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Authority E.O. 12958

By W NARA Date 10/12/07

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NATIONAL SECURITY COUNCIL

WASHINGTON, D.C. 20506

ACTION  
3027~~CONFIDENTIAL~~ (GDS)(with ~~SECRET~~/SENSITIVE Attachment)

May 29, 1973

MEMORANDUM FOR:

GENERAL SCOWCROFT

FROM:

HAROLD H. SAUNDERS *Handwritten initials*  
WILLIAM B. QUANDT

SUBJECT:

Talking Points for Your Meeting with  
Aramco Representatives, May 30, at  
2:30 p.m.**1973-5-29, Faisal, Aramco, while Howard**

Your visitors will have seen Casey in the morning and will see DiBona and Clements after you.

Background. Early this month King Faisal met with Aramco President Frank Jungers and made an unusually strong pitch that the USG must do something to change the direction that events are taking in the Middle East. (See attached account of that meeting.) He asked the oil companies for help in changing US policy. Last week Aramco representatives met with Faysal in Geneva. They are now in Washington to describe these meetings to you, Mr. DiBona, Mr. Clements and State Department officials. The group coming to see you consists of one representative from each of the parent companies of Aramco--the man who heads the Middle East operations of each and is therefore a member of the executive committee of Aramco:

Charles Hedlund, Exxon  
Henry Moses, Mobil  
Al DeCrane, Texaco  
Jones McQuinn, Socal  
Joe Johnston, Senior Vice President of Aramco in  
charge of the New York office

You may anticipate that they might request an appointment for some of their bosses to see the President.

Talking Points

1. I understand that you have had discussions recently with King Faisal. Was there anything in what King Faisal had to say that represents a departure from his earlier comments? [Comment: They will make a

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strong case for more active US involvement in pressing for a settlement of the Arab-Israeli conflict. ]

2. The USG shares the concern that events in the Middle East cannot be left to drift. We are genuinely interested in a settlement to the Arab-Israeli conflict and the President has termed this a high priority issue. We have not been inactive, as the series of contacts undertaken last February indicate. The United States has not been neglecting the Middle East, nor are we inattentive to our interests there.
3. When Shaykh Yamani was recently in Washington, he made a very effective presentation of Saudi Arabia's concern over the unresolved state of the Arab-Israeli conflict. The point made to him, and one I would like to emphasize today, is that for US efforts in solving the Arab-Israeli conflict to stand some chance of success, they cannot be driven by the immediate pressures of the "energy crisis," nor can they be subjected to constant publicity. Particularly at this stage it is important to establish a context for a settlement through quiet diplomacy. If this is successful, the concrete manifestations of that success should be helpful to our interests throughout the Middle East, including our oil interests. If, however, we fail to get the proper context established, no public statements or efforts to take our distance from Israel will be a guarantee of our long-term interests. While I cannot go into details, I can assure you that we are very seriously trying to move forward on the Arab-Israeli problem.
4. It would be very helpful to USG efforts at this time if the oil companies could convey through their channels to King Faisal that the US is not indifferent to the Middle East conflict; that it has not adopted a one-sided policy; and that patience will be required if a serious effort to resolve the Arab-Israeli problem is to succeed. We know that King Faisal has urged President Sadat not to resume hostilities. This is useful and constructive. We hope that our friends in the Arab world will continue to try to bring reason to bear on the situation and not encourage another round of fighting, which would be detrimental to Arab interests, and perhaps to ours as well.
5. You may be interested to know that we have begun staff work on some of the concerns raised by Shaykh Yamani on investment opportunities for Saudi capital. When this is a little further along, we will probably decide to send a team to Saudi Arabia to discuss these issues in some detail. Are there any other specific issues involving oil that you would like to bring to our attention?

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