

MEMORANDUM

THE WHITE HOUSE  
WASHINGTON

~~SECRET/NODIS/XGDS~~

MEMORANDUM OF CONVERSATION

PARTICIPANTS: President Ford  
Helmut Schmidt, FRG Chancellor  
(by telephone)

DATE AND TIME: November 23 (?), 1976

The President: I hope our friendship will continue.

Schmidt: I am glad to hear that. I wrote a long letter in which I mentioned the same thing.

The President: I won't be in the government but I will be active and would like to maintain our close relations.

Schmidt: You are expressing my sentiments exactly. These things are bigger than the vicissitudes of political office. It was so close. I could have lost and you been elected.

The President: (Described what Callaghan said) My feeling is they should go back to try to accommodate on that half.

Schmidt: It is in the economic interest that we impose strong conditions on the British. We should not go so far as to overthrow this government. There is no one else to take the reins and there may be a period of disorder which could affect us all deeply.

The President: That is exactly what I told my people.

Schmidt: So we need to find a point which will do the job but not be politically unacceptable.

The President: That is exactly what I told my people.

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

~~SECRET/NODIS/XGDS~~

DECLASSIFIED  
E.O. 12958, SEC. 3.5  
NSC 68002, 110000A, 110000B, 110000C, 110000D, 110000E, 110000F, 110000G, 110000H, 110000I, 110000J, 110000K, 110000L, 110000M, 110000N, 110000O, 110000P, 110000Q, 110000R, 110000S, 110000T, 110000U, 110000V, 110000W, 110000X, 110000Y, 110000Z  
BY NSA, DATE 1/12/04



Schmidt: So we need to find a point which will do the job but not be politically unacceptable.

The President: That is what I think.

Schmidt: If Callaghan had to resign, that would set us back.

The President: Let's go on that basis. I think Jim may be able to go farther than 9.5 but maybe not to 9.

Schmidt: I replied in a similar way to Callaghan.

I will come as far as possible but not take final decisions. I will send Poehl to London to meet with the British and Yeo or Simon.

The President: That is very good. May I raise one additional point -- oil prices, I am very worried.

Schmidt: So am I.

The President: We have been working very hard on the key OPEC states. We were working for a zero increase but certainly no more than 5%. 10-15% would be disastrous.

Schmidt: I agree. And I would be ready to add my voice to yours. But if so, could we have the arguments you are using so we can take the same line?

The President: I have considered a high level delegation, but we will try everything else first. We don't want a delegation to go if it would only return empty handed.

Schmidt: Are you operating at the highest level with these countries?

The President: I have sent personal letters to Saudi Arabia, Iran, Venezuela.

Schmidt: Could I see what you have told them?



The President: Of course. Scowcroft will get them to you.

Schmidt: I am worried about UNCTAD, the CIEC meetings on raw material prices, the common fund, and debt settlement. Could we use the excuse of your new action to seek a postponement.

The President: All right if you do it. It wouldn't be right for me to do so.

Schmidt: Do you agree on a postponement?

The President: Absolutely.

Schmidt: One other point. Should I get in touch with Carter?

The President: I think it is slightly premature.



→ Sent message to Mrs. Carter.

P/Schmitt phone call  
23? Nov 70

P Hope some friendship will continue

S ~~Wanted~~ Glad to hear about what a  
long letter in which I described  
some things.

P I want to in part but I will be  
a trial & would like to maintain our  
close relations.

S You are expressing my sentiments  
exactly. Technical things are bigger  
than a misstatement of pol office.  
It is also. I could have had &  
you been elected.

P (Described what Carter said)

My feeling is they should go back to  
try to accommodate that 1/2

S It is in our interest we enjoy  
strong relations on G.K.

We should not go so far as to  
throw this guest. We are able  
to take a view & that every  
a period of disorder which would  
affect us all badly

P That is exactly what I told  
my people.

S So we need to find a point which  
will be ok but not be pol.  
unacceptable

P That is what I think

S If Dan Meyer had to resign

DECLASSIFIED

E.O. 12958, SEC. 3.5

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

BY llh, NARA, DATE 7/13/04



that would send us out.

P Let's go on that basis. I think you  
may be able to go further than 9.5 but  
maybe not a  $\frac{1}{2}$ .

S I agreed to pull.

Can we far as possible not  
take final decisions  
I have time

I will send Dahl & howler  
to meet w/ AB + Yes/Simon

P That very good. My I'm sure  
admit part of the oil price. I've  
wondered

S Simon J.

P we have been working very hard  
on the OPEC states. We working  
for a but certainly to more  
than 5%. 10-15% would be  
disastrous.

X S I agree. And I would be ready  
to add my voice to yours. But  
if we could not have commitments  
you are using to not take it home.

P I have considered a high level  
delegation, but we try everything else  
first. Don't want delegation to go if  
it would return empty handed



S Can you operating at highest level w/ these countries?

P I have sent personal letters to SA, Iran, Venezuela.

S Could I see what you have told them

\* P Of course. Secs. will get them to you

S I worried about <sup>UK & IAD, CIE's interaction</sup> <sup>low mutually price</sup> <sup>common fund</sup> debt settlement. Could we use exercise of <sup>some</sup> new authority for post-1980

P All right if you don't. Would be right for me to do so.

S Do you agree on post-1980

P absolutely

S our own point. Should I get in touch w/ Carter

P I think it slightly premature

