



DEPARTMENT OF STATE

Washington, D.C. 20520

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December 20, 1974

The Secretary's Principals and Regionals
Staff Meeting, Friday, December 20, 1974,
8:00 a.m.

- pp 2 - 3 The pending discussions with the French on nuclear supplies. The Secretary decided that the French would have to join up by the middle of January.
- pp 4 - 6 The Secretary instructed EUR and EB to prepare a telegram to IEA members stressing that we would not participate in producer-consumer meeting preparations prior to progress on consumer solidarity.
- pp 7 - 8 The Secretary asked that letters be prepared from him to the Turk and Greek Foreign Ministers urging them to get on with their negotiations rapidly.
- p. 8 Syrian violations in the Golan to be left to the UN.
- pp 8 - 9 Prospects for the next UNGA
- pp 9 - 15 The Aid Bill discussed and the Continuing Resolution. The Secretary asked for a paper on the planned timetable and use of the Arab share of the aid money by the joint commissions. He vetoed a special survey team larger than one or two people going to Syria and reserved judgment until he has seen the paper.
- pp 15 - 16 The General Assembly was reviewed. The Secretary asked that the Japanese be turned off on Cambodia for a month or so.
- p. 17 The Secretary asked that aid for Turkey be expedited via a Presidential Determination.
- pp 18 - 19 The Secretary discussed his forthcoming meeting with Waldheim - the PLO offices in Geneva.

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- pp 22 - 24 Food Aid to India and Egypt
- pp 25 - 32 The Aid ban on arms for Chile. The Secretary asked that the implications of the credit ban be explored and the possibilities of commercial sales be defined with Pentagon *cooperation* to be ready for the Monday staff meeting.
- pp 33 - 35 The GDR credential^s ceremony. The Secretary asked that our Embassy not become heavily involved in the Jewish claims issue.
- pp 35 - 38 The Secretary asked that our position on the priority of consumer solidarity over preparatory work on a meeting with producers be made clear to the French. He agreed to approaching the French on solidarity bilaterally, in parallel with the IEA discussions.
- pp 38 - 41 The problem of the German agreement on the loan facility.
- p 41 Ethiopia. The Secretary asked that no cutoff of military supplies be made without his personal involvement.

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SECRETARY KISSINGER: Look, it's going to be the high option. The only question is with what agony we're going to approach it.

Bill?

MR. ROGERS: Well, Chile, I suppose.

SECRETARY KISSINGER: Did you see that cable of what the Chilean army is thinking of? It sneaked through, or was it an INR report?

MR. HYLAND: Embassy cable.

SECRETARY KISSINGER: Embassy cable. Three days ago.

MR. ROGERS: Well, the truth -- the reality of the aid ban --

SECRETARY KISSINGER: What exactly does that aid ban do?

MR. ROGERS: Well, the generality is quite clear. It bars credits for cash sales; it does not bar commercial sales. The generalization of those principles into materials and pipeline --

SECRETARY KISSINGER: You mean the 10 million went out too?

MR. ROGERS: It's not including training.

SECRETARY KISSINGER: Now, just a minute. This is

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another one of those things. I got into going along with the argument that it's only a cut of 10 million from 20 million. Now I find that I was told that we could save it in the House conference. Now it's disappeared without any information to me.

MR. MAW: They knocked it out at the last meeting. They didn't even know what they were doing in the Conference Committee meeting.

SECRETARY KISSINGER: But what did we do?

MR. MAW: We've got 55 million for aid.

MR. ROGERS: 25.

MR. MAW: 25.

SECRETARY KISSINGER: Do you believe that a military government will do nothing when it's cut off from aid?

MR. ROGERS: No. I know they're casting wildly about.

SECRETARY KISSINGER: Are we not going to rest until we get a left wing government that forces them toward the Arabs or Chinese or somebody? But how can we acquiesce on this? There was a big debate in this room on whether it should be 10 million or 20 million, and now we wind up with nothing. Did anyone believe if I had known

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this that I would have agreed to it?

MR. ROGERS: Well, you got a memorandum of my conversation with Kennedy on this.

SECRETARY KISSINGER: Yes, but I know what Kennedy's position is. I wouldn't have paid the slightest attention to it. My position is that I don't yield to Congress on ~~the~~ matters of principle.

MR. ROGERS: Well, we took it on this one -- there's no question about it. And now what we have to do in the first instance --

SECRETARY KISSINGER: Yes, but we have to have a system on matters so that my views could not be obscured. I don't tolerate the Department making these concessions. You, at least, ought to give us a chance to threaten a veto. You know, it's wildly against the national interest.

MR. ROGERS: And I argued it up on the Hill.

SECRETARY KISSINGER: Yes, but I didn't know about it. I could have argued it up on the Hill, but to that level we have to fight -- on the Turkish aid thing. You know what the consequences of this might be.

MR. ROGERS: Well, it's hard for me to believe that you didn't understand. You were faced with an outline.

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SECRETARY KISSINGER: No.

MR. ROGERS: My last recollection is that we raised this in a staff meeting the day or two before I went there.

SECRETARY KISSINGER: I understood that the Senate was going to cut it off, that the House was going to pass something, and that the conference was going to raise something. And when I was told it was only 10 million, then I was told, well, the request was only 20 million; and then I acquiesced. That was my knowledge. And I was also told if you get the 10 million, you also have a sale.

MR. MAW: The Senate bill survived the conference, and Humphrey promised he would give us -- the House -- 10 million.

SECRETARY KISSINGER: I was told that Humphrey had to humor Kennedy in the Senate and that it would be rescued in the House.

MR. ROGERS: Well, I don't read that confirmation because my diagnosis of this thing all along the line is that we were faced with an absolute ban. That's why, as Carl knows, I was up on the Hill.

SECRETARY KISSINGER: I would have been delighted

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to go to the mat.

MR. MAW: We didn't know this, when the conference report actually came out.

SECRETARY KISSINGER: We've got to go to the mat on things of national interest. What else are we here for? You can't throw a country to Kennedy just because it satisfies some ego trip that he's got.

Well, what can we do now? Does that mean they cut off all military assistance out of there?

MR. ROGERS: Commercial sales are still O.K.

SECRETARY KISSINGER: But what does that mean in practice?

MR. ROGERS: That's the big question.

SECRETARY KISSINGER: I know the question. What's the answer?

MR. ROGERS: The answer is Pentagon lawyers are still raising compunctions. We've got to argue them around it; right, Carl?

MR. MAW: Yes. We finally got some language in the conference report that we stuck in after we got through it.

SECRETARY KISSINGER: Yes, but how the hell did it happen that I didn't know about this? This is an important

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question to me. I would have held up the bill on this issue and, given the eagerness of these guys to leave, they would have put something in there.

Now that that's done, what can we do?

MR. ROGERS: Well, the first thing we're doing is organizing a working group with the Chilean military to try to get as much as we can -- from the language of the bill that has come out.

The second thing we're doing is looking around for whatever other policy alternatives there are. We have to reassure them.

SECRETARY KISSINGER: But how can you reassure a country you've just cut off military aid to? I mean how do you reassure them?

MR. ROGERS: Well, their first question, when they came in to me yesterday, is: "What can the United States do to guarantee this?"

SECRETARY KISSINGER: Don't you think it's absurd for the United States to guarantee a country to which it isn't selling arms? I didn't understand that it had been cut off, until Kennedy snapped at me yesterday, for having played so unfair with him, at the swearing-in of the Vice President.

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I told him, "Do you realize it's going down the drain?" "Well, he said, "we can afford to lose a country now and then."

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We can't acquiesce on that, and I have to talk to the President. We cannot do it. We cannot get into that business while I am here, of behaving that way, of making a deal with a Senator that we know is against the national interest. You know the only possible outcome of this can be an extreme left wing government in Chile or driving the Chilean Government sort of toward the Arabs.

You've already seen that in that cable -- whether they're willing to go toward the Arabs or the Chinese -- and when we reach a point when the Chinese have to save us from the Russians in Latin America, it's a disgrace.

Well, what can be done? Is there anything we can do with the new Congress? Of course, they'll be worse than the old one. Now, we need a special act up there.

MR. MAW: We've got to work out a sales program here so we carry on a program using their money. That's what we've got to do.

MR. ROGERS: The first thing is commercial sales,

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and the second thing is the situation. The regrettable part about the situation is they are about to come up with a program to retain this. We may have a better --

SECRETARY KISSINGER: Assurances is total nonsense. It is total, unadulterated nonsense. The United States has no guarantee -- no right to give a guarantee to Chile that will never be implemented, so we better work out something.

What's the difference between FMS and commercial sales?

MR. ROGERS: Availability of commercial equipment -- Government arsenal.

SECRETARY KISSINGER: Well, we better talk to the Pentagon. But when am I going to know about it?

MR. MAW: When we get the answer from the Pentagon.

SECRETARY KISSINGER: Well, when will that be -- Monday morning? If you need help, I'll call Schlesinger

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MR. MAW: Right.

SECRETARY KISSINGER: -- at the staff meeting Monday morning.

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