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By **VW** Date **3-20-02**

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DEPARTMENT OF STATE

SIXED

Washington, D.C. 20520

Signed

January 12, 1973

PW

SECRET

1973-1212, Faisal, Nixon, Letter

RS/R FILES

Attention **MRS TROMBLY**
KING *study together*

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MEMORANDUM FOR MR. HENRY A. KISSINGER
THE WHITE HOUSE

Subject: Draft Presidential Letter to
King Faisal of Saudi Arabia

On December 12, 1972 I forwarded to you a suggested reply from the President to King Faisal's letter of November 12. Included in the draft reply was the substance of a proposed presidential letter to the King on oil matters transmitted earlier by the Secretary to the President on November 4. These paragraphs reassured King Faisal of United States desire for close cooperation in petroleum and financial affairs.

In his recent meeting with Saudi Oil Minister Ahmad Zaki Yamani, Ambassador Thacher received indications that Yamani's proposal for a special oil relationship made on September 30 before the Middle East Institute has come under increasingly careful scrutiny and perhaps opposition within his own government. There are also indications that King Faisal, in his irritation over what he believes is our unwillingness to press for an Arab-Israeli settlement, is not now interested in a special oil relationship with the United States. While the Ambassador believes that some positive United States response to the Yamani proposal is desirable, he recommends that it not be in the context of the President's reply to King Faisal's letter of November 12. The Ambassador believes that to do so would reinforce in Faisal's mind the belief that there should be some linkage between closer economic ties with the United States and progress on the Arab-Israeli issue.

We believe that Ambassador Thacher has raised an important point. We therefore recommend the deletion

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GDS--DECLASS Dec. 31, 1981

NEA/ARP: FMDickman

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