

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

~~SECRET/NODIS/XGDS~~

MEMORANDUM OF CONVERSATION

PARTICIPANTS: Anker Henrik Jorgensen, Prime Minister of Denmark
Amb. Eyvind Bartels, Ambassador to the United States
Jorgen Gersing, Permanent Under Secretary of the Prime Minister's Office

President Gerald Ford
Lt. General Brent Scowcroft, Assistant to the President for National Security Affairs

DATE AND TIME: Thursday, November 13, 1975
10:15 - 11:15 a.m.

PLACE: The Oval Office
The White House

[The press was admitted. There was small talk with Helen Thomas (UPI) and about the Prime Minister's trip to Mexico. The press was ushered out.]

President: It is delightful to have you here. I'm glad to have a chance to discuss the important issues that we face. I said when we met in Brussels that I don't know of any bilateral problems between our two countries.

Jorgensen: That is correct, but there are some little ones.

President: Would you like to go ahead?

[The Prime Minister's talking paper is at Tab A.]

Jorgensen: I think it is very good that we have these opportunities to exchange views.



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E.O. 12958, SEC. 3.5
NSC MEMO, 11/24/75, STATE DEPT. GUIDELINES, State Review 3/11/04
BY [signature], NARA, DATE 4/4/04

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EXEMPTION CATEGORY 5 (b) (1, 3)
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Today I would like to talk mostly on the economic issues. We have made some recent decisions in Denmark that we want to stimulate demand and encourage investment. We have also brought inflation under better control. We have achieved an agreement between both employers and unions on the labor market. But we still have some unemployment, and our problems are not over.

President: That is similar to our situation. We have cut inflation down to 6% and we are trying to get Congress to grant an investment credit.

Jorgensen: As I told you in Brussels, we made the decision to buy the F-16.

President: We greatly appreciate that. You led the way, and I think that is a good decision for NATO.

Jorgensen: I think that in the future that should lead to some compensation. You know what I mean? We have excellent bilateral cooperation in Greenland. There may be important changes in this part of Denmark, but this will not disturb our excellent cooperation in Greenland.

I have visited Venezuela and Mexico recently. They are important countries in Latin America and in the Third World. It was the first time for a Danish Prime Minister to have visited there.

We in Denmark strive for social justice and equality and we believe we understand the stirrings of the Third World. We can't tolerate a maldistribution which exists, and we feel morally that there should be a better distribution of income in the world. We appreciate the constructive approach that your country took in the UN Special Session.

President: Secretary Kissinger's speech reflects the thoughts of both of us. We believe we and the Third World have to meet each issue on a case by case basis and not confront each other across the board. We think that is a constructive approach.

Jorgensen: Exactly. I told President Echeverria that we had reservations about the New Economic Order. I also told President Perez that we understood if oil prices had to go up, but that it should be slow. I think I got a sympathetic reception.

President: I am glad to hear that. I think that their decision for a 10% increase rather than a 20% was the right decision, even for the producers. I note that the 10% increase isn't even being uniformly applied.

Jorgensen: Yes. It hurts not only us but the Third World.

President: Especially those countries that have no energy resources.

Jorgensen: You are going to the Economic Summit. The question of monetary policy may come up. We support the idea that five or six countries get together to talk about it. We have had disorder in the monetary situation for a long time. We support doing something.

President: I am glad to hear that.

Jorgensen: But we want to be informed. We don't mind your discussing this if we know what happens.

President: We were invited by some of your friends in Europe, and we are glad to do so. I hope it will help.

Jorgensen: We hope it will lead to more confidence. It is important to all our democracies.

President: We can't tolerate the unemployment levels we have, and I gather that yours is higher than you want. But ours is going down gradually.

Jorgensen: You and Germany have a special responsibility. We all have to do more. I am looking forward to the summit meeting.

President: May I convey this to the others?

Jorgensen: Yes. On the monetary side, I think fixed rates with flexible prices is the best, but I don't know how to do it. I think a more fixed rate for the dollar would aid stability.

Denmark is very concerned by what looks like protectionism. We have the same problem in Europe, but I think we all must resist it. I think Secretary Kissinger has said the same.

President: When we are in economic difficulty, there is strong pressure to move to protectionism, but we will resist it. And as the economy improves, the pressures will decline. I am bound by statute, but until the technical studies are completed, we cannot take any action. We have to obey our law. But we recognize the dangers of economic warfare.

Jorgensen: I appreciate that. I would underline the importance to Denmark of exports to the United States. Especially important is ham. It is very important -- it is a third of our exports to the United States.

President: I thought you might bring that one up. I checked and -- confidentially -- I anticipate a favorable ruling on that. I think you will be pleased with the results.

Jorgensen: I will say nothing, but I am greatly encouraged.

On energy, I hope the United States will participate fully in the long-range energy cooperation. I won't go into detail, but I hope you will continue.

President: We are in the Prepcon and we intend to continue. I will be reviewing the energy legislation right after this meeting so I can see whether it is acceptable. If the bill is acceptable, it will be of assistance to the free world.

Jorgensen: It is important to Denmark because we are energy-poor.

Another question is the Middle East. We very much appreciate the Sinai agreement and hope very much it will gain the right direction. I understand you had constructive talks with President Sadat and I hope you can get constructive actions with Syria and the Palestinians.

President: We cannot let things stagnate, but we must move with deliberate speed. We hope that Syria renews the UNDOF mandate -- otherwise it would be very serious.

Jorgensen: If you get any idea on how we can help, just let us know when you find out.

President: That is very thoughtful. We need all the help we can get.

Jorgensen: I will see President Sadat in Geneva. So I wanted to get your coordination as I just have.

We are upset with the Zionism resolution in the UN. We don't like it but we shouldn't over-estimate the consequences.

President: We are very upset but it shouldn't affect our UN relations. But a one-sided vote on an issue like this -- the nations in the UN should reflect on the potential consequences.

Jorgensen: You spoke in Helsinki. It was a good speech. I say so again because I think it is important that you and I discuss these things. I think it is important that we follow CSCE with arms reduction in NATO. Where do we stand on that?

President: We are waiting for NATO's concurrence on Option III. We think this is a step forward and it might bring forth a Soviet response. But we have to get it through NATO, and any help you can give would help.

Jorgensen: We will try to have some influence. We have to try to go down in military expenditures, but we have to be careful not to do it....

President: By ourselves.

Jorgensen: Another item is China. We regard your trip there as very important.

President: We are announcing my trip today. We will be in China for four days from the 1st to the 5th, and then we will go to Indonesia and the Philippines.

Jorgensen: Will you go to Japan?

President: No. I went there last year.

Jorgensen: Will Brezhnev come to the United States?

President: There has been some slippage in SALT and there will probably be some delay, therefore, in his visit here.

Jorgensen: We are happy to participate in your Bicentennial celebration. We have formed a committee and we think we will have a good program in cooperation with yours.

President: Thank you very much.

Jorgensen: In this connection, the Prince and the Queen will come in May and the Danish Royal Ballet will come at the same time.

President: I hope they will perform around the country, not just in Washington and New York. It is good to know that His Majesty will be coming. I understand we are working on dates.

I am sorry to lose Ambassador Bartels but am looking forward to meeting the new Ambassador.

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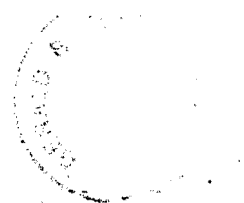
*The Prince of Denmark is very
pleased and happy that
he left Washington D.C.*

EVVIND BARTELLS
AMBASSADEUR DE DANEMARK

PETER P. DYVIG
MINISTER

ROYAL DANISH EMBASSY

WASHINGTON D. C.



INDLEDENDE BEMERKNINGER. (Opening remarks)

Mr. President,

1. I should like to thank you very much, Mr. President, because you have found the time to receive me today. I have been looking forward to this conversation which I see as a continuation of the talks we had when we saw each other in Brussels during the NATO Summit Meeting.

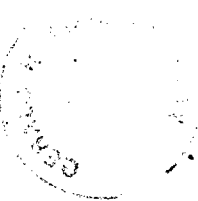
It goes without saying that for my country a continued dialogue on all levels with the United States is of the greatest importance. The Atlantic relationship - and thereby our ties to the United States - is a cornerstone in Danish foreign policy. Yours views are, however, also important for me in relation to what we do in Europe.

In Brussels we discussed the NATO cooperation and the East-West relations in the perspective of the détente policy. Today I would be glad if we could first of all concentrate on some of the most important economic issues.

In August my Government managed to get a broad agreement in Parliament on measures to stimulate demand, encourage capital investment and prevent excessive increases in wages and other sources of income. We have also brought inflation under better control. This agreement is backed both by the employers and the labour unions. Still our unemployment is much too high - at about the same level as unemployment in the U.S. - and

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 E.O. 12958, Sec. 3.5
 State Dept. Guidelines
 By , NARA, Date 10/14/04

State Review 25/11/84



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contrary to you we face a severe balance-of-payment deficit.

2. Even with our present economic difficulties we maintain a credible and consistent defense effort. You are aware of our recent decision with regard to buying the F-16 fighter plane. We trust that the cooperation foreseen in that respect will be fulfilled in a mutually satisfactory way.

Let me mention here that Denmark since the Second World War has had an excellent bilateral cooperation with the United States in Greenland, whose strategic importance is evident. The coming years may bring important changes to this part of Denmark. These developments will not in my view disturb U.S.-Danish cooperation in Greenland.

REJSEN TIL LATINAMERIKA. (Visit to South America)

Mr. President, you know of course that I come here after an official visit to Venezuela and Mexico. I took the opportunity to go to those two countries because I felt that we knew too little about them. Venezuela and Mexico seem to become more and more important as representatives of the Third World.

The main theme in my discussions in both countries was the idea of the so-called "new economic world order".

The strive for social justice and equality which is the declared policy of my country makes it easier for us to understand

the aspirations of the Third World.

We cannot deny that there is an unfair distribution of material goods in the world. I believe, therefore, that it is necessary for us all; for our survival; for our own moral conscience to try to meet the Third World. Therefore, I think that we must try to have a constructive dialogue with the Third World on these problems. We are, therefore, also pleased with the constructive American approach during the 7th Special Session of the United Nations Special Assembly.

I have tried to say all this to the Presidents of Venezuela and Mexico. I have also tried to tell them that there must be reservations on our side with regard to their concept of a new economic world order. It also involves our own survival in the process of redistribution of wealth.

This, basically, was the message I tried to pass on to my Latin American friends. Did I come through?

I cannot know, fundamentally, but I have said this. I have met a sympathetic response. I have some reason to hope that this visit has been a constructive contribution.

DET ØKONOMISKE TOPMØDE. (The Economic Summit)

I understand that you, Secretary Kissinger and Secretary Simon will be leaving tonight for the Economic Summit in France.

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When the proposal of a Summit Meeting of five important countries concerning monetary problems was put forward, Denmark supported it. We felt that the monetary disorder, which has reigned during the last three years, had to be brought to an end as soon as possible.

We realize that a precondition for arriving at that goal is that a fundamental agreement exists between the most important economic centers of the industrialized world.

However, the scope of topics for the discussions have been widened to cover a very large field.

We do realize that all these problems are more or less interrelated. But I think that on several of these issues progress is being made in the proper fora set up for negotiations of these issues. In our opinion they should be negotiated further within the relevant international organizations before being taken up separately at summit meetings.

However, as long as such a meeting is kept at a purely exploratory level, we do think that it could be of substantial value to further a better understanding of the threat with which the world is confronted in the economic field.

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In my view it is highly important that the Summit leads to increased confidence in the Western World's ability to cope with the present tremendous economic problems.

It is of equal importance that the countries in a comfortable balance-of-payments position realize the responsibility they carry for renewed economic growth. The United States and the Federal Republic of Germany must take the lead in the upswing. An economic crisis as we have now, could - if it was allowed to continue - have severe implications for the political stability in our part of the world, and could endanger the functioning of our democratic societies.

VALUTAPOLITIK. (International Monetary Policy)

In order to restore economic and monetary stability I feel it necessary that the world returns to a system of fixed but adjustable parities. It might be impossible to attain this goal in the very near future. In the meantime it is important to seek arrangements which could stabilize the rate of exchange between the dollar and the European "snake" currencies.

DEN AMERIKANSKE PROTEKTIONISME. (The American Protectionism)

Denmark is much concerned with what looks like a protectionistic trend in American business reflected in the growing number of petitions for anti-dumping or countervailing duties and other protective measures. Similar problems

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exist in Europe. We must, each of us, resist such a tendency. If not, we could set in motion a chain reaction. Of particular interest for Denmark's export to the U.S. is canned ham, which constitutes almost one third of our exports to this country (150 million dollars).

We certainly hope that your Administration will maintain the liberal policy, which under U.S. leadership has so clearly developed after the Second World War, and which has contributed so much to overall economic growth.

LANGSIGTET ENERGISAMARBEJDE. (Long-Term Energy Cooperation)

Finally, if they want to maintain economic stability - once reestablished - industrialized countries must make themselves less dependent on the arbitrary price policy of the OPEC countries. They must cooperate closely in order to reduce their dependence on imported oil.

Also in this respect the policies of the U.S. are crucial.

It is my hope that the U.S. will participate fully in such long term energy cooperation by taking sufficient measures to limit home consumption of oil and by ensuring that a free market for energy products be established, comprising all IEA countries.

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MELLEMOESTEN. (The Middle East)

Denmark has followed the American policy vis a vis the countries in the Middle East with the greatest interest and admiration. The tireless efforts by you and dr. Kissinger, which recently led to the second Interim Agreement between Israel and Egypt, were, as you may know, greeted in my country with relief and hope.

We are fully aware that a just and lasting overall peace settlement in the Middle East is urgently needed. An overall settlement is of great political and economic, as well as moral importance to all of us.

It is my hope that recent discussions between you and President Sadat have contributed to fortify your joint peace efforts and thereby to leading to constructive negotiations between Syria, the Palestinian people and Israel. The reconvening of the Geneva Conference or the holding of an informal multi-lateral meeting, as suggested by dr. Kissinger in the United Nations, are of course interesting possibilities.

It is my hope that Europe at some future stage may be able to contribute to consolidate peace in the Middle East. For our part we are certainly prepared to do so and would like to hear any suggestions you might have to that effect. In this respect I may mention that I will pay an official visit

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to Egypt in January 1976.

Let me finally in this context say, that we deplore the adoption of the resolution in the United Nations on zionism. I think, however, that one should not overestimate the importance hereof as far as the future of the United Nations is concerned.

ØST-VEST RELATIONER. (East-West Relations)

In East-West relations the task before all of us is, so to speak, to implement the CSCE agreement. You spoke to that point with great strength in Helsinki.

Furthermore, the primarily political decisions made at the CSCE must now be followed by some progress in the military field. Here we are looking to the MBFR talks. Could you tell me what the American Government expects in that important field?

These are areas where we all have a role to play. As far as the CSCE was concerned, Denmark very actively participated in its preparation, especially in regard to the so-called "third basket", which as you may know deals with human rights. We now take an equally active interest in the follow-up of the CSCE, both within the EC and NATO.

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I do not want at this occasion to go into the very complicated questions of the SALT talks. I will, however, in this connection like to ask you whether you still expect Secretary General Brezhnev to pay an official visit to the U.S. in the near future.

China is, of course, also of tremendous importance as an emerging world power. We highly appreciated the steps taken by president Nixon's Administration to establish political contacts between the U.S. and China. We find, therefore, also your planned visit to Peking very important and hope that it will contribute to improving relations between your two countries.

(Denmark's contribution to the U.S. Bicentennial)
DANMARKS BIDRAG TIL USA'S 200 ÅRS JUBILEUM.

Let me finally say, Mr. President, that Denmark was glad to accept the invitation to participate in the United States' 200 years celebrations in 1976.

A Danish National Committee for the U.S. Bicentennial was established by the Government under the chairmanship of the President of the Danish Parliament and with broad participation from various ministries, organizations and from the private sector.

The National Committee has now prepared, what I think is a fitting program. It will not only remind us of the past and contribute to the festivities of the Bicentennial year,

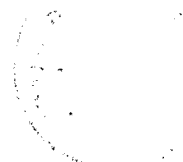
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but hopefully also point to the future in a meaningful way.

On July the Fourth, the American Independence Day will be celebrated not only in the Rebild Hills in Denmark, as it has been every year since 1912, but also by Americans of Danish descent in the States of New York, Illinois, and California.

Her Majesty the Queen and her husband Prince Henrik will pay a visit to the U.S. in May of 1976, during which she will preside a performance in Washington, D.C., and in New York by the Royal Danish Ballet. They will also visit other important parts of the United States of America.

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✓ Pree / PM Jorgensen of Denmark 2
10:15 - 11:15 am, Thurs, 11/13/75

(Pass in) [Jorgensen's remarks attached
- from Sonnenfeldt]
Small talk w/ Helmer Thorsen & about PAA

Trip to Mexico
(Pass out)

P It is delightful to have you here to discuss
a important issue. As I said in Brussels
I don't know of any bilateral pacts bet us.

J That is correct, but there are some bilateral.

P would you like to go ahead?

J I think it is very good that we have these
steps to change course.

Today I would like to talk mostly on Econ. We
have made decisions in Denmark that we
want to stimulate demand. We have
brought inflation under control. We have
agreement that both parties on a labor market.
But we still have unemployment & our goals
are not met.

P That is similar to our set. We have a
inflation to 6% & trying to get long term
invest. what.

J As I told you in Brussels, w/ lot of F-16

P are pretty open that. I am not a way &
I think that is good for NATO.

J I think since a pact that should lead to
compensation. You know what I mean?
J. Discussion of US base in Greenland.
I raised it but he said with or no
change).

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E.O. 12958, SEC. 3.5

NSC MEMO, 11/24/98, STATE DEPT. GUIDELINES, State Review 3/11/04
BY , NARA, DATE 6/4/04

I have visited Venezuela & Mexico, they are important in L.A. & in 3rd world. First time Dame PM had been.

We in Denmark strive for social justice & equality & in industrial countries of 3rd world. We can't tolerate a maldistribution which exists & feel there should be a better distribution. We agree a constructive approach in UN Spec Dev.

P R spread reflects both ways that are time to meet each other on case by case basis & not export across a board. We think that a constructive approach

J E youth. I told E-h. we had reservation about N.E. Order. I also told Perry it was ok for our to go on, but it should be slow. I think I got a symp. reaction.

P I glad to hear that. I think 10% increase rather than 20% was a right decision, but for a problem. I wish a 10% rate had been being uniformly applied.

J Yes. It hurts not only us but 3rd world

P Esp. those of a energy resources.

J You going to even remain. ~~As~~ Working policy may come up. We suggest that 5-6 countries get together to talk about it. We have had disaster for a long time.

P I glad to hear that.

J Best we want to be informed. We don't

would your observations if we know what happens.

P We were invited by some of your friends in Ecu + we glad to do so. It will help

J We hope it will lead to more cooperation. It is important to our democracy.

P We can't tolerate any unemployment level + I gather yours is higher than you want. But unemployment is going down gradually.

J You + Germany have a special asp. We all have to be more. I looking forward to a summit meeting.

P May I convey this to a store?

J Yes. On monetary side, I think fixed rates of exchange prices is best but don't know how to do it. I think a more fixed rate per dollar would aid stability.

Denmark is very concerned by what looks like protectionism. We have some in Ecu - but I think we should resist it. I think K said that.

P When we in Ecu def. there is strong pressure to move to protectionism, but we will resist it + use many engines, a pressure will distribute from bond by statute, but a strict study dropped by action. We have to stay our law, but we see a danger of down response.

J I agree that. I would include a requirement to Denmark of X & US. E.g. requirement is

how is very important - 1/2 of our US X.

P I that you might bring it up, I checked & confidentially I anticipate a favorable ruling. I think you will be pleased w/ the results.

J I don't say anything but I greatly encouraged. On energy, I hope US will participate in long range energy coop. We sit go into details, but hope you will continue.

P We are in a program & intend to continue. I will be seeing a energy Dept report after this - ~~to~~ I can see whether it is acceptable. If a bill is acceptable, it will be of assets & free world.

J It is important to Denmark because we are energy poor.

Another question is ME. We very much appreciate Sinai Agreement & hope very much it will gain a right direction. I understood you had constructive talks w/ Salaf & hope you can get constructive actions w/ Syria & Pales.

P We cannot let things stagnate, but we must move w/ deliberate speed. We hope Syria renew UN Doc - otherwise would be very serious.

J Any idea how we can help, just let us know when you find out.

P That's my intent. We need all help we can get.

J I don't see Salaf in Jan. I want to get your evaluation as I just have.

We are upset w/ a 2 course resolution
we don't like it but we should not over-
estimate a course.

P We very upset but it shouldn't affect
our UN relations. But a one-sided view on
issue like this, a ^{UN} nation should reflect a
potential course.

J You speak in ~~English~~ ^{Japanese}. It's a good speech.
I say so again, cause I think it important
that you + I discuss that thing. I think it
important that we follow CSCE/arms
reduction in NATO. Where are we?

P CSCE are waiting for NATO recommendation on
Option III. We think this a step forward &
might bring perhaps a Sov. response. But we have
to get it through Nato + any help you can give
would help.

J We might have some influence - we
have to try to go down in total expenditures
but have to be careful not to do it.

P Buy some more.

J Another item to China.

P We announcing my trip today - 4 days in
China + then to Indo. & Phil.

J Japan?

P We don't know last year

J or will they come.

P There has been some slippage in Salt a there
will not be done delay.

J We're happy & participate in your bicentennial
we've been funded a center & we think we
will have a good program for you.

P I thank you very much.

J In this connection, a Prince & a Princess
will come to the center & a Danish Royal Ballet
will come at a certain time.

P I hope they will perform around the country,
not just Wash. & N.Y. It's good to know

that they will be coming. I understand
we're working on dates.

Sorry to lose Bartels but looking forward to