MEMORANDUM

THE WHITE HOUSE

WASHINGTON

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December 20, 1971

MEMORANDUM FOR THE PRESIDENT'S FILE

FROM:

HENRY A. KISSINGER

SUBJECT:

The President's Private Meeting with British Prime Minister Edward Heath on Monday, December 20, 1971, 1:30 -5:00 p.m., in the Sitting Room of

Government House, Bermuda

PARTICIPANTS:

The President

Prime Minister Heath Henry A. Kissinger

Sir Burke Trend, Secretary to the

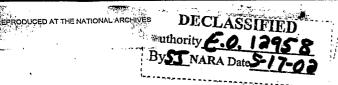
Cabinet

After a brief photo opportunity in the drawing room of Government House, and a one-half hour informal luncheon in the Sitting Room, the President and the Prime Minister began a three and one-half hour private discussion.

The conversation opened on the subject of the reverse preferences granted by the UK and EC to developing countries. The President expressed the view that the political side of Europe's relationship with the U.S. must override the economic side. He then referred to Britain's impending disengagement from the Caribbean and spoke at length about Nassau's probable inability to take care of itself. The turn of events will be sharply to the left, he said, if there is chaos after the British leave. "So we must have you there." A strong British presence is desirable -- "if you can handle it."

The Prime Minister replied that Britain's concern was really the opposite. "We can stay, but we must justify it by making a contribution to the area's economic progress." The President noted that Britain's former colonies were much better off than the French ones. "Can we do the job if the British leave? " he asked. Dr. Kissinger explained the U.S. position on

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reverse preferences. [We were opposed to expanding any selective preferential arrangements.] But maybe the U.S. could grant such preferences under the national security exception.

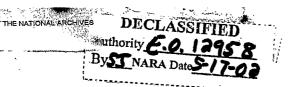
The Prime Minister asked about the situation in Cuba. "The man Castro is a radical, "the President replied, "too radical even for Allende and the Peruvians. Our position is supported by Brazil, which is after all the key to the future. The Brazilians helped rig the Uruguayan election. Chile is another case -- the left is in trouble. There are forces at work which we are not discouraging. Castro is still bent on Hemispheric subversion." The Prime Minister asked whether there was any sign of Cuba's attempting to come to terms. None whatever, the President replied. Castro was still extremely belligerent. Dr. Kissinger agreed.

The Prime Minister asked how the President found Pompidou. The President remarked that Pompidou at their recent meeting in the Azores had been more confident than previously. Dr. Kissinger played a useful role in setting up the meetings. We had to meet Pompidou first because he was the key to the monetary situation. Pompidou spoke more about the world situation than before. "What did you think, Henry?" the President then asked. Dr. Kissinger agreed, adding that Pompidou still spoke more naturally and spontaneously about economics than about global politics.

The President pointed out that that was why we encouraged British entry into the Common Market. "Britain is the only European country with a world view. Germany is a domestic mess; Italy seldom has a government. It is in the long-term interest of Europe -- if it is to be a power center in the world capable of playing a viable role -- to have Britain in the Common Market. Your opportunity for leadership is enormous. It will be a healthier world if Europe does develop a more cohesive line towards the rest of the world. The U.S. could play a short-run game of keeping everybody divided -- but this won't do anybody any good." The major objective is to achieve the long-term objective of political stability.

"As I have often said," the President continued, "we want you in Singapore because we don't want to be the only non-Asian country there." He then discussed Japan, which will soon be the third strongest country in the world.

"This confirms my experience," the Prime Minister said in reference to the President's remarks about Pompidou. "When I met with Pompidou at



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the end of May, I followed the advice previously given me by Brandt not to discuss abstract subjects. Instead of the future of Europe, I went straight to the issue of preferences, etc., and we settled it quickly on a business-like basis." The President remarked that "we need vision rather than technicians."

Prime Minister Heath asked whether Pompidou had raised the defense problem. "Not directly," the President replied. "I indicated bearishness towards MBFR. He shared that view. I reassured him with regard to our withdrawal; the U.S. was not going to withdraw from Europe. With respect to a European Security Conference, he took quite well our view that (1) Berlin has to be wrapped up first, and (2) we had to be concrete in the subjects being discussed. We don't want a conference in 1972. We allies should discuss the matter first. Pompidou stressed that a Conference could have a salutary effect on the countries of Eastern Europe, leavening their policies." Dr. Kissinger then explained the U.S. philosophy on MBFR and the European Security Conference in greater detail.

the Prime Minister wanted to know. The President said no, we will just have discussions on it between Dr. Kissinger and Dobrynin. They have excluded MBFR from the agenda of a Security Conference. "Why do they want a Conference then?" the Prime Minister asked. "Because it is a meaningless exercise and can also lead to the disintegration of the West's alliances," Dr. Kissinger suggested. The President noted that it was a public-relations problem: "We will have to give as much rhetoric as we can without yielding anything real. The Romanians may be wrong; a Conference may strengthen Soviet domination of Eastern Europe. Maybe the Soviets want it as a way of bringing pressure on the Chinese; the Soviets are paranoid about the Chinese. It may also be related to the German problem." The Prime Minister noted that it might be a way of looking for European confirmation of Brandt's Ostpolitik. The Soviets now accuse us of being an obstacle to detente," he added.

The President asked how this affected the Heath Government's public support. The Prime Minister replied that 80 percent of the British public supported his position. "Then what about Pompidou's argument that public opinion demands it?" the President wondered. The Prime Minister asked if the President would be in a position to agree to such a Conference in 1973. The President said we would have to look at it seriously for then.

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"We'll soon reach a situation of nuclear parity," the President went on.
"We are increasing our conventional forces. People say a war will always escalate. I used to think that; I'm no longer so sure. For 25 years we have said this. This is not the time to weaken it. These fellows haven't changed. They're not as subtle as the Chinese. Their degree of toleration of us is in direct proportion to their fears."

"You have had some success in SALT," the Prime Minister remarked. The President said, "They are bargaining for everything they can get. We can get some agreement. My present guess would be that, unless the Russians decide -- for other reasons -- that they don't want an agreement, there will be one. " The President went on to explain our negotiating position. "We had an enormous problem in Congress, but ABM is what made SALT successful. The difficulty is that we have no Establishment anymore. It's not just on Vietnam -- on which it's understandable -- but across the board. Our only sure support, strangely, comes from the hard-hats. Henry used to say that this couldn't happen in Britain. You must occasionally get the impression that the President is out of step with the country; the media, the so-called intellectuals, are against us. This must look rough in Britain. It's a hard fight -- but we have won them all. You can assume that my own position will be unwavering -- but the question is, can I deliver the country? It sometimes looks as if we move impetuously. But really we have moved deliberately; we have had to move seemingly impetuously in order to rally public opinion." Dr. Kissinger gave a long description of the problem of the American Establishment, its demoralization, bankruptcy, and its abandonment of its sense of responsibility.

The President then made an eloquent statement of his personal world view: "The Establishment has a guilt complex. They can't stand the fact that I, their political opponent, am rectifying their mistakes. In addition, the Establishment has this growing obsession with domestic problems. The intellectual establishment is confused and frustrated by their own role, and by the United States' role. They have never believed that there was any real danger from the Left. They are turning inward. They have made it a problem whether we are going to continue our involvement in the world. The point of this too-long discourse is this: I know the issue; I'll see it through; we will have a world role. You'll wake up day after day wondering what's happening to us. Our initiatives are necessary to give our people hope. A political leader must constantly feed hope --but he must constantly know what he is doing, without illusion. One reason

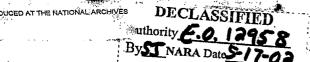
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these present visits are so helpful is because the Right has become worried about our actions' impact on our friends. Our answer is that we will not sacrifice our friends to detente. We must do it to keep our negotiating partners."

After some remarks on China policy by <u>Dr. Kissinger, the President</u> emphasized to Prime Minister Heath that "We feel that you should take an active role in world affairs. We must have better communications. We should reach some sort of agreement on general objectives. As for China, when you have two enemies, we want to tilt towards the weaker, not towards the stronger -- though not in a way that we can be caught at it." The President went on to discuss why we had to keep the bureaucracy in the dark as we went about setting up the first Kissinger trip. "We'd like to keep you informed on a personal basis," he stressed to the Prime Minister. <u>Dr. Kissinger explained why it was not possible to inform allied governments any sooner before the July 15 announcement. The ROC had a better claim to advance notice than the Japanese had, but they would have leaked it. The Japanese themselves have the leakiest government in the world, so we couldn't afford to give them advance word.</u>

The President said, "The Japanese are all over Asia like a bunch of lice. Let's look at Japan and Germany: Both have a sense of frustration and a memory of defeat. What must be done is to make sure we have a home for them. Maybe NATO is no longer relevant. Japan is today denied a nuclear capability; in terms of security, if our nuclear umbrella should become less credible, the effect on Japan would be a catastrophe. The biggest reason for our holding on in Vietnam is Japan. (An example of that is the impact the end of the bombing had on the Japanese.) We have to reassure the Asians that the Nixon Doctrine is not a way for us to get out of Asia but a way for us to stay in. They must see that the China trip is not taken at their expense. The August 15 thing was agony to me; I'm very glad that Connally and Barber worked things out, because it was vital also for Japan. Sato, you know, wanted to come to Hawaii."

"They are very thick-skinned," the Prime Minister noted. "We ought to tie them in." The President agreed: "We mustn't leave Japan completely isolated. We give aid stupidly; the Japanese give aid too selfishly. We shouldn't resent that if the Japanese play a constructive role ultimately; it won't necessarily be the same kind of role as ours."



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After a break, the conversation resumed on the India/Pakistan problem.

The President emphasized that our actions were not motivated by spite.

"As we saw it, Yahya badly bungled the situation. We faced the question, should we keep our communication with Yahya? We decided to do it."

The President then enumerated all we did to elicit conciliatory steps from Yahya and to try to restrain the Indians. "The major mistake we made was to be too reassuring. We were the only restraining factor. We knew what the relative numbers were; we knew what the outcome of a war would be. Why not let it move? I felt that if it was true that her goal was to force Pakistan to surrender in the West, there would be serious repercussions on the world scene. It could be a lesson for other parts of the world if India's success would be sobering."

"The Soviets may believe that they can do anything because of the summit," the President continued. "Churchill saw the danger. With respect to the Soviets, we'll play an arm's-length game. We won't recognize Bangla Desh. The other open problem is aid -- we'll help West Pakistan." With regard to India, it is not our intention to restore aid." The President showed Prime Minister Heath a copy of his reply to Mme. Gandhi's letter. "We won't engage in volleys of rhetoric with either the Indians or the Soviets," he stated. The Prime Minister described British policy. "We feel we must persuade Pakistan to recognize that it has lost the East. We need to put Bangla Desh on a self-sustaining basis, or at least to mitigate its losses. We shall help both West Pakistan and Bangla Desh, and also help in the consortium for India."

The Prime Minister then posed a philosophical question. "We are moving more and more into a state of world affairs in which effective action is no longer possible. How much can you do?" The President replied, "The Soviets have tested us to see if they could control events. Of course you have to consider the much bigger stakes in the Middle East and Europe. Part of the reason for conducting our Vietnam withdrawal so slowly is to give some message that we are not prepared to pay any price for ending a war; we must now ask ourselves what we are willing to pay to avert war. If we are not, we have tough days ahead." The President repeated that the U.S. would not recognize Bangla Desh. With respect to our future policy towards India, the President posed a series of questions: Do we push India into the arms of the Soviets or do we try a conciliatory policy?

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Does China prefer the Soviets to be unchallenged in India, or do they prefer us to maintain some influence? We would have to try to answer these questions first.

The first day's conversation soon came to an end.