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Mr. Rush/Secretary Kissinger March 30, 1974 11:45 AM

R: Hello, Henry.

K: Hi, Ken, how are you?

R: I'm fine thanks.

K: I'm sorry we couldn't get together this morning and now I'm off for a vacation.

R: I know you are, you certainly deserve one, Henry and you should have. I think you have received most of the things I had in mind.

K: You had to go home. There wasn't any mixup about getting together today.

R: No. I just finished up everything and so I can home.

K: Did they tell you - you know, there's no reason for you to have stayed.

R: I wanted to, I had some things I wanted to do.

K: You wanted to go home.

R: No, I had some things I wanted to do in the office.

K: They did tell you I was going to see you right after Dayan.

R: No, they didn't. No one told me that.

K: Alright, never mind.

R: I thought you'd probably be with Dayan tomuch.

K: NO.

R: When do you leave, Henry - at 1:00?

K: Yes - there's no sense for you to come in, it isn't that important. Did you make clear to Kosciusko-Morizet that we infact did have evidence along the line that these articles said?

R: Yes we did. As a matter of fact, Henry, I played golf with him and with Mel Laird and with Jim Hutson just after you had seen him and he was telling me about h is talk with you. I said we did have evidence, Jacques, some of your Ambassadors had been urging the Arabic countries, I won't tell you which ones, not to lift the boycott. He said well that can't be. I said, well it is, that's the evidence we had.

I said obviously it's indirect evidence, but we have the evidence. Then he came officially to give me the demarche. When I called him back in as you requested, I told him this over again that we did have indirect evidence to that effect. He denied it, he said that would be stupid of us. He said obviously that would mean a continued curtailment of production and that in turn would mean we would not the price would stay high and it would hurt our economy very seriously. I said I don't know about that but certainly your Ambassadors are reputed to urge the continuance of the boycott and I assume they don't do anything that Jobert doesn't tell them to.

- K: Basically it wasn't so much that they urged them the continuation of the boycott but they told them after the boycott was lifted they would see we'd go back to our pro-Israeli policy.
- R: That was the point. I told them that was the reason that they urge the continuation of the boycott because the boycott was the only thing that kept us from going....
- K: Some people say that I've heard one story that said that Morizet said that I put out that story and that you didn't contradict him. Is there anything to that?
 - R: No, I told him that the thing was unauthorized. In essence I told him what you told me to. He told me that he I knew nothing of his talk with you on Friday. He told me at the golf game the next day on Saturday afternoon, that he was sure that you had been the one who gave Marilyn Berger her information. I said what makes you think that? He said, well I just assumed that. When I called him in...
 - K: I never even saw the Marilyn Berger article.
 - R: That was the one that came out she made it low key. That came out before the Evans and Novak article. Evans and Novak came out in the morning, that I saw Morizet that was the day after you had seen Morizet. He said he thought Evans and Novak had received the information from you. I said I'm sure that was not the case. He then I then told him on that second meeting, because I didn't know where that article in the AEP(?) had come from, that I had been in touch with you and I was authorized to see that anything in connection with the State Department, except an official saying anything attributed to the State Department, except what our official spokesman said, was unauthorized. He just accepted that, or at least he said nothing about it.
 - K: There's not much we can do about it, but basically I think we ought to freeze our relations with these guys for the time being.
 - R: I think frankly, Henry, they have somewhat been encouraged, the fact they have been treated so well as they got worse and worse. They think they can carry on what India did with you. The more we did for India, the worse they got. I think they feel the same way.

K: Yes.

R: Henry, coming to another subject, we have, I think, got to put it up to Bill Donaldson. Either to devote his time to security assistance or to energy. The security assistance thing is - thank God we're putting George Vest in now to take Sy Weiss' place. Sy is not moving in. I talked to both of them, I talk three talks now to Donaldson.

K: Well, what does Donaldson say?

R: He said he's getting on top of it. I'd tell him about the personnel problem - he's getting on top of it. I asked him to come back and report to me, and I'm just not getting the reports back. I've just decided he's so completely wrapped up in energy that's he's not going to be able to get on top of security assistance.

K: Basically, he ought to be able to do them both.

R: He's certainly wrapped completely around energy now. With George Vest in, PM is supposed to be, in essence, the staff for the Under Secretary for Security Assistance. We'll see how that goes, but I'm very sceptical that Bill can handle both jobs. At least he's not doing it now and he's been in there for 6 months.

K: He ought to be told he must.

R: I've told him three times now. I'll tell him again next week. I think I'll call him again and tell him he may have to make a choice. See what his reaction is. I don't think he quite has the capacity to spread himself over those two bigs jobs. I think he's so deeply in on security - on energy. He's traveling too, quite a bit on it. The security assistance thing, we just have to take up ourselves that Joe is helping out on the Middle East. Did Joe see you, by the way, about Jordan.

K: Not yet.

R: On the 12 million five for Jordan, I just sent it back into Joe. On the 12 million five, Henry, both AID and Holton think, they in essence told the committees, that the Vietnam was the mass supplemental we were coming in on. They think it will have a very bad reaction in the Congress on the whole thing if we go back in for an extra supplemental of 12 and a half for Jordan. That the thing to do is to include the Jordanian 12 and a half next year. That Jordan's cash position is very strong now and they don't need the cash and that we might jeopardize even Vietnam if we got back in additional supplemental request on Jordan. They've had a very bad reaction in the Congress on Vietnam but I hope we'll get that through. I'm inclined to think we ought to let Jordan go into the '75 budget at 12 and a half million. Is that alright?

K: Yes.

R: Good. Now I left with Larry a new group of names for the Under Secretary for

Economic Affairs. If you want me to I can get busy on some of these.

- K: Let me check those names and I'll leave my recommendations with you.
- R: Good. I've got one last thing. I talked to Jim Schlesinger again. Jim insists he talked to you three times or four, about Bill Porter continuing as the negotiator for the Icelandic negotiation. I told him it's just imposible, I think.
- K: I tought at that time it was only one more session.
- R: I was think about this. They don't want Joe to do it, that's the point. I mentioned Bob McCloskey. He said maybe that would be a good out. What we could do is get Joe and Bob both in on the thing. I'm afraid Joe is going to take a beating from them if anything goes wrong because they haven't wanted him, you see.
- K: Why don't you explain that to Joe.
- R: And sort of dilute it between Joe and McCloskey. I thought also to suggest to make Jim happy, I might for this one session to bring Bill Porter down from Canada and let him sit in on this last one negotiating session. To wash himself out. What would you think of that?
- K: OK, good. I think that's a good idea.
- R: That will satisfy Jim to a certain degree and then push it on over.
- K: Good.

R:

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- K: OK, well then let McCloskey handle it after the next meeting.
- R: Good, well thanks a lot Henry.
- K: Thank you.
- R: Hope you have a good vacation, you certainly deserve it.
- K: Thank you.
- R: Bye.

END