouraging signs in Germany and France. Great Britain has taken some tough steps. It will be a tough battle for them. The Japanese are coming out of it slower than we are, but there are signs of progress.

Let's discuss our relations with the USSR. I dropped the term "detente" but I reaffirmed the process. We will seek better relations with the Soviet Union. We are working for SALT II but we aren't there yet. But we think we must oppose Soviet adventurism when it occurs as in Angola. The problem in Congress is that the liberals and conservatives attack us from opposite sides. But we will continue on course. We don't know whether we can get a SALT agreement this year but we are working on it. That doesn't preclude us from challenging them when they get into adventures like Angola.



In the Middle East, the Sinai settlement seems to be settling into place. We have to keep the momentum. Israel is worried but we think we must keep moving, either through Geneva or in another forum.

In Asia, our relationship with Japan has never been better. With the Chinese, normalization will continue.

With Europe, relations with the Economic Community are good, despite our occasional problems. I think NATO is strong and we intend to keep it so. Resulting from Vietnam, there was isolationist pressures to withdraw from Europe and become isolationist. That is fading. We hope to get about all the defense budget we are seeking.

I think there is a change in the United States recently. We have had disappointments with the Congress like Angola, but I think the next time it would be different.

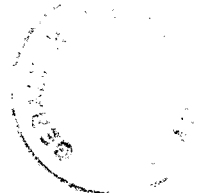
Kissinger: I testified up on the Hill yesterday. I think the explanations of those who voted against it are getting more convoluted.

FitzGerald: With respect to Helsinki, we are on the defensive and we shouldn't be on it. We ought to be on the offensive and should work together to prepare for the '77 meeting.

President: That is a good idea. We will work with you. We need to get a more positive image on it here, too.

Cosgrave: If I could say a word on Northern Ireland. All of our parties are against violence. We have been working for an agreement. We had one a few years ago but it fell apart. Since then, Britain established a constitutional convention and got groups to come forward to work it out. We would have been happy with that, but it collapsed just a bit ago. It now has gone back to direct rule.

We are concerned about the aid going into Northern Ireland from outside. There is a Northern Aid fund. The size of it has dropped sharply recently and I think we have largely closed it off. We are also anxious to shut off the money, too. Much of it goes under the shelter of humanitarian aid. They are starting terrorist attacks again and seem to be focusing on trains. We have been able to cut down their supply of explosives, which has helped.



FitzGerald: If we put something in the communique about not sending money to Ireland, it would help coming from you.

[There is a brief inconclusive look at the communique.]

Cosgrave: It might be counterproductive to make much of it.

We appreciate all the time you have given us and we would like you to come visit us.

President: After the election is out of the way.

Cosgrave: May we say something to the press?

President: Of course.



P/PM Coagran ✓

17 Mar 76 11⁰⁰ am - 12¹² pm

P Great privilege & pleasure to have you here. As you said it is a special time & beauty on STP day & our bicentennial, all Americans greet you. Our relations have always been & will always stay excellent

C It is an honor for us to be here. Our relations have indeed been better. ^{We have, really, been} ~~From EC + US~~ expanding our relations through forms of the EC + US - EC ^{contacts +} ~~relations~~ consultations, etc. In recent years there has been great US investment. It has been very helpful cause previously we were an agrarian country. About 12% of labor is in US industry. US industry has special advantage cause it's an X to Euro. We also give tax concessions. The messian has hit us badly - footwear is especially hard hit

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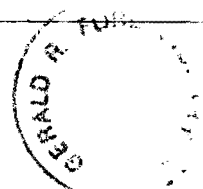
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NSC MEMO, 11/24/98, STATE DEPT. GUIDELINES, Side Per. w/03/12/04

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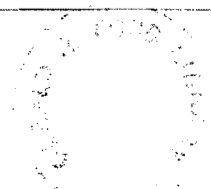
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F If you put ~~the~~ something in a brochure
about not sending money to Ireland, it would
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(Brief enclosure look at committee)

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