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MEMORANDUM OF CONVERSATION

Excerpts from Conversations at the Quadripartite Luncheon in Helsinki

DATE: July 31, 1975 TIME: 1:25-3:25 p.m. PLACE: Residence of British Amb.

SUBJECTS: President Kekkonen's Dinner Reaction to Brezhnev's Speech at CSCE Summit Brezhnev's Health The Middle East

PARTICIPANTS: UK

Prime Minister Wilson Secretary of State for Foreign Affairs Callaghan

France

President Giscard d'Estaing Minister of Foreign Affairs Sauvagnargues

FRG

Chancellor Schmidt Foreign Minister Genscher Gisela Anders, interpreter

US

President Ford Secretary of State Kissinger Harry Obst, interpreter

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Drafted: HObst:pec (staff interpreter) 7/31/75 (These excerpts refer only to the first hour of conversation at the lunch table. The remainder of the conversation, held in the garden, discussing the pre-agreed agenda was held by **the** eight participants only without the presence of interpreters or notetakers.)

President Kekkonen's Dinner

Both the <u>President</u> and <u>Chancellor Schmidt</u> complained about the unfortunate seating arrangement at the dinner and in the plenary of the CSCE. <u>President Ford</u> remarked that he spent virtually all his time talking to Erich Honecker and Archbishop Makarios. <u>Chancellor Schmidt</u> also complained about his delegation being seated next to the GDR which left him no choice but to converse with Mr. Honecker. <u>Secretary Kissinger</u> commented that the long talk Makarios had with the President was ironic inasmuch as the United States Government had not previously agreed to a meeting between the two.

Reaction to Brezhnev's Speech at CSCE Summit

President Giscard asked the participants about their reaction to today's (July 31) speech of Leonid Brezhnev. President Ford commented that he had found it very interesting inasmuch as it had been restrained and very moderate in its statements. At any rate, it definitely had been quite different from what it could have been. Chancellor Schmidt agreed. He said that there had been no "stings" in the speech and that it had been more moderate than that of Gierek. Prime Minister Wilson said that he was surprised that the speech actually contained some reference to actions based on the Helsinki docu-Secretary Kissinger said that Brezhnev's ments. statements on "no interference" had been read by some as meaning that he was ready to bury the Brezhnev Doctrine.

Brezhnev's Health

When the question of Brezhnev's health was raised, <u>President Ford</u> commented that Brezhnev had clearly seemed very tired at the end of the very long sessions he had had with him in Vladivostok. <u>Prime Minister Wilson</u> said that he definitely thought that Brezhnev was looking much better than when he had seen him in Moscow in February.

The Middle East

President Ford stated that he wished to make two comments before proceeding to the agenda of the working luncheon. (1) Israel had sent communications to all or most European countries announcing that Prime Minister Rabin would attend the Stockholm meeting of the Socialist countries. This announcement had contained the **in**ference that the United States embraced the latest Israeli position. This was definitely not accurate. (2)Also directly or indirectly the inference had been made as if things were to happen in October. He wanted to stress that October was definitely too late. Things had to be settled in August, otherwise one would have to struggle on and on with this issue. The United States could not stand for any further delay. The gap between the issues had become sufficiently narrow, so that it should be possible to achieve results in August.

<u>Prime Minister Wilson</u> stated that he had always warned Israel that the issue was urgent and that action was necessary by August. It wasn't the British custom to issue such warnings to countries with whom they have close relations, but he had felt it necessary to do so in this instance. This issue could not be left hanging around until the Presidential election period. In fact, he had been surprised that the issue could have waited so long. He thought it should have been settled in June.

Secretary Kissinger on the suggestion of Mr. Sauvagnargues, gave a briefing on the latest status of the Israeli-Egyptian positions. After a factual rundown of the different aspects, he concluded that there were only two crucial matters to be resolved. One was the location of the Israeli forward line. The Egyptians wanted to move their line eastward seven to eight kilometers beyond the current UN corridor. The Israelis did not want any advance beyond the UN line. He felt optimistic that President Sadat would eventually accept a forward movement of only two or three kilometers beyond the UN perimeter.

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This was crucial to the Egyptians because of the symbolic value of having regained a piece of Israeli territory and not just the UN corridor.

The second crucial point was the Israeli insistence of having six forward outposts manned by American personnel in addition to the two warning stations. Sadat had rejected this proposal. The presence of Americans in those posts would present a severe problem.

Prime Minister Wilson interjected that those Americans would immediately be put into the position of hostages.

President Ford added that the Prime Minister was "damn right" about that. After Vietnam, the United States Government could not suggest any arrangement that would make American military personnel vulnerable to be taken hostage. Any such proposal would be turned down by the American people.

<u>Secretary Kissinger</u> remarked that the US strategy was to try to settle all other points first, while trying to evade the issue of the six outposts.

Prime Minister Wilson interjected that the Israelis kept making statements to the effect that their latest plans had the backing of the United States.

President Ford, "This is absolutely inaccurate."

Prime Minister Wilson continued by mentioning that he had told a high Israeli official in Helsinki that Israel should "stop shouting" and "stop saying that this was their last offer." Also they should not keep saying that their proposal had complete US backing.

Secretary Kissinger said that it would be politically unwise for Israel to be put in a position where an agreement would be considered as imposed by the United States and Egypt.

<u>President Giscard</u> inquired if there was anything France could do to help get an agreement signed or was it better for the French to keep their distance and to do nothing? Secretary <u>Kissinger</u> stated that Egypt seemed almost desperate for an agreement. The US was trying to help but Israel was trying again to turn the issue into a public conflict. But President Giscard should get President Ford's opinion on this.

President Ford added that he thought that time had now reached a critical state. The problem would have to be resolved by August. Otherwise, the US would play a different role after August.

<u>Chancellor</u> <u>Schmidt</u> wondered what should be done in case all efforts failed and the Islamic initiative would succeed in expelling Israel from the United Nations?

<u>President</u> Ford replied that the United States was on record that it would fight hard against any action by the UN majority to expel and suspend Israel.

President Giscard cautioned that the problem was more complex than that. For almost seven years the UN had voted resolution after resolution and Israel had ignored them all. So the UN majority would have some good reason for their action. Now, if the US or the UK wanted to use their veto in the Security Council, that was another matter. But one must not forget the impact of public opinion and the need to have acceptance of some UN regulations.

Prime Minister Wilson commented that if people who walk out of meetings could come back in so could people who were expelled be reaccepted.

President Ford, "Could you not argue that an agreement in August would solve part of your problem?"

Prime Minister Wilson, "Yes, absolutely."

Chancellor Schmidt stated that this arrangement should make some sense also to the Israelis. This way they could get off this time but next time they could not expect to get away unhurt.

Foreign Minister Sauvagnargues stated that he believed lack of an agreement in August would lead to a majority vote to expel Israel. That expulsion, however, would be vetoed in the Security Council. Foreign Minister Callaghan said from what he had been told about the US position yesterday, the US had proposed a series of options. He thought that such proposals should be concerted with the EC-9.

President Giscard disagreed with this and suggested that the US and the EC-9 should have consultations on this matter but that he thought it unnecessary to have joint proposals. It might even help the situation more if the EC-9 kept its distance.