MEMORANDUM

THE WHITE HOUSE

WASHINGTON

SECRET/NODIS/XGDS

MEMORANDUM OF CONVERSATION

PARTICIPANTS:

President Gerald R. Ford

Henry A. Kissinger, Secretary of State Donald Rumsfeld, Secretary of Defense Brent Scowcroft. Assistant to the President

for National Security Affairs

DATE AND TIME:

Wednesday - March 17, 1976

9:50 - 10:20 a.m.

PLACE:

The Oval Office

[There is a brief political discussion on the election primaries.]

Kissinger: We need to settle this C-130 thing.

The President: What more do I have to do?

<u>Kissinger:</u> There is the issue of whether to go by FMS or commercial sales. Today is the worst time to meet with the Jewish leaders, but I think you need to be tough with them. I would recommend staying with FMS.

Scowcroft: I agree. Besides, the bill now in conference would put the same Congressional restrictions on commercial sales.

The President: We are right and I want to defend what we have done. Let's stay with the FMS.

Rumsfeld: I think you will have a problem with the Jews in September. They will be getting more and more shrill. I think we should get them involved and work with them. Occupy them, to keep the decibel level manageable.

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<u>Kissinger:</u> The Jews will be against you no matter what. They will think they will be better off with the Democrats.

Rumsfeld: I disagree. In politics you try to turn total hostility into moderate hostility, warm help into enthusiastic help.

The President: Don, I think you are right that we should work on it, but we are right and I want to stick with that.

[There is more discussion on what to do with the Jews.]

Rumsfeld: When will we answer the Schmidt letter?

Kissinger: I have a draft coming to Brent for clearance.

The President: Is that the steel issue?

Scowcroft: No, it is the rambling letter about the U.S. and FRG being out in front in NATO, etc.

<u>Kissinger:</u> You can solve your problems with Schmidt when he comes. He will be no problem.

Rumsfeld: I think he feels a little neglected.

The President: What about Wilson?

<u>Kissinger:</u> I think he is losing his stomach for the fight on forces, which is what he would have to face. I wouldn't have foreseen it, but I think he had lost his nerve.

The President: Will Callaghan win?

Kissinger: I think so, but I am afraid Healy will be Foreign Minister.

The President: Lucky for you.

Don, what do you have?

Rumsfeld: First, all these duck blind cases -- there will be almost 50 of them.

There is a close defense relationship with Iran. Brent and I are trying to coordinate our arms sales with our foreign policy. But there is a group called Lavey which includes Ken O'Donnell, Ben Smith and Jim Keogh.

Steve Follows - P/K/R 950-100° am (Some Atton Insuran) K We need to puttle this C-170 this Patrot more do Share to do R There is = in of FMS or crub. Tolongio a worst time & and w/a function, but I think you well to be tough withour. I wall second storying of FIKS. & Lagrer Besich - bill wor in und would put some extention an end sales. P we are eight and I want to cliffered what on home done. Leto stay or/c FNIS. R I think you will have a potras/c Jens in Sept, They will be getting more & more shall-Strink we should get the work of Them. Occupy Them to heep a derild level anoneyells K The gens will be against you as matter what. They meel think they can do better of w/a Down. R I discipee. In politico you to tom total brothing to moderate hostily, wowarm help to manushi, etc. P Day I think you are what that we should work in it, but we are night and I won't to this w/ (Those discussion as what to all of Juno)
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P what what Wilson K John to is bring his streng on force fight, which is what howeld have force. I wouldn't am present ent? think he had lost his P will Callaghan win 1 I think so but 3 from Healing with she Fin P Down, what have you? R Fiest, all these along brind ever - There will en elent 50 feter There is a close dep. whatership is I have theme to do a group called havely which include, Kind Openhall, Ben Smith, & Jim Keugh. Lavey