MEMORANDUM

THE WHITE HOUSE
WASHINGTON

MEMORANDUM OF CONVERSATION

PARTICIPANTS: President Gerald R. Ford
Y. B. Chavan, Minister of External Affairs
of India
Dr. Henry A. Kissinger, Secretary of State
and Assistant to the President for
National Security Affairs
T. N. Kaul, Indian Ambassador to the U. S.
William Saxbe, U. S. Ambassador to India
Lt. General Brent Scowcroft, Deputy Assistant
to the President for National Security Affairs

DATE AND TIME: Monday, October 6, 1975
4:06 - 4:42 p.m.

PLACE: The Oval Office
The White House

[The press entered briefly for photos.]

Chavan: May I convey the greetings of the Prime Minister and her thanks
for your making time for me.

The President: Thank you very much. I reciprocate. I have never had
a chance to meet the Prime Minister. I hope to be able to.

Chavan: We hope you can visit us.

The President: I plan to and hope to, but my schedule is very difficult
right now. I hope to be able to visit as soon as possible.

[Dr. Kissinger arrives.]

The President: I was just telling the Foreign Minister that I hoped to visit
India but that we had a number of problems with the scheduling.
I was in India once before. I took an elephant trip to Jaipur. We stopped at the Taj Mahal on the way to Delhi in the moonlight. It was magnificent.

Chavan: I had a useful discussion with the Secretary this morning. We discussed the Joint Commission, which I think will be a very useful device for coordinating matters.

The President: Where do you meet?

Chavan: The first meeting was held in India, the second today is here.

Kissinger: The Commission has three subcommittees which also meet regularly -- on education, on scientific and technical cooperation, and on economic matters.

The President: We are very interested in the economic development of your country, and I hope the Commission will contribute to that.

I have run into a number of Indian scientists in this country who are very impressive.

Kissinger: India is in a crucial position. As a leader of the non-aligned, she can exercise a moderating influence in that group.

The President: I note that India was on the moderate side on the issues of Israeli expulsion and on Puerto Rico.

Chavan: We always try to take moderate positions so that developing countries can retain their sobriety. We are the largest of the non-aligned, and that makes our problems more complex.

The President: What will be the impact of an OPEC price rise?

Chavan: It certainly will have an impact, both directly and through its impact on fertilizer prices.

The President: Do you have any offsetting rise in your export prices?

Chavan: Only in sugar, which is a minor item.

May I mention one point, which was misrepresented in the media?
The present situation in our country has been developing over the past two years. The minority was trying to make governing more impossible. For example, the opposition in the state governments was forcing people of my party to resign under threat of violence. They threatened to organize a transport strike, which would have shut down industry. They finally decided to decide the issue with violence in the streets to force the Prime Minister to resign.

The Prime Minister wanted cooperation from the opposition to face economic problems, like the 20 percent inflation we suffer from. As a matter of fact, our rate of inflation right now is zero, so she has been acting.

What she had to do was painful, but it was constitutional. It has turned out that the people wanted it and wondered why it wasn't done before. They welcomed it. Strikes are gone, industrial production is up, and we are prospering. Of course, some political figures had to be detained, but very few of them. Only those who were inciting to violence, and so forth.

The President: I am sure you understand that the people in my country judge standards of democracy by their own experience. So we have to judge by one's standards. We have had mobs in the streets, too. If your constitution permits such actions, we can understand. I was saddened by the riots we had a few years ago. I meant no disrespect by my words but I was commenting on the basis of the standards in our country.

I hope your Prime Minister understands that we judge by our traditions. I hope it will not affect our good relations in any way. We look forward to working with you in the Joint Commission and as a leader of the non-aligned.

Chavan: There were many misconceptions and harsh words, and my Prime Minister just wanted me to explain the actual situation.

The President: I thought the UN Special Session went very well and laid the foundation for a good general session.

Chavan: Yes. The proposals of the Special Session must now be followed up.

Kaul: The Secretary made a very progressive speech.
Kissinger: That was possible because the President ruled positively in a number of areas.