

Conversation No 303-009

Date October 26, 1971

Time: 2:49 - 5:55 p.m.

Location: Executive Office Building

Participants: Nixon and Connally

Nixon's anger at nations that expropriated U.S. businesses often boiled over. "I think we have got to start putting the screws on those damn things," he exclaimed to John Connally during a meeting at his hideaway office in the Executive Office Building. Nixon was tired of working with multinational organizations such as United Nations ("a total pain in the ass for us"). Despite the fact that the United States effectively bankrolled the U.N., Nixon contended, it never received any credit from nations that received international aid. Rather, these nations expressed their gratitude by, for example, defying the United States and expelling Taiwan from the United Nations.¹

By then, Nixon had clearly warmed to Connally's advice to restructure U.S. relations on a bilateral basis: "The United States has got to look after its own interests on a country-by-country basis. The time of a great United States multilateral interest...we aid without conditions and all that; that's gone. That is utterly gone." Nixon also expressed his support for an amendment proposed by Senator Russell Long (D-LA), which mandated that all U.S. aid to nations that expropriated American assets be cancelled (at the time, the Hickenlooper Amendment gave offending nations a six-month grace period to take "appropriate steps... to discharge its obligations under international law").²

Summarizing the foreign policy situation, Nixon emphasized the need to continue the policy of triangular diplomacy, and "to stand up in various parts of the world, and stand up very vigorously for its interests. And, whether it's with Chile on their expropriation, or whether it's a vote like this [on Taiwan's expulsion from the United Nations], where we ask a lot of these

keep us from getting kicked around, policies that will look after our selfish interests as against other countries.” Connally shared Nixon’s instincts regarding the political utility of a punitive program: “In a time of frustration and uncertainty and division within the country, you frequently, and more often than not, drive home a position and a feeling and a support—you arouse a support out of a negative position much quickly than you can out of an affirmative position.”

Ironically, Connally then advised Nixon to run on a platform of “change”: “No point in you trying to defend what all is happening. No point in trying to run on your record, so to speak. You got to run in terms of how you’re going to change things. You’re going to kick the hell out of the Chileans, or you’re going to, you’re going to denounce the U.N....” Connally advised that the President to find “some real enemies,” since, in the wake of détente and the opening to the People’s Republic of China, “Communism ought not to be your battle.”

[...]

[303-009_Clip1](#) (6.7m, 6:59)

Nixon: What we really get down to here in the business factor, a point where we’ve made a convert out of Rogers is this damn thing here. He said to me last night, or yesterday, we were—we were calling on all these countries. He met with 25 foreign ministers and heads-of-government at the U.N. over the past few weeks. He said he was now convinced that our plan, our program, of going forward with supporting multilateral financing agencies was not in the interest of the United States.

Connally: Yeah.

Nixon: He said, “We do not have any stroke with these people.” He said, “They don’t give us any credit when they get money from them.” And he says, “For example, the Chinese—the Communists, for example, and the goddamned French, who are working against us—they played off Mao Tse-tung; the French were lousy as hell—but they would come in with some pipsqueak, little, you know, a tinhorn program, and these countries would think they’d be getting something from them. And when they get it from the international organization, where we furnish half the money, they didn’t they were getting anything from us.” Now, this was Rogers talking. But, by God, I believe that, too. And I think we have got to start putting the screws on those damn things,

and cutting back so that we can do it. Another thing [unclear] [*the Latin monetary thing that*] may affect your own trip to the countries, I am utterly convinced that, that we—that first, as far as the United Nations is concerned, we are—I don't think it's ever been worth a damn.

Connally: Oh, I agree.

Nixon: I don't think it's worth a damn. I think that as we continue to—as you can, as you continue to admit these small countries, it becomes less and less an organization of any significance in the world. It's just a total pain in the ass for us. Second, it's going to get its budget cut, and I can tell you, I am not going to try to stop them. [*I'm fed up with them and now*] we're just gonna go through the goddamn motion. Understand? On that. But the third thing is that it brings us back to the point that the United States has got to look after its own interests on a country-by-country basis. The time of a great United States multilateral interest, we don't—we aid without conditions and all that; that's gone. That is utterly gone.

Connally: It oughta be gone.

Nixon: Now, another thing that came up—that came up. [Laughs] He'll tell you the same thing—Wally [Wallace F.] Bennett was in.³ He's a nice fellow.

Connally: He sure is.

Nixon: He's a real gentleman, he is a real gentleman. He came in, and he told me about—He said that one thing that [Senator Russell B.] Long wanted to put on this, on the tax bill, one thing that he was going to put in is, possibly the main point of this, is an amendment on expropriation.⁴ I said, "Well, that wouldn't bother me." And he said—and Wally said, "Well, the difficulty is," he said, "it would make it mandatory." And I said, "Well, maybe right now, that might not be too bad."⁵

Connally: Oh, sure.

Nixon: You know what I'm getting at?

³ Senator (R-UT), 1951-1974.

⁴ Senator (D-LA), 1948-1987.

⁵ Nixon may be referring to the so-called Gonzalez Amendment, which required that the U.S. delegation to any International Financial Institution vote against multilateral assistance to any nation that expropriated American assets. Nixon signed the bill into law on March 10, 1972. See: "Editorial Note," *FRUS: 1969-1976*, iv: Document 148, and Shultz to Nixon, "...Contributions to International Financial Institutions," *ibid*, Document 176.

Connally: Yeah—

Nixon: As you know, presently, it is not mandatory; the expropriation [unclear]. But, when we come down to it, it seems to me that we are at one of those rather critical points where, where, on the one side—Well, let's separate—let's sort out the problems. First, there is the much bigger game we've got to play. We've got to play the game with the Soviet, and the game with the Chinese, for reasons that those who favor our going don't really understand, and those who oppose it don't understand. We've got to play one, because it irritates the hell out of the other. And it allows us to open the game up with the Japanese, and open up the game with a helluva lot of other people. Now, we play that game, however, with no illusions; they're both our enemies, and they will continue to be. But that's the way that's going to be. Second, having moved that far, in other words, in terms of our relations with other countries in the world, the United States, now, has got to, has got to stand up in various parts of the world, and stand up very vigorously for its interests. And, whether it's with Chile on their expropriation, or whether it's a vote like this, where we ask a lot of these goddamn stinkin' Africans, whose—who we've given [unclear] to come with us. We've got to find ways where the United States can, frankly, throw its weight around in an effective way. Now, this, however, having stated that position, we've got to realize that you have the international clique—

Connally: That's right.

Nixon: —the press, and the rest, who are giving us hell now, because of the—They say, “Well, look, maybe's there's going to be a depression in Europe, and we will have caused it. And we ought to get busy and immediately work out this monetary situation and go back to something [unclear] where we take great responsibilities.” And we—our concern, always—Well, we tend to put the blame on the United States for everything that goes wrong everyplace in the world. [Sighs] Somewhere in between there, there's a—there may be nothing in between, but currently, there's got to be an answer. But I think—I think that, in the context of what we have to discuss now, that domestically the American people very much want the United States to stand up for its interests around the world. Second, the American people are fed to the teeth with international institutions, too; with multilateral organizations; political organizations like the U.N.; and multilateral—multilateral finance organizations. And third, the American people not only want us

to take, but follow policies that keep us from getting kicked around, policies that will look after our selfish interests as against other countries. All of them maintain—are looking after their selfish interests as against us.

[...]

[303-009_Clip2](#) (1.2m; 1:12)

Connally: But more than that, you're going to have to pick. In a time of frustration and uncertainty and division within the country, you frequently, [and] more often than not, drive home a position and a feeling and a support—you arouse a support out of a negative position much quickly than you can out of, out of an affirmative position.

Nixon: Um-hmm.

Connally: No point in you trying to defend what all is happening. No point in trying to run on your record, so to speak. You got to run in terms of how you're going to change things. You're going to kick the hell out of the Chileans, or you're going to denounce, uh, the U.N., or—You got to get you some real enemies, here.

Nixon: Haven't I?

Connally: China you can't have; Russia you can't have; 'cause they're not your enemies. Communism ought not to be your battle.

Nixon: Not at this point.

Connally: Not at this point. And that's going to be true for most of next year.

Nixon: Yeah, because, basically, that's something that we can, sort of, have going for us in a way, because it's so big that people understand it.

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