

INCOMING TELEGRAM *Department of State*

Jensen
Bundy 60

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43
Action
ARA

Control: 7018
Rec'd: April 8, 1964
7:37 p.m.

Info
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CAP
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USIA
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FROM: Kingston
ACTION: Secstate 332
DATE: April 8, 5 p.m.

GOJ will issue following release this evening to set line on Bustamante trip to US.

BEGIN QUOTE

(Unessential words omitted)

Prime Minister Bustamante, who has been resting on medical advice, following a strenuous programme of work has benefitted from rest period and will be proceeding to USA.

While in USA he will have medical examination of his eyes on advice of ophthalmologist. President of USA has offered to Sir Alexander facilities of Walter Reed Army Medical Center in Washington and has also offered to make available Presidential jet aircraft to transport Sir Alexander and his party directly from Kingston to Washington. Sir Alexander has accepted offers of US President and will leave on Monday 13th instant at 3 p.m.

Sir Alexander will be accompanied by Lady Bustamante, Shearer, Eldemire, Milner, Booth.

Senator Shearer has been named by Prime Minister as his special representative and will present him on a number of conferences in Washington.

Deputy Prime Minister and Minister of Finance Sangster will act as Prime Minister during absence of Sir Alexander.

END QUOTE

HC

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THE WHITE HOUSE
WASHINGTON

Pres. agreed to this 4/7/64 ✓
61
Jr

~~CONFIDENTIAL~~

April 7, 1964

MEMORANDUM FOR MR. VALENTI

SUBJECT: Prime Minister Bustamante - Travel to the U.S.

1. I refer to State's interest in getting a Presidential aircraft to transport an ailing Bustamante from Jamaica to Walter Reed Hospital. I understand that you will be receiving a memorandum from State, via General Clifton's office, this afternoon. I, for one, hope you approve State's request.

2. I also understand that there are two ways to transport Bustamante -- via Constellation for about \$5000, or via jet for about \$10,000. My own view is that if it is worth doing, it is worth doing with a little flourish; and I favor the jet. The amount of money involved seems relatively small and it is conceivable that first class, personal treatment of Bustamante will do almost as much for us, in national security terms, as the greater amounts of aid money which we are now putting into Jamaica. The Prime Minister feels very neglected by us and a good, personal message is an important part of our present effort to get souring U.S./Jamaican relations back on the track.

GC

Gordon Chase

cc: Mr. Bundy
Mr. Dungan

DECLASSIFIED

E.O. 13292, Sec. 3.4

By *rg/cbm*, NARA, Date *2-14-06*

~~CONFIDENTIAL~~

OUTGOING TELEGRAM Department of State

03552

INDICATE: COLLECT
 CHARGE TO

UNCLASSIFIED

59-52

Origin ACTION: AmEmbassy KINGSTON PRIORITY 252

ARA

Info:

SS

NSC

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Apr 7 5 27 PM '64

Following is text of letter to Ambassador Doherty from the President QUOTE The White House Washington April 6, 1964. Dear Mr. Ambassador. It is with regret that I accept your resignation as Ambassador Extraordinary and Plenipotentiary to Jamaica effective, as you request, on or about April 30, 1964. I want to express my sincere appreciation for the excellent manner in which you have carried out your mission. You have made a valuable contribution towards the strengthening of our relations with Jamaica. With warm personal regards and best wishes for the future. Sincerely yours, Lyndon B. Johnson END QUOTE.

RUSK

Drafted by:

ARA/CAR - J.R.Kanline, 4-7-64

Telegraphic transmission and

classification approved by: ARA/CAR - Mr. Lippincott

Clearances:

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DEPARTMENT OF STATE
WASHINGTON

APR 6 1964

Jamaica
Mr. Bundy
63
Chase
I agree with
Stat.
GC

~~CONFIDENTIAL~~

MEMORANDUM FOR GENERAL CLIFTON *46*

THE WHITE HOUSE

SUBJECT: Request for Aircraft to transport ailing Prime Minister Bustamante of Jamaica to the United States.

Arrangements have been made with the Department of the Army for admission of the eighty-year old Prime Minister, Sir Alexander Bustamante of Jamaica, to Walter Reed Hospital as soon as possible, on a no-cost-to-the-patient basis. The Prime Minister, suffering with eye cataracts and possible effects of cerebral arterial brain spasms, will require medical care, including a complete physical examination.

Ambassador Doherty has urged, for political and humanitarian reasons, that the Prime Minister be flown from Kingston, Jamaica to Andrews Air Force Base to eliminate physical inconvenience and to help rekindle the Prime Minister's latent affection for the United States. I strongly support the Ambassador's recommendation to provide air transport for Sir Alexander as one which will best serve the United States national interest and improve the existing and somewhat strained relationships between our two governments.

It is therefore requested that the Presidential plane be provided to airlift Prime Minister Bustamante to Washington as soon as possible.

13/
William J. Crockett

~~CONFIDENTIAL~~

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E.O. 13292, Sec. 3.4
By *scj/abm*, NARA, Date *2-14-06*

~~CONFIDENTIAL~~

April 6, 1964

J. ...
64

MEMORANDUM FOR MR. BUNDY

SUBJECT: Caribbean - Miscellaneous

1. Lard to Cuba -- Mr. Wallace, the broker who has submitted the application for an export license, told Jack Behrman that he had received a call from his Canadian contact who is now in Havana. The Cubans want lard badly, and Mr. Wallace wondered how his application was going. (Wallace told the Canadian that he had submitted an application.) Jack gave him the official line (i. e., "No action has been taken yet on the application, and it is not possible to say when action will be taken.")
2. Cuban Helicopter -- We have completed our examination of the Cuban helicopter. We have told the Cubans that we are willing to give it to them, if they return a light USAF training plane which a defector took to Cuba.
3. Cuba Quits IMF -- The Cubans have saved us the trouble of kicking them out of the IMF. They withdrew when it became clear that the IMF was about to act against Cuba.
4. Bustamante Visits to the US for Medical Treatment -- We are in the process of trying to set up first-class treatment for Bustamante. Ted Clifton is helping us get Bustamante a suite at Walter Reed. Also, State will be sending over a memorandum in the next day or two recommending the use of a Presidential jet to carry Bustamante to Washington. (Bustamante is physically not able to travel commercially.)

Gordon Chase

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E.O. 13292, Sec. 3.4
By *rg/cbm*, NARA, Date *2-14-06*

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65

THE WHITE HOUSE

WASHINGTON

LIMITED OFFICIAL USE

March 26, 1964

MEMORANDUM FOR THE RECORD

SUBJECT: Jamaica

1. A source of considerable irritation in U.S./Jamaican relations since 1962 has been the implementation of a \$3.7 million project loan to Jamaica for the construction of five water supply systems (a U.S. housing loan is a problem too - but that's another story). This loan was negotiated before Bustamante was Prime Minister.
2. The most recent and serious squabbling has been about the status of the National Water Authority (NWA) which is a central water authority, established under the terms of the loan, to produce and distribute the water. Bustamante has fought the NWA consistently because of domestic political reasons; he would prefer that "his boys", the parish councils, do the job since they are apparently a source of the Prime Minister's political strength. At times Bustamante has gone so far as to call for the complete elimination of the NWA and for the cancellation of the AID loan.
3. The attached cable, dated March 19, indicates that the matter has come to a head. It says that the GOJ wants the NWA to produce and sell water to the parish councils which, in turn, will distribute it. While this seems to represent a softening of Bustamante's position (probably because the bureaucracy wants the NWA), it does not meet our maximum position (NWA to produce and distribute water). Accordingly, in its cable, the Embassy recommends that we turn down the Bustamante proposal on the grounds that the parish councils can't do the job. While the Embassy does not say it in the cable, there are some in the Embassy who also feel that it will be a sign of weakness if we give in.
4. After the cable was sent and during the Chiefs of Mission conference, Kennedy Crockett talked the matter out with Ambassador Doherty and the AID Mission Director. In what amounts to a reversal of the Embassy position, they agreed that Ambassador Doherty should make one more pitch to Bustamante to bring him a little further towards our position on NWA. If this fails, we will work something out along the lines of Bustamante's proposal -- i.e. the NWA will produce and sell water to the parish councils which, in turn, will distribute the water.

LIMITED OFFICIAL USE

1964 MARCH 26 507

In making this decision, the following considerations seemed over-riding. First, we must strike a balance between (1) what is necessary to safeguard our expenditures and (2) how much we can reasonably involve ourselves in the domestic politics of a country. The money need not be wasted just because the parish councils are involved. Second, we must remember that our control over the NWA is limited in any event. Once the project is finished in 1966, Bustamante can eliminate it if he wants. Third, if we stick to a very tough position, there is a fair chance that Bustamante will cancel the loan. For our efforts, we will have lost \$500,000 already in the project and will have only produced much hard feelings.

5. Bustamante's illness and upcoming trip to the U.S. adds a new dimension. Ambassador Doherty will probably not discuss the NWA problem until after Bustamante has made his trip. Hopefully, Bustamante will be in a better frame of mind to talk after we doctor him up.

6. In my view, the water loan smacks slightly of the old Chaguaramas Base problem -- unnecessarily stringent aid procedures which tend to turn our aid program from a political asset into a political liability.

GC
Gordon Chase

**INCOMING
CABLEGRAM**

DEPARTMENT OF STATE

66

SECURITY CLASSIFICATION
LIMITED OFFICIAL USE

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AID-85
451 5
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16

FROM: Kingston
NO.: TOAID 213, March 19, 4 p.m.
PRIORITY
ATTENTION: LA/CD FOR H.T. VANCE

CONTROL: 14895
REC'D: March 19, 1964
8:19 p.m.

DISTRIBUTION

ACTION

LA
INFO.

WY
PC
DATA
GC
SAD
ENGR
HRSD
WASH
MC
CP

Subject: Scope and Functions NWA

Reference: AID loan 532-L-001

At request of Financial Secretary, USAID acting director and water engineers met with representatives of Ministry Finance and Ministry-Local Government and NWA to discuss changes in scope and functions of NWA. Financial Secretary informed group Cabinet had decided NWA will produce and sell water in bulk to parish councils. Parish councils will be responsible for distribution. Financial Secretary stated he requested informal meeting to determine attitude of AID to Cabinet decision. His interpretation of Cabinet decision was that parish council responsibility included operation of distribution systems, maintenance, extensions, steering, rate fixing and collections. Training, technical assistance and sharing of personnel might be provided to parish councils by NWA. Fixed decision of Cabinet is entirely political and not based on any feasibility study. Three alternatives stated: A) AID considers proposal not in conflict with loan agreement; B) AID not in favor of proposal but is willing to discuss changes; C) AID rejects proposal entirely as not in accord with loan agreement. Cabinet understands out-of-hand rejections by AID would result in default of loan agreement. If AID rejects proposal, Cabinet will be advised by Financial Secretary of consequences and will make final decision. No indication that Cabinet might consider reversing its position.

OTHER AGENCY

CWA
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/USAID

First delivery 3-20

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AID-5-10 (5-60)

NSC

EROX FROM QUICK COPY

ADVANCE COPY

PRINTED 7-2

0-5-8 MARCH 19 3-50

INCOMING TELEGRAM

DEPARTMENT OF STATE

SECURITY CLASSIFICATION
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-2- TOAID 213, March 19, 4 p.m., from Kingston

USAID does not favor acceptance of this proposal since parish councils are incapable of fulfilling functions assigned them by Cabinet decision. No commitment or opinions expressed by USAID other than to transmit information to AID/W with request for position soonest.

KLOSSON

DLW

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SECURITY CLASSIFICATION

✓
67
THE WHITE HOUSE
WASHINGTON

~~CONFIDENTIAL~~

March 26, 1964

MEMORANDUM FOR MR. BUNDY

SUBJECT: Jamaica - Bustamante's Desire for
Medical Treatment in the U. S.

1. Attached is a cable from Kingston which indicates that Bustamante wants to come to the U. S. for a physical examination and to receive expert advice regarding a cataract in one of his eyes.
2. We intend to push hard on this to insure that Bustamante gets immediate and first class attention. In my view, this non-substantive development might be turned into a real break for our side. We have already made considerable headway with the GOJ below the Bustamante level. Bustamante is our real stumbling block now. If we handle the medical request right, it might significantly affect favorably our efforts to get U. S. /Jamaican relations back on the track. Anyway, it's worth a try.

Good

GC
Gordon Chase

cc: Mr. Dungan

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E.O. 13292, Sec. 3.4
By *rg/dm* NARA, Date *2-14-06*

INCOMING TELEGRAM *Department of State*

67a

~~CONFIDENTIAL~~

48
Action
SS
Info

Control: 19435
Rec'd: March 25, 1964
4:26 p.m.

FROM: Kingston
ACTION: Secstate 315 Priority
DATE: March 25, 2 p.m.

026

LIMIT DISTRIBUTION

Medical adviser (Dr. McFarlane) to Prime Minister Bustamante called on me today at latter's confidential request.

Bustamante has been confined on doctors orders to his home since March 13 because of exhaustion from overwork. Physical examination reveals he has cataracts in both eyes. Cataract in left eye judged to be mature and although vision now poor nerves appear to be intact. Cataract in right eye less mature and vision now fair. McFarlane reported 80-year old Bustamante "physically remarkably fit."

PM sent McFarlane to ask our counsel about his travelling to US to have complete physical examination and receive best expert advice on (1) whether cataract in right eye should be removed, and (2) if so, when operation should take place.

PM concerned about security for himself and especially for Lady Bustamante during stay in US.

McFarlane thought PM would be fit to travel within two weeks.

Would appreciate immediate reply from Department (1) whether Bethesda or Walter Reed Hospitals willing accept Bustamante as paying patient for check-up and advice on operation; (2) names and addresses of three foremost civilian cataract specialists in US whom GOJ could approach directly if it wishes.

/I told

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Authority NLS OOR-58-3-6

By ARA Date 8-11-79

~~CONFIDENTIAL~~

-2- 315, March 25, 2 p.m., from Kingston

I told McFarlane that he could reassure PM that US would make appropriate security arrangements whether Bustamante went to government or private hospital.

GOJ has kept PM's condition secret. Local press has simply reported he confined to house with cold. Ambassador Ashenheim may be unaware PM's actual physical condition. McFarlane said PM concerned any publicity over his condition might produce unfavorable political repercussions.

KLOSSON

DLW

~~CONFIDENTIAL~~

INCOMING TELEGRAM *Department of State*

WH
Bundy

~~CONFIDENTIAL~~

M
Action

Control:
Rec'd:

19571
March 25, 1964
8:37 p.m.

67-8

SS

FROM: Kingston

Info

ACTION: SecState 317 Priority

003

DATE: March 25, 5 p.m.

EXDIS

Embassy telegram 315

McFarlane admitted that on weekend of March 14 Bustamente suffered small cerebral arterial spasm but there have been no demonstrable after effects. McFarlane preferred that this information not be transmitted to Washington at this time. Apparently, he wishes to take all possible precautions against any leak, which might produce exaggerated reports of PM's condition.

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LM

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Authority NLJ001R-58-3-7
By g ARA Date 8-11-88

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AIRGRAM

LAB 3-2 JAM

LAB-6

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A-262
NO.

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AIR PRIORITY
HANDLING INDICATOR

TO : Department of State 1964 MAR 26 PM 2 13 68

ATTN: Division of International Trade Union Organizations,
Bureau of International Labor Affairs,
U.S. Department of Labor

FROM : American Embassy, Kingston DATE: March 25, 1964

SUBJECT: Trade Unions in Western Hemisphere - Jamaica

REF : Department's A-37 of December 31, 1963

The information contained in the draft chapter of the Jamaica section of the proposed Western Hemisphere Trade Union Directory forwarded in the reference instruction is considerably out of date. Consequently, the Embassy is submitting a completely revised chapter (see enclosure one) instead of returning a corrected copy of the draft. Information has been obtained from both the Ministry of Labour and some of the unions. The principal changes which have occurred are as follows:

1. The Trades Union Congress has recently dis-affiliated from CLASC and IFCTU and is now affiliated with the National Workers' Union and is seeking affiliation with the ICFTU. The Embassy has been informed confidentially that the TUC's claimed and dues-paying membership are both inflated, and that in fact the TUC has a dues-paying membership of less than 1,000 members. Nevertheless, it is suggested that the claimed figures be used.

2. The Jamaican Federation of Trade Unions and the Sugar and Agricultural Workers' Union should no longer be listed. Ferdinand Smith, former president of the JFTU, is dead and Richard Hart, the former General Secretary, has moved to British Guiana. The Ministry of Labour has

Exempted from automatic decontrol

By William B. Grant
William B. Grant

- BUNDY/SMITH
- ALEXANDER
- BRUBACK
- CHASE
- DUNGAN
- FORRESTAL
- JESSUP
- JOHNSON
- KLEIN
- KOENIG
- SAUNDERS
- COL. W.W. SMITH

FORM DS-323

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In Out

Drafted by: POL:WBGrant:lmd 3-24-64

Contents and Classification Approved by: Charge d'Affaires, a.i.: BHKlosson BHK

Contributor: ECON:KBBuck

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Page 2
A-262
Kingston

informed the Embassy that the JFTU was never registered as a trade union, and that the SAWU was removed from the official register on March 11, 1963.

3. The list of major unions not affiliated with a national center has been completely revised. The Amalgamated Employees Trade Union of Gore Industries and the Cement Industry Workers' Union, listed on the Department's draft, have merged with the NWU, and the Gypsum Mining Workers' Union has merged with the BITU. The small Independent Port Workers Union, registered since 1949, has been added to the list.

4. Although details on the Jamaica Press Association are listed in the enclosure, this organization is essentially a professional group and has never registered under the Trade Union Law. The Embassy questions whether this association should be listed in the directory.

The Embassy suggests that both dues-paying and claimed membership figures be listed. As the Department is aware, both the NWU and BITU are affiliated with the two leading political parties. Therefore, claimed union membership frequently represents political sympathy only. However, both unions are sensitive on the subject of total membership, and might strongly resent any listing which referred only to dues-paying members.

Enclosure:
As stated.

FOR THE CHARGE D'AFFAIRES, A.I.:



William B. Grant
Second Secretary of Embassy

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UNCLASSIFIED

Enclosure 1
Page 1; A-262
Kingston

DIRECTORY OF LABOR ORGANIZATIONS

WESTERN HEMISPHERE

Chapter 25

JAMAICA

UNCLASSIFIED

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Enclosure 1
Page 2; A-262
Kingston

BUSTAMANTE INDUSTRIAL TRADE UNION (BITU)

Headquarters: 98 Duke Street Telephone: 22443-6
Kingston, Jamaica.

International Affiliation: None (see remarks)

Membership: Total - 100,459 (Dec 1963)
Dues-Paying - 65,172 (March 31, 1963)

Number of Affiliates: None

Officers:

President and General for Life:	Sir Alexander BUSTAMANTE
Vice President and Island Supervisor:	Senator Hugh L. SHEARER
General Secretary:	Miss Edith NELSON
Assistant General Secretary:	Vacant
Treasurer:	Lady BUSTAMANTE
Assistant Island Supervisors:	Dudley MCKINLEY Senator Joseph MacPHERSON T.M. FORREST

Publications: Labour Day Annual
The Voice (published jointly with the Jamaica Labor Party; appears weekly)

Editor: Senator Joseph MacPHERSON

Remarks: Formed 1938. Application for affiliation with ICFTU pending.

UNCLASSIFIED

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Enclosure 1
Page 3; A-262
Kingston

NATIONAL WORKERS' UNION (NWU)

Headquarters: 130-132 East Street Telephone:
Kingston, Jamaica 26641-2-3

International Affiliation: ICFTU/ORIT/CCL

Membership: Total - 128,831 (October 31, 1963)
Dues-Paying - 51,297 (October 31, 1963)

Number of Affiliates: Four

Officers:

President:	Thossy A. KELLY
First Vice President and All-Island Supervisor:	Senator Michael MANLEY
Second Vice President:	H.O. THOMPSON
Third Vice President:	Lester MCKENZIE
General Secretary:	George T. SKINNER
Assistant General Secretary:	Vincent Bancroft EDWARDS
Honorary Financial Secretary:	M. BARRANT
Senior Organizers:	Irvin Monsel JONES Audley GAYLE I.N. HIBBERT

Remarks: Formed 1952. Admitted to ICFTU 1952.
Affiliated with the ITS--International
Federation of Plantation, Agricul-
tural and Allied Workers, and with
ITS--Postal, Telegraph, and Telephone
International. Affiliated with the
Caribbean Bauxite Mine Workers'
Federation (CBMWF).

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Enclosure 1
Page 4; A-262
Kingston

MAJOR NWU AFFILIATES

Trades Union Congress

Address: 3 South Camp Road Telephone:
Kingston, Jamaica 81338

Membership: Total - 9,258 (claimed)
Dues-Paying - 2,805 (claimed)

Officers: Michael MANLEY (President)
Arthur HENRY (First Vice President)
Martin ALLEN (Second Vice President)
Hopeton CAVEN (General Secretary)
George SKINNER (Financial Secretary)

Number of Affiliates: None

International Affiliation: None

Remarks: Originally registered 1949;
admitted to CISC 1955; Annual
Meeting of TUC on March 1, 1964
ratified agreement to affiliate
with the NWU and the People's
National Party; the TUC executive
was directed to seek affiliation
with the Caribbean Congress of
Labor and the ICFTU.

Machado Employees' Union

Address: 130-132 East Street
Kingston, Jamaica

Membership: 230 (1963)

Officers: Michael MANLEY (President)
George ANDERSON (First Vice Pres.)
Vincent Bancroft EDWARDS (General
Secretary)
L. MAGNUS (Treasurer)

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MAJOR NWU AFFILIATES (Cont'd)

Enclosure 1
Page 5; A-262
Kingston

United Port Workers and Seamen's Union

Address: 20 West Street, Telephone:
Kingston, Jamaica. 26094

Membership: Total - 503
Dues-Paying - 308

Officers: Walter AQUART (Chairman)
Ivan NAULTY (Vice Chairman)
Gerald EDWARDS (General Secretary)
L.T. SHURINE (Asst. Secretary)
S. BROWN (Treasurer)

Remarks: Formed 1960 by merger of the
United Port Workers' Union and
the Seamen's Association. Affi-
liated with the ITS-International
Transport Workers' Federation.

Jamaica Clerical Workers'
Association

Address: 56½ Duke Street,
Kingston, Jamaica.

Membership: 93 (1961 - later figures unavailable)

Officers: Michael MANLEY (President)
A. GAYLE (General Secretary)

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MAJOR UNIONS NOT AFFILIATED WITH A NATIONAL CENTER

Jamaica Federation of Musicians

Address: 38 Smith Lane,
Kingston, Jamaica.

International Affiliation: American Federation of
Entertainers' Unions

Membership: 521 (1963)

Officers: S. BRADSHAW (President)
Byron LEE (First Vice President)
Dennis SINDRUY (Second Vice Pres.)
Ossie DaCOSTA (General Secretary)
Tony WILSON (Asst. Secretary)
Cliff BECKFORD (Treasurer)

Water Commission and Allied
Workers' Union

Address: 88 Church Street,
Kingston, Jamaica.

Membership: 615 (1963)

Officers: Isaiah STEWART (President)
W. GRIER (First Vice President)
H. BARRETT (Second Vice President)
Vincent Bancroft EDWARDS (Secretary)
C. GREGORY (Asst. Secretary)
A. YOUNG (Treasurer)

The Independent Port Workers
Union

Address: 71 North Street,
Kingston, Jamaica.

Membership: 47 (June, 1963)

Officers: R. BOWEN (President)
H. CLARKE (Vice President)
F. GARRIER (Secretary)
W.G. THARPE (Treasurer)

UNCLASSIFIED

Enclosure 1
Page 7; A-262
Kingston

MAJOR UNIONS NOT AFFILIATED WITH A NATIONAL CENTER (Cont'd)

Jamaica Press Association

Address:

c/o The Gleaner Co., Ltd.
148-156 Harbour Street,
Kingston, Jamaica. Tel: 24631

Membership:

Not available.

Officers:

T.E. SEALY (President)
Clifton NEITA (First Vice President)
Victor BAILEY (Second Vice President)
Ken CHAPLAIN (Secretary)
Mrs. L. BENJAMIN-BARCOE (Asst. Sec.)
Miss Hope SEALY (Treasurer)

Remarks:

Affiliated with the Inter-
American Federation of Working
Newspapermen's Organizations
(IAFWNO)

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OUTGOING TELEGRAM Department of State

INDICATE: COLLECT
 CHARGE TO

~~CONFIDENTIAL~~

Jamaica 69

50-52

Origin ACTION: AmEmbassy KINGSTON 248

Mar 26 5 34 PM '64

ARA
Info:

SS
G

Your 315.

PR
INR

Coast clear for Bustamante admittance to Walter Reed subject to at least one week's notice before arrival here.

CIA
NSA

OSD

~~Department of State is providing for the hospitalization of the subject at~~
~~XXXXXX~~ Hospitalization will be provided by US Government expense.

ARMY
SY

MED

Names and addresses foremost cataract specialists GOJ may wish approach directly on own initiative: Doctors Leopold, Spaeth and Fry of Wills Eye Hospital, Philadelphia (Telephone IO. 7-3850) and Doctors Wolff, MacLean, and Chief of Staff Doctor Maumenee of Wilmer Eye Institute, Johns Hopkins University Hospital (Telephone GR. 5-5500 Extension 406).

NSC

Can make appropriate security arrangements for Prime Minister as Head of Government but cannot be responsible for Lady Bustamante except as she may benefit from protective measures with regard Prime Minister.

GP-4.

RUSK

DECLASSIFIED
E.O. 13292, Sec. 3.4
By *kg/bm*, NARA, Date *2-14-06*

Drafted by:

ARA/CAR:J John R. Kanline 3-25 Kennedy M. Crockett

Clearence:

SY-PRS - Mr. de Courcy (in substance) Info cc, PERS/MED
ISA/DOD - Miss S.R. Buckley (in substance)
Walter Reed Hospital - Col. Claude (in substance)

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INCOMING TELEGRAM *Department of State*

WH 70
J. March

~~CONFIDENTIAL~~

M
Action
SS
Info

Control: 19571
Rec'd: March 25, 1964
8:37 p.m.

FROM: Kingston

ACTION: SecState 317 Priority

002

DATE: March 25, 5 p.m.

EXDIS

Embassy telegram 315

McFarlane admitted that on weekend of March 14 Bustamente suffered small cerebral arterial spasm but there have been no demonstrable after effects. McFarlane preferred that this information not be transmitted to Washington at this time. Apparently, he wishes to take all possible precautions against any leak, which might produce exaggerated reports of PM's condition.

DOHERTY

LM

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Authority NLT001R-58-3-7
By W *ARA Date 8-11-14

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INCOMING TELEGRAM *Department of State*

71

Jamaica

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48
Action
SS
Info

Control: 19435
Rec'd: March 25, 1964
4:26 p.m.

FROM: Kingston
ACTION: Secstate 315 Priority
DATE: March 25, 2 p.m.

026

LIMIT DISTRIBUTION

Medical adviser (Dr. McFarlane) to Prime Minister Bustamante called on me today at latter's confidential request.

Bustamante has been confined on doctors orders to his home since March 13 because of exhaustion from overwork. Physical examination reveals he has cataracts in both eyes. Cataract in left eye judged to be mature and although vision now poor nerves appear to be intact. Cataract in right eye less mature and vision now fair. McFarlane reported 80-year old Bustamante "physically remarkably fit."

PM sent McFarlane to ask our counsel about his travelling to US to have complete physical examination and receive best expert advice on (1) whether cataract in right eye should be removed, and (2) if so, when operation should take place.

PM concerned about security for himself and especially for Lady Bustamante during stay in US.

McFarlane thought PM would be fit to travel within two weeks.

Would appreciate immediate reply from Department (1) whether Bethesda or Walter Reed Hospitals willing accept Bustamante as paying patient for check-up and advice on operation; (2) names and addresses of three foremost civilian cataract specialists in US whom GOJ could approach directly if it wishes.

/I told

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DECLASSIFIED

Authority NLS 001R-58-3-6

By Mj ARA Date 8-1-14

~~CONFIDENTIAL~~

-2- 315, March 25, 2 p.m., from Kingston

I told McFarlane that he could reassure PM that US would make appropriate security arrangements whether Bustamante went to government or private hospital.

GOJ has kept PM's condition secret. Local press has simply reported he confined to house with cold. Ambassador Ashenheim may be unaware PM's actual physical condition. McFarlane said PM concerned any publicity over his condition might produce unfavorable political repercussions.

KLOSSON

DLW

~~CONFIDENTIAL~~

INCOMING TELEGRAM *Department of Sta.*

James

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UNCLAS PRIORITY, 313 FROM KINGSTON TWENTYFOURTH

REF: DEPCIRTEL 1750, 1753

NO OFFICIAL, PRESS, OR RADIO REACTION TO PRESIDENT'S MARCH 21
STATEMENT. BRIEF REUTERS SUMMARY BURIED INSIDE MARCH 24
DAILY GLEANER. KLOSSON

BT
CFN 313 1750 1753 21 24

- ~~— BUNDY-SMITH~~
- ~~— ALEXANDER~~
- ~~— BELK~~
- ~~— BRUBECK~~
- ~~— CHASE~~ ✓
- ~~— DINGEMAN~~
- ~~— DUNCAN~~
- ~~— FORRESTAL~~
- ~~— JESSUP~~
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- ~~— KLEIN~~
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- ~~— SAUNDERS~~
- ~~— SMITH, WM. Y~~

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INCOMING TELEGRAM Department of State

- > Mr. Bundy
Gonzalez 73

44

~~CONFIDENTIAL~~

Action

Control: 8266

Rec'd: March 11, 1964

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FROM: Kingston
ACTION: Secstate 306
INFO: Port of Spain Unnumbered
DATE: March 11, 1 p.m. (SECTION I OF II)
Political -- Economic Assessment -- Jamaica
CERP Section C.

4:49 p.m.
~~ALEXANDER~~
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~~SMITH, WM Y~~

1. Jamaica at present appears to have little prospect of developing its economy fast enough to cope with its rapidly expanding population and unemployment.

Economic growth has leveled off markedly since 1960. During 1953-60 economy boomed at annual average 7 percent growth rate because of bauxite/alumina, construction, tourism, and light manufacturing. By 1961 these propellant sectors lost momentum; real growth fell to 2.5 percent. In 1962 and most of 1963 little real progress. Toward end of 1963 economic activity showed pickup as result extraordinarily high sugar prices, government public works spending, and slight recovery in construction reflecting some return of investor confidence. Outlook for 1964 relatively favorable. In longer run, however, probable growth unlikely exceed 4 percent. But even such rate will probably result little increase in employment. Present unemployment variously estimated 18-25 percent. Each year at least 20,000 young people seeking jobs. Half of population now under 21. Annual rate of natural increase 3.2 percent.

Most of Jamaica's economic weaknesses typical of developing countries such as shortages in entrepreneurs and skilled labor, dependence on a narrow range of primary commodity exports, limited natural resources. Most serious limiting factor is

(1) tiny domestic

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E.O. 13292, Sec. 3.4

By 14/bm, NARA, Date 2-14-06

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~~CONFIDENTIAL~~

-2- 306, March 11, 1 p.m. (SECTION I OF II) from Kingston

(1) tiny domestic market (1.7 million persons, vast majority without significant purchasing power) and (2) cultural attitudes, such as indolence, which, though they vary among social classes, are not particularly conducive to economic development.

2. Certain factors tend towards stability and diffusion of discontent. Jamaica has little tradition of organized violence. Periodic waves of emigration and withdrawal of several thousands of poorest Jamaicans into unreal world of back-to-Africa Rastafarian cult indicate that many prefer escape from island's problems. Additionally, domination of political scene by two fundamentally moderate parties, insignificant effect of third parties, generally apolitical character of university students, and, unlike British Guiana, absence of serious racial conflicts also make for stability. Further, facts of loose family ties with matriarchal orientation, traditional poverty, vast underemployment, tropical island environment, and general distaste for physical labor tend permit greater amount unemployment than would be tolerable in more advanced countries. Danger of these factors is they create complacency. Unless present and succeeding governments make determined attack on unemployment/population problem, political extremism of either right or left will probably increase and will seriously jeopardize Jamaica's present democratic institutions.

3. Main political drawback at present is inability of GOJ provide effective leadership towards tackling crucial economic task.

In large part, inability arises out of fact that both political parties use up too much of their energy in partisan issues. Admittedly, in country which adheres to democratic institutions through an almost evenly matched two-party system and embracing extreme differences of wealth and poverty and education, both parties feel compelled constantly to play politics if they are to maintain their existence against potential extremist tendencies. As result both parties extremely cautious in making any move which, although in national interest, might be unpopular and give advantage to opposition. Bi-partisan action is rare and appears only when

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-3- 306, March 11, 1 p.m. (SECTION I OF II) from Kingston

only when problem has reached easily discernable danger point.

Unfortunately, 80-year old Prime Minister seems be able to recognize only immediate potential political advantages or disadvantages of any given situation and makes decisions accordingly. His growing penchant for hasty and arbitrary action, and reluctance to delegate authority increasingly hamstringing GOJ action and adversely affect morale of senior civil servants and Ministers.

4. Implications for US policy.

Jamaica's open economy affected to large extent by economic conditions in US and by USG economic policies.

DOHERTY

HC

~~CONFIDENTIAL~~

INCOMING TELEGRAM *Department of State*

44

~~CONFIDENTIAL~~

Action

Control: 8245
Rec'd: March 11, 1964
4:03 p.m.

ARA

FROM: Kingston

Info

ACTION: Secstate 306

SS

INFO: Port of Spain Unnumbered

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DATE: March 11, 1 p.m. (SECTION II OF II)

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Boom of 1952-60 stemmed from large injections US private investment. US has become important buyer of Jamaica's sugar, practically sole buyer of their export garment industry, heaviest supporter of tourist industry, source of significant revenue to the GOJ from bauxite-barter program, provides 8 to 10 thousand jobs in migrant farm labor program.

In this whole nexus of economic relations, US object should continue to encourage further trade and investment and shape specific policy actions to avoid if possible any serious economic blows to Jamaica. In this regard, we feel US economic policy has worked out very well number of important problems: Sugar purchases, bilateral cotton textile agreement and citrus consultations.

Taking as granted our long range interest that Jamaica remains democratic and stable, we see need for positive effort on our part to help Jamaicans help themselves. Recognizing that any GOJ developmental planning and spending on projects is bound to be affected by considerations of politics, as well as by an honest lack of sound knowledge and experience by government officials, accustomed to turning to mother country, we believe that recent AID 4-point loan program can make significant contribution to building up economically sound and productive projects in both industry and agriculture. To extent we can move rapidly in implementing loans and holding GOJ to terms, we exert positive influence in persuading Jamaicans themselves to get moving.

Importance of

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-2- 306, March 11, 1 p.m. (SECTION II OF II) from Kingston

Importance of economic assistance and accelerated self-help will be affected by exploding population growth complicated by unstable family relations and resultant 72 percent illegitimacy rate. A large number of intelligent and influential Jamaicans fully aware of population problem, but GOJ unwilling to undertake any action and private efforts limited. Recognize difficulty and delicacy of any foreign action on this problem, but believe we should discreetly encourage Jamaicans to study issue and seek solutions.

In over-all relations, especially with regard to ageing Prime Minister, our task is to lend friendly but firm guiding hand. Jamaican expectations of every form of assistance from US have appeared completely unrealistic, partly because Jamaicans have illusions of American cornucopia and partly because their bargaining technique is to demand everything as matter of right in hope of obtaining bit more. Our approach, therefore, is to seek bring relations onto less emotional basis, despite inevitable friction, in order educate GOJ to expect that within framework of essentially favorable relations disagreements will arise which can be resolved only through patient negotiation.

DOHERTY

HC

~~CONFIDENTIAL~~

THE WHITE HOUSE
WASHINGTON

✓
75
✓

~~CONFIDENTIAL~~

March 10, 1964

MEMORANDUM FOR MR. BUNDY

SUBJECT: Aid to Jamaica

1. Attached is TOAID 206 which indicates that the Jamaicans are buying three-fourths of our aid package; rumor has it that they will also probably buy the balance. Apparently, Bustamante has acceded to the wishes of his Ministers and is not being difficult (e.g. coming back at us with a counter-proposal).
2. The Jamaican acceptance of our strings-attached aid program could eliminate the one real thorn in the side of U.S./Jamaican relations. If we play this game out correctly, U.S./Jamaican relations could stop deteriorating and start an up-turn.
3. As I see it now, we have two things to do. First, we must make sure that there is no fiddling around by AID loan officers, and that the program gets implemented expeditiously. I intend to watch this closely. Second, we should consider ways of educating and of applying a personal message on Bustamante sometime in the near future.

Good work

GC
Gordon Chase

cc: Mr. Dungan

DECLASSIFIED
E.O. 13292, Sec. 3.4
By *rg/cbm*, NARA, Date *2-14-06*

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INGOMING
CABLEGRAM

42

DEPARTMENT OF STATE

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~~CONFIDENTIAL~~ AGENCY FOR
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AID-85
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298

CONTROL: 6281
RECD: MARCH 9, 1964, 5:10 P.M. MAR 10 AM 7 52
FROM: KINGSTON
ACTION: DEPARTMENT TOAID 206 CABLE & AIRGRAM BRANCH
DATE: MARCH 9, 4 P.M.

DISTRIBUTION

ACTION

JOINT AID/STATE MESSAGE

WA

REFERENCE: EMBASSY TELEGRAM 284 AND 286

WC

USAID DIRECTOR TODAY RECEIVED BELOW QUOTED LETTER, DATED MARCH 6, 1964 FROM GOJ FINANCIAL SECRETARY:

DFPE

"I REFER TO DISCUSSIONS WE HAVE HAD WITH MR. MAYNE AND OTHERS ON THE POSSIBILITY OF OBTAINING FURTHER US AID IN FOUR BROAD FIELDS.

PCS

EXSEC

"THE MATTER HAS NOW BEEN DISCUSSED WITH THE GOVERNMENT AND, AS ARRANGED, WE WOULD BE GLAD IF YOU WOULD MAKE IT POSSIBLE TO ASSIST US IN FORMULATING THIS PROGRAMME IN MUCH GREATER DETAIL TO THE STAGE WHERE FORMAL APPLICATION COULD BE MADE TO YOUR GOVERNMENT FOR A LOAN.

GC

SRD

"THE GOVERNMENT CONSIDERS AS HIGHEST PRIORITY THE DAIRY INDUSTRY PROPOSALS, PROPOSALS FOR AN INDUSTRIAL DEVELOPMENT BANK AND THE ESTABLISHMENT OF A REVOLVING FUND TO FINANCE ECONOMIC AND ENGINEERING STUDIES. THE FOURTH MATTER DISCUSSED WITH YOU, NAMELY, THE CREATION OF A SECONDARY MORTGAGE HOUSING BANK IS STILL BEING DISCUSSED HERE.

OTHER AGENCY

"I SHALL BE GLAD TO KNOW WHETHER YOU WOULD WISH US TO PROVIDE ANY FURTHER INFORMATION IN SUPPORT OF THE REQUESTS WHICH I HAVE MADE ABOVE. SIGNED G.A. BROWN, FINANCIAL SECRETARY."

TREAS

COMMENT: OTHER THAN ROUTINE ACKNOWLEDGEMENT, PLAN NO RESPONSE TO GOJ UNTIL AFTER AMBASSADOR AND USAID DIRECTOR RETURN FROM CONFERENCES SCHEDULED WASHINGTON NEXT WEEK.

EXIM

CIA

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DOHERTY.

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SECURITY CLASSIFICATION
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AID-3-38 (9-63)

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E.O. 13292, Sec. 3.4
By lykton, NARA, Date 2-14-00

INCOMING TELEGRAM *Department of State*

Art
Jamaica

~~CONFIDENTIAL~~

76

43
Action
ARA

Control: 6362
Rec'd: March 9, 1964
8:13 P.M.

FROM: Kingston

Info

SS ACTION: Secstate 301 Priority

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DATE: March 9, 5 P.M.

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FOR CMA KENNEDY CROCKETT

E

AID

Short Range Problems

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1. Difficulty dealing with GOJ: Almost all power concentrated in PM who becoming increasingly senile, arbitrary and temperamental, and even trying blackmail tactics toward US. Problem dealing with PM affects virtually all issues. Best way handling PM is to be patient and firm, work closely with ministers and civil servants to extent possible.

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2. Aid: Unrealistic expectations of American Aid. US four-point Aid program aimed at assisting Jamaica in private sector which neglected five-year plan. GOJ has accepted three out of four proposals in principle and requested details be worked out. Hope AID/W can take speedy action now to work out details new programs.

4. National water authority: PM in private has bitterly attacked creation authority for political reasons and goj now seeking our consent purchase certain pipe to be produced by local factory. Believe we should be firm insisting terms of loan either be met or loan correspondingly reduced.

5. Admission into OAS: Important we try clear away obstacles preventing Jamaican admission into OAS. GOJ already irked over continuing exclusion which provides argument to elements urging that Jamaica pursue a different course.

6. Sugar,

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Authority NW 001R-58-3-8

By M ARA Date 8/1/74

~~CONFIDENTIAL~~

- 2 - 301, March 9, 5 P.M. From Kingston

6. Sugar, bauxite barter, citrus, textile imports, non-quota immigration, farm labor, are all matters in which Jamaica vitally affected by US actions: In any of these matters important that any changes in US policy should be first carefully considered in consultation with Embassy, since Jamaican economy so intertwined with US.

Long Range Problems

1. End of the old political order: Both PM and Manley elderly men who have controlled politics for 20 years. When they depart, political situation will become fluid, parties may split, or third parties created, thus leading to less political stability.

2. Unemployment and population explosion: Increasingly critical problems for future indicated by present 18 percent unemployment rate and 3.2 percent net natural increase rate. 20,000 Jamaicans will be added to labor force each year. Problem complicated by 72 percent illegitimate and unstable family structure. GOJ currently unwilling initiate program population limitation and private effort limited.

GP-3

DOHERTY

RKB/17

Note: Number paragraphs as received

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INCOMING TELEGRAM *Department of State*

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4536
BUNDY-SMITH
ALEXANDER
March 6, 1964

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- ~~DUNGAN~~
- ~~FORRESTAL~~
- ~~JESSUP~~
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- ~~SALINGER~~
- ~~SAUNDERS~~
- ~~SCHLESINGER~~
- ~~SMITH, WM. Y~~

FROM: Kingston
ACTION: Secstate 299, Priority
DATE: March 6, 11 a.m.
Reference: DEPTTEL 230.

Cotton Textiles.

American Export Manufacturers Association say textile fabric imports unrestricted and have obtained GOJ assurances will remain unrestricted. These are firms producing for export only and primarily to US.

Leading importer says no new import licenses granted for cotton and rayon fabrics or mixture thereof since January 8 and promised quotas still unannounced. GOJ trade administrator confirms orally. Other fabrics unaffected.

Trade Minister Lightbourne's protective measures relate to single mill named Ariguanabo which ailing for years. Lightbourne announced expert consultants advised mill must raise production from 6 million to 14 million yards before economically viable. He therefore intends cut imports. Local importers and merchants denounce protective measures as primitive and convinced Ariguanabo incapable producing 14 million yards. Embassy believes main trouble Ariguanabo is years of poor management. Because mill relatively large employer labor (about 350-400 workers) Lightbourne politically committed save mill.

DOHERTY

HEK/14

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INCOMING TELEGRAM

Department of State

Mr. Bundy 78
J. Smith

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- SCHLESINGER
- SMITH, WM. Y

Control: 18363
Rec'd: February 26, 1964
9:00 p.m.

FROM: Kingston
ACTION: Secstate 290 Priority
DATE: February 26, 7 p.m.
JOINT STATE/AID
Mann - Ashenheim Meeting

1. Understand GOJ Cabinet considered proposed US loan program February 24 but have not received any firm indication how discussion actually went. Agriculture Minister gave AID Director impression Prime Minister dominated session in negative fashion along lines paragraph 3 and 4 Embassy telegram 284. Possibility exists that GOJ response our initiative may take form of request for funds for Prime Minister's pet scheme of redistribution 20,000 acres into small plot farms. If Ashenheim raises such proposal in February 27 meeting with Mann, believe he should be made understand our views on aid for subsistence farming. Would also be useful, after reviewing our suggested loan program, if we take firm stand against alternative projects or untied loans. Although we obviously not shutting door to other justified projects, their consideration would necessarily involve further delay, whereas we are prepared move ahead on four-point program, which itself will take time.

2. Importance of thorough feasibility studies also merit emphasis. Some Jamaicans consider that superficial and partial studies sufficient to meet foreign lending agency requirements. IBRD team recently here told us GOJ bound to be disappointed when inadequate feasibility studies prove unacceptable.

3. If Ashenheim mentions question of first MAP boat to Jamaica, he should be told difficulty concerns copper sheathing added to boat's hull at special request of GOJ. Normally this type boat

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E.O. 13292, Sec. 3.4

~~CONFIDENTIAL~~

By kg/cbm, NARA, Date 2-14-86

~~CONFIDENTIAL~~

-2- 290, February 26, 7 p.m. from Kingston

type boat does not have such sheathing, but we attempted to meet GOJ desire. Sheathing came loose because boat apparently not suited for such cover and not because of any dry rot.

GP-3.

DOHERTY

HC

~~CONFIDENTIAL~~

63

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PRECEDENCE ACTION	RELEASED BY	DRAFTED BY	COMMUNICATIONS NO.
PRIORITY	D.C. LYNDON, CAPT, USN	CDE J.T. COURSIN	74961
INFO		OP-631C	
PRIORITY			

Chase

P 252233Z

FH CNO

TO COMUSNAVSO
ALUSNA KINGSTON

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Authority Group 4
By ry, NARA, Date 9-6-89

INFO BUSHIPS
USCINCSO
NAVSTA KWEST
ZEN/OSD/ISA
BUSANDA
SECSTATE

~~CONFIDENTIAL~~

63 FT AVR FOR JAMAICA

- A. ALUSNA KINGSTON 051850Z NOTAL
- B. ADMINO COMUSNAVSO 062141Z NOTAL
- C. CNO 072119Z NOTAL
- D. COMUSNAVSO 182032Z NOTAL
- E. ALUSNA KINGSTON 191259Z NOTAL
- F. ALUSNA KINGSTON 201700Z NOTAL
- G. AMEMBASSY KINGSTON MSG 283, DTG 202030Z
- H. AMEMBASSY KINGSTON 221800Z NOTAL
- I. ALUSNA KINGSTON 241620Z NOTAL
- J. ALUSNA KINGSTON 241925Z NOTAL
- K. COMUSNAVSO 242105Z NOTAL

1. Regret displeasure and corresponding disappointment caused JDF by configuration and operating performance of first of three AVES contained refs A through K.

2. In order to confirm the desire of the U.S. Navy to provide only equipment to the complete satisfaction of the JDF, it is proposed that the first AVE be returned to NAVSTA KWEST accompanied by rep JDF early Mar where underwater damage to first boat will be repaired and where each of three boats be provided, prior to delivery Kingston, the following:

- OP-63B
- OP-631C
- OP-434
- OP-414
- BUSHIPS
- Early in rough.
- OSD

Drafter *63*
COG...OSD/49A

Dist: 00..09..03..33..36..04..41..43..08..60..61..62
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White House - Chase

CIRCUIT NO. (COMM)	PAGE	OF	PAGES	TIME/TOT	CONTROL NO. (COMM)	DATE RECEIVED
	1		3	2233Z/25 FEB	31385/LEN	252233Z FEB 64

~~CONFIDENTIAL~~

COPIES 1

INCIDENT ACTION	RELEASED BY	DRAFTED BY	FORM NO.
INFO			

Duse

- A. Nine foot fiber class dinghy with oars
- B. Remove copper sheathing, recalk as necessary, and apply antifouling preservative
- C. Small boat clock (not a chronometer)
- D. Windshield with canopy and windshield wipers
- E. One pedestal mounted illuminated compass calibrated in one degree increments plus pelorus and bearing circle
- F. Aneroid barometer
- G. Modification of the throttle control installation by installing combination single lever throttle/clutch control
- H. One portable signal lamp
- I. One each plastic maneuvering board, parallel rule and nautical slide rule
- J. Six installed fans

3. For BUSHIPS. OSD has authorized COA in amount not to exceed \$24,000 for this purpose. Navy has funds available MAP COA account and deviation will be made to FY 60-63 undelivered program.

4. For all. Info para 3 not releasable JDF.

5. For ALUSMA Kingston. Although Jamaica has capability perform repairs, strongly recommend repairs not be performed in country to be paid for with MAP funds. Due extensive nature items para 2, particularly desire work be performed NAVSTA KREST. Therefore, inform JDF U.S. Navy prepared pick up AVR early Mar for return to KREST for complete repairs and additional outfitting. If this solution unacceptable to JDF request CNO, OSD and Department of State be informed.

MESSAGE NO.	PAGE	OF	PAGES	MESSAGE NO.	DATE
	2	1	3	31385	25 MAR 64

ACTION

PREPARED BY

DRAFTED BY

PHONE NO.

6 For NAVSTA KNEST and BUSANDA. Request shipment two additional AVRs for Jamaica be held in abeyance pending resolution proposal contained this msg. GP-4

PROJECT NO. (COMM)	PAGE	OF PAGES	UNIT NO.	OFFICE SYMBOL	DATE
	3	3	31395	2522331	FEB 64

THE WHITE HOUSE
WASHINGTON

81

~~CONFIDENTIAL~~

February 25, 1964

MEMORANDUM FOR

MR. BUNDY

SUBJECT: Jamaica

1. Attached is Kingston's 286 regarding a follow up meeting on the Jamaican aid program. It seems to have gone fairly smoothly.
2. I am now waiting to get the results of a Cabinet meeting which was apparently held on February 24.

GC
Gordon Chase

cc: Mr. Dungan

DECLASSIFIED
E.O. 13292, Sec. 3.4
By *raj/bm*, NARA, Date *2-14-00*

~~CONFIDENTIAL~~

INCOMING TELEGRAM *Department of State*

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~~CONFIDENTIAL~~

Control: 16174
Rec'd: February 24, 1964
3:52 PM

FROM: Kingston

ACTION: Secstate 286

DATE: February 24, 2 PM.

JOINT STATE/AID

Embassy Telegram 284

At February 21 meeting, Brown had seven top civil servants sit in for two-hour discussions which went extremely well. Mayne summarized general economic findings of team and rationale behind four projects. All GOJ officials gave complete support for wisdom of these projects and voluntarily and confidentially indicated decided preference for project items in present political era.

Brown said Cabinet meeting February 24 will discuss matter and instructed GOJ participants talk to their respective ministers beforehand.

Brown agreed initiative should come from GOJ. Vance informally furnished him draft of letter which could serve that purpose.

DOHERTY

CC-14

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E.O. 13292, Sec. 3.4
By *ky/ctm*, NARA, Date *2-14-06*

DEPARTMENT OF STATE
AIRGRAM

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 FOR RM USE ONLY

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A-227

~~CONFIDENTIAL~~

AIR PRIORITY

HANDLING INDICATOR

TO : Department of state 1964 FEB 24 PM 2 13

PIKAIN
 ANALYSIS & DISTRIBUTION
 BRANCH

FROM : American Embassy, Kingston DATE: February 21, 1964

SUBJECT : Prime Minister Continues to Attack National Water Authority

REF :
 JOINT EMBASSY-AID

On February 18, the Prime Minister called a meeting of Jamaican officials to discuss a number of problems connected with the National Water Authority in which specific decisions are required in order to meet certain conditions of the AID loan. The meeting included the Minister of Local Government, the Financial Secretary, certain members of the National Water Authority, and a number of civil servants. No American officials were invited to attend this meeting. AID has prepared the enclosed report of the highlights of this meeting based on handwritten notes passed to AID on a confidential basis by one of the civil servants attending this meeting. The same civil servant described this meeting as a tragic comedy on how not to run a government. He was extremely disheartened and disillusioned over the Prime Minister's attitude and comments about the Water Supply Development Program.

During this 2½ hour meeting the Prime Minister (1) expressed disagreement with the water Authority and with all of the conditions of the loan which he alleged was negotiated and accepted by the previous Government; (2) asserted he would not let the United States dictate Jamaican

GROUP 3

Downgraded at 12-year intervals,
 not automatically declassified.

DECLASSIFIED

Authority NLT001R-58-3-10

By [Signature] *ARA Date 8-11-14

~~CONFIDENTIAL~~

FOR DEPT. USE ONLY

In Out

FORM 8-62 05-323

Prepared by: POL:WBE/ant:lmd 2-20-64 Contents and Classification Approved by: DCM:BIK/losson [Signature]
 Reference: AID: [Signature]

BOX FROM QUICK COPY

~~CONFIDENTIAL~~

Page 2
A-227
Kingston

water policy and would "break off relations. . . before I'll let the United States push me around"; (3) arbitrarily ordered cancellation of the National Water Authority's contract with the American firm, Gilberts and Associates, for engineering consultation and handling of procurement of materials; (4) refused to listen to logical explanations from his staff; and (5) claimed that the Ambassador was willing to cancel the loan and again canned the Ambassador's aides. (See Embassy's A-180 of January 14, 1964.)

Throughout the discussion the Financial Secretary, G. Arthur Brown, vainly attempted to bring the meeting back to a constructive course.

COMMENT:

The Prime Minister's behaviour at this meeting was characteristically intemperate, but the views he expressed were not inconsistent with the attitudes he exhibited during the Ambassador's meeting with the Prime Minister on January 9, reported in the Embassy's A-180. Moreover, it is significant that the Prime Minister has made no public mention of his apparently intense dissatisfaction with the U.S. Aid Program. Indeed, it is ironic that despite his unhappiness over our water program in Jamaica, he has openly attacked Castro's cut-off of water to the Guantanamo Base and welcomed U.S. efforts to obtain water from Jamaican sources. Furthermore, he maintained a strong pro-Western stand at the recent Caribbean Commonwealth Conference in Kingston. In short, the Embassy believes that his public anti-Communist, pro-Western stand is designed to impress the United States with the utility of his friendship, and that his private fulminations against the AID Program are aimed at blackmailing us into bigger and unrestricted handouts.

The Prime Minister's continued hostility to the National Water Authority and the conditions of the water loan may well make more difficult the negotiations of the specific U.S. proposals for aid which are based on the report of Dr. Mayne. However, the Embassy and AID believe that it is important that we continue our approach to the GOJ regarding the new AID proposals if only to demonstrate for the record that we have a continuing constructive interest in Jamaica's welfare and development. (It may be important that our efforts be on record if this dispute should become public.)

If the Prime Minister persists in undermining the National Water Authority and directs that the conditions of the loan not

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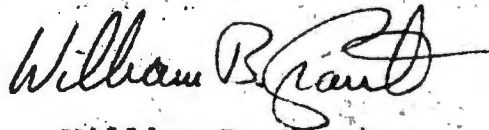
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~~CONFIDENTIAL~~

Page 3
A-227
Kingston

be fulfilled, it will, of course, be impossible for us to carry out our commitments under the loan. In the face of the Prime Minister's attitude, the Mission believes that the most appropriate posture to adopt is to remain firm against any change in the loan. This position should either force the Prime Minister to drop his objections, or place the onus for cancelling the loan squarely on his shoulders. He must be aware that if he chooses the latter course, he will almost certainly face vociferous criticism by the Opposition.

FOR THE AMBASSADOR:



William B. Grant
Second Secretary of Embassy

Encl: *at*
As stated.

at

~~CONFIDENTIAL~~

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~~CONFIDENTIAL~~

Enclosure 1
Page 1, A-227
Kingston

Text of USAID Interoffice File Memorandum, February 19, 1964

There is quoted below for State/AID information the text of our USAID interoffice file memo prepared February 19, 1964:

"Report of February 18th Meeting in Prime Minister's Office on National Water Authority"

Participants:

Prime Minister, Rt. Hon. Sir Alexander Bustamante
L.A. Lynch, Minister of Local Government
G. Arthur Brown, Financial Secretary
R.E. Mais, Permanent Secretary, Ministry of Local Government
Jimmy Lloyd, Permanent Secretary, Prime Minister's Office
N.O. Glegg, Principal Asst. Secretary, Ministry of Local Government
H.S. Walker, Principal Asst. Secretary, Ministry of Finance
R.I. Mason, Under-Secretary, Ministry of Finance
H.C. Cahusac, Chairman, NWA
R.D.C. Henriques, Deputy Chairman, NWA
Gerald Maier, Member, NWA
B. St. J. Hamilton, Secretary/Manager, NWA
C.C. Davis, Deputy Secretary/Manager, NWA
G.W. Lindo, Chief Engineer, NWA

The meeting opened with a general discussion of the NWA functions. Financial Secretary G. Arthur Brown pointed out that in accordance with the AID loan there were certain conditions precedent that had to be met by March 1, 1964 and others by March 31. The PM said that they had already discussed the loan with the Ambassador and his aides - "Damn his aides". PM added that Lightbourne thinks we should cancel the loan and the Ambassador is willing to do so. (Sic - See Embassy's A-180, Jan 14, 1964).

The Financial Secretary said that the U.S. Government was still waiting submission of certain documents regarding procurement of materials, construction plans, etc. NWA Secretary/Manager Hamilton pointed out that the NWA had decided to use Gilberts and Associates, a U.S. firm, for procurement. The PM said they will use Department of Supply/Crown Agents for procurement of materials. Mr. Hamilton replied that Gilberts Associates has a contract as general consultants to the NWA and that Gilberts has already done some work on the Montego Bay sewerage scheme and in good faith has agreed to handle the procurement for the AID loan schemes. The PM interrupted, "Who hired Gilberts? Under what authority were they hired? Does NWA have any funds to pay Gilberts? Gilberts contract has not been approved by Cabinet!"

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~~CONFIDENTIAL~~

Enclosure 1
Page 2, A-227
Kingston

Financial Secretary and Mr. Mais commented that NWA hired Gilberts without consulting with Ministries of Local Government and Finance and they (Mais and Brown) understood that it was considered unethical to hire one engineering firm to review the work of another as has been done in the case of Montego Bay sewerage designs. The PM interrupted again and said, "we haven't hired them". Secretary-Manager, Chairman and members of NWA were literally speechless at this point.

A general discussion on the Montego Bay sewerage project and the various delays in implementing that project then took place.

The Financial Secretary suggested that they return to the NWA and AID loan. The PM expostulated, "no water produced yet with AID loan!"

Financial Secretary attempted to explain some of the history of the loan. The PM interrupted, "damn the history of the loan". Financial Secretary then pointed out that the Amendatory Loan Agreement requires take-over of Parish Council systems and that a schedule of target dates for such take-over, information on water rate structures, etc., must be submitted to AID within the next 45 days. The PM again interrupted, "US Government was not dictating Jamaica Government water policy. I'll break off relations with U.S. before I'll let U.S. push me around".

Financial Secretary once again tried to bring some semblance of order to the discussions, saying that the Government must make some decisions on the functions of NWA. NWA should either wholesale water to the Parish Councils or distribute water and let the Parish Councils bill and collect the rates.

At that point the PM was called to greet some visitors in another room and left the meeting carrying six champagne glasses. The GOJ civil servant reported that while the PM was extremely difficult in the meeting, he seemed quite jovial in the next room greeting the visitors where there was much laughter and popping of champagne corks.

During the PM's absence, the Financial Secretary and others attempted to resolve the problems that had been discussed up to this point. The Financial Secretary suggested that the Minister of Local Government should prepare a Cabinet submission outlining the pros and cons of the two alternative positions that the NWA might take at this time. The Minister of Local Government said

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~~CONFIDENTIAL~~

Enclosure 1
Page 3, A-227
Kingston

he was in favor of the NWA being a wholesaler of water and allowing the Parish Councils to continue to distribute water, establish rates, bill and collect. He was very concerned about taking functions away from Parish Councils and mentioned that local Government should receive more support for their activities.

The PM subsequently returned to the meeting and the meeting again began to ramble over the various subjects. The Financial Secretary repeated his suggestion for a Cabinet submission and pointed out that if the NWA was a wholesaler of water only, then the loan agreement would have to be renegotiated. This might result in more delays. The PM commented, "I didn't agree to Water Authority and all of the conditions of the loan. Loan was negotiated and accepted by previous government. All we did was sign Amendatory Agreement".

The Financial Secretary then attempted to summarize the meeting by stating that the Department of Supply/Crown Agents would handle the procurement for the AID loan schemes; NWA should give Gilberts and Associates three months' notice, since Gilberts took on the work in good faith, and the Government should pay Gilberts Associates for the work completed to date; the NWA should proceed with preparation of the necessary documents for the May Pen scheme and submit all documents for materials to the Department of Supply immediately; and, that the Ministry of Local Government will prepare a Cabinet submission on functions and responsibilities of NWA.

It was reported that the meeting lasted 2½ hours and there was considerable rambling and discussion of minor problems. Increased cost of NWA was discussed briefly by the PM and Minister Lynch. G. Arthur Brown attempted to point out that most of these increased costs are only a transfer from Parish Council estimates to NWA estimates. Under Parish Council estimates these costs are distributed under various subheads and do not appear as one item, but this whole explanation apparently registered not at all with the PM. Some discussion of personnel problems, duplication of effort and friction between NWA and Ministry of Local Government also took place.

~~CONFIDENTIAL~~

X FROM QUICK COPY

THE WHITE HOUSE
WASHINGTON

83
Jamaica

~~CONFIDENTIAL~~

February 24, 1964

MEMORANDUM FOR

MR. BUNDY

SUBJECT: Jamaica

1. Attached is Kingston's 284 describing the GOJ's reaction to our aid proposal.
2. The reaction was a mixture of good and bad. Deputy Prime Minister Sangster, who was supposed to be the toughest nut to crack, appears to be on our side. Bustamante is not, but mercurial man that he is, he may change his mind two days from now.
3. State feels that the chances are pretty good that Bustamante will come around, especially if he is under pressure from his Minister.
4. In my view, the state of play is neither as good nor as bad as it could be. As I see it now, we have two steps to take. First, we should keep working towards getting the loan completed. Second, once this is done, we should try the personal message method (perhaps keyed to the signing of the loan agreement) to bring Bustamante around from tepid to warm. This should not be too difficult to do. With the loan completed, we will have plenty of ammunition to convince Bustamante that, indeed, we do love him -- e.g. the loan, citrus fruit agreement, bauxite, immigration. The problem is educational rather than substantive.

GC
Gordon Chase

cc: Mr. Dungan

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 13292, Sec. 3.4
By *kg/ctm*, NARA, Date *2-14-00*

INCOMING TELEGRAM *Department of State*

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~~CONFIDENTIAL~~

Control:
Rec'd:

15001

FEBRUARY 21, 1964

3:03 PM

- ___ BUNDY-SMITH
- ___ ALEXANDER
- ___ BELK
- ___ BRUBECK
- ___ CHASE
- ___ DINGEMAN
- ___ DUNGAN
- ___ FORRESTAL
- ___ JESSUP
- ___ JOHNSON
- ___ KLEIN
- ___ KOMER
- ___ SALINGER
- ___ SAUNDERS
- ___ SCHLESINGER
- ___ SMITH, WM. Y

FROM: KINGSTON

ACTION: SECSTATE 284

DATE: FEBRUARY 21, 1 PM

JOINT STATE-AID.

EMBTel 215, AIDTO 189.

NEW LOAN PROGRAM.

FILE COPY

1. DCM, VANCE, MAYNE OUTLINED TO SANGSTER AND BROWN FEBRUARY 20 SUGGESTED FOUR-POINT LOAN PROGRAM. SANGSTER VISIBLY PLEASED WITH TYPES OF PROJECTS AND SIZE OF CON-TEMPLATED LOANS. BROWN STRONGLY ENDORSED THEM. SANGSTER ASKED ONLY ABOUT TERMS AND CONDITIONS, EXPRESSED DESIRE TO MOVE AHEAD IMMEDIATELY, MADE NO MENTION OF EARLIER REQUESTS FOR UNTIED LOANS.

2. WE SAID US ALSO DESIROUS OF RAPID ACTION BUT EMPHASIZED THAT TIME REQUIRED TO WORK OUT SATISFACTORY AGREEMENT SHOULD NOT BE UNDERESTIMATED IN VIEW COMPLEXITY OF SOME OF PROJECTS. SANGSTER ASKED WHETHER HE COULD MENTION PROGRAM IN MID-APRIL AND GET MESSAGE TO HOUSE. WE COUNSELLED THAT IF GOJ DECIDED TO INITIATE PROJECTS, WE UNDERSTOOD HIS DESIRE TO DEMONSTRATE HIS GOVERNMENT'S ACTIVITY, BUT WARNED THAT HE GUARD AGZINST GIVING RISE TO EXAGGERATED EXPECTATIONS OF WHEN PROJECTS WOULD BE IN OPERATION. HE AGREED.

3. DURING DISCUSSIONS PRIME MINISTER UNEXPECTEDLY ENTERED OFFICE. SANGSTER TOLD HIM AMERICANS HAD BROUGHT "GOOD NEWS", AND BEGAN TO EXPLAIN PROJECTS. BUSTAMANTE, WHO DID NOT FULLY GRASP WHAT HE WAS BEING TOLD, SUDDENLY BURST OUT THAT HE DID NOT WANT PROJECTS BECAUSE THEY WOULD

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DECLASSIFIED

Authority NLS 001R-58-3-11

By [Signature] ARA Date 8-11-14

~~CONFIDENTIAL~~

-2- 284, FEBRUARY 21, 1 PM, FROM: KINGSTON

NOT HELP JAMAICA. HE THEN CHARGED AMERICANS TRYING TO RUN JAMAICA AND SAID HE WOULD RATHER BREAK OFF RELATIONS. (PM OBVIOUSLY HAD IN MIND NATIONAL WATER AUTHORITY, SEE EMBASSY A-227, BUT DID NOT MENTION SUBJECT.) DCM REPLIED PM KNEW VERY WELL THAT THIS CHARGE UNTRUE AND THAT SUGGESTED PROJECTS REFLECTED JAMAICA'S OWN PLANS AND DESIRES.

4. IN BETWEEN DISCONNECTED INTERJECTIONS BY PM THAT IF HE RESIGNED JAMAICA WOULD BECOME COMMUNIST AND GLEEFUL BOASTS OF HIS ABILITY OBTAIN MONEY ELSEWHERE THAN FROM US, WE TOGETHER WITH SANGSTER AND BROWN MANAGED TO COVER FOR HIM EACH OF PROJECTS AND HOW THEY COULD BENEFIT JAMAICA. HOWEVER, PM PREOCCUPIED WITH SCHEME OF DISTRIBUTING 20,000 STATE-OWNED ACRES TO SMALL FARMERS. HE RETURNED REPEATEDLY TO THIS PLAN, ARGUING ITS IMPORTANCE AS AGAINST AIDING INDUSTRY, BUT DID NOT ASK FOR US ASSISTANCE FOR IT. HE SUDDENLY DEPARTED AFTER INSTRUCTING SANGSTER TO WORK OUT AGREEMENT WITH AMERICANS AND BRING IT TO HIM.

5. FOLLOWING PM'S DEPARTURE SANGSTER IMMEDIATELY RESUMED BUSINESSLIKE DISCUSSION OF PROJECTS AS IF INTERRUPTION HAD NEVER TAKEN PLACE AND GAVE NO INDICATION THAT HE TOOK PM'S OUTBURSTS SERIOUSLY.

6. AT SANGSTER'S SUGGESTION VANCE AND MAYNE MEETING WITH BROWN FEBRUARY 21 TO EXPLORE PROJECTS IN GREATER DETAIL. OUR PLAN IS TO INVITE GOJ TO PREPARE LETTER TO US CONCERNING PROJECTS SO THAT INITIATIVE WILL APPEAR TO BE THEIRS.

7. COMMENT: IT IS CONCEIVABLE THAT PM BECAUSE OF HIS DISLIKE FOR ANY RESTRICTIONS ON HOW HE CAN USE LOANS MAY RULE AGAINST PROJECTS, BUT WE EXPECT OTHERS IN CABINET WOULD SEEK PERSUADE HIM OTHERWISE. IN VIEW OF 80-YEAR-OLD PM'S GROWING SENILITY, IRRASCIBILITY, MERCURIAL TEMPERAMENT, AND PENCHANT FOR HASTY AND ARBITRARY ACTION, HARD TO PREDICT FUTURE OTHER THAN PROBABILITY OF CONTINUING DIFFICULTIES WITH HIM.

DOHERTY

MRJ

~~CONFIDENTIAL~~

THE WHITE HOUSE
WASHINGTON

Jamaican
✓
84

LIMITED OFFICIAL USE

February 24, 1964

MEMORANDUM FOR

MR. BUNDY

SUBJECT: Jamaica

1. Attached is Kingston's 283 which reports that a boat we sent to Jamaica under MAP, fell apart. As you can imagine, this sort of thing is not very helpful - especially in the midst of our aid negotiations.

2. I have asked DOD to look into the matter and let us know what DOD and State intend to do about it.

GC
Gordon Chase

cc: Mr. Dungan

↑
*Good
keep it up*

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INCOMING TELEGRAM *Department of State*

87a

45

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Action

Control: 14458

Rec'd: February 20, 1964
5:12 p.m.

ARA

FROM: Kingston

Info

G

ACTION: Secstate 283

IGA

A ID

DATE: February 20, 3 p.m.

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USIA

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CIA

NSA

ARMY

NAVY

AIR

RMR

DEPARTMENT PASS DOD

Following presentation and commissioning ceremony of first sea patrol boat to JDF under MAP program February 11, first operation boat at sea February 18 caused copper sheathing be carried away. Following immediate dry docking ALUSNA today conducted preliminary inspection which revealed possibility of dry rot. ALUSNA has received highly critical comments from JDF officers and local ship repairmen. He believes more testing and inspection prior delivery Kingston might have revealed this condition. ALUSNA has notified US Naval authorities at Key West and USNAVSO. Navy yard representative from Key West arriving shortly to inspect. Still too early for any press coverage here.

DLW

NOTE: Relayed to DOD, 2/20/64, 11:30 p.m.

- DOHERTY
- BUNDY-SMITH
- ALEXANDER
- BELK
- BRUBECK
- CHASE ✓
- DINGEMAN
- DUNGAN
- FORRESTAL
- JESSUP
- JOHNSON
- KLEIN
- KOMER
- SALINGER
- SAUNDERS
- SCHLESINGER
- SMITH, WM. Y

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INCOMING TELEGRAM

Department of State

Mr. Bundy
J. J. [unclear]

85

~~BUNDY SMITH~~
~~ALEXANDER~~

~~BELK~~

~~CONFIDENTIAL~~ ~~RUBECK~~

~~CHASE~~ Control: 10346

~~DINGEMAN~~ Recd: February 14, 1964

~~DUNCAN~~ 7:28 p.m.

~~FORRESTAL~~

~~JESSUP~~

~~JOHNSON~~

~~KLEIN~~

~~KOMER~~

~~SALINGER~~

~~SAUNDERS~~

~~SCHLESINGER~~

~~SMITH, WM. Y~~

43
Action
ARA

Info

SS
G
SP
CAP
AID

FROM: Kingston

ACTION: Secstate 282, Priority

DATE: February 14, 4 p.m.

FOR MANN

RMR

Appreciate greatly personal interest you have shown in Jamaican problems.

I am in general agreement with three conclusions set forth in your letter, and I am unalterably opposed to any untied loans for Jamaica.

Believe it all-important that we move ahead as quickly as possible to inform GOJ regarding four-Point loan program. GOJ now preparing budget for next fiscal year beginning April 1. Believe more important to let GOJ know of our readiness to help, even if qualified, than to take time to build up case for projects at civil servant level, which has never opposed project-type loans.

Therefore, recommend we be authorized to approach Sangster and inform him of proposals and especially dollar amounts contemplated. (Sangster more knowledgeable than Bustamante and main exponent of untied loans. We could reserve any approach by me to PM for later by initially sending DCM and AID Director to Sangster.) We could take line that we are informing him of conclusions of Mayne study which benefitted from full GOJ cooperation in providing information. We could emphasize again, as recent IBRD team here did, that Jamaica has more to gain by adopting project approach than by seeking to alter rules of lending agencies by requesting untied loans. We could emphasize that four proposals fit project approach.

/We could

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E.O. 13292, Sec. 3.4

By *kyk/om*, NARA, Date *2-14-06*

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~~CONFIDENTIAL~~

-2- 282, February 14, 4 p.m., from Kingston.

We could seek persuade Sangster that proposals are susceptible to domestic political benefit to GOJ.

Although do not know how much Sangster anti-project thinking may have been affected by IBRD team, anticipate he would repeat argumentation for untied loans and might even take immediately critical attitude toward our proposals. However, our ability to mention dollar figure may help soften his disappointment that proposals do not meet his desires.

In presenting package we could emphasize informal nature of our approach and express our readiness, if GOJ interested in initiating these projects, to ask experts visit Jamaica immediately to develop projects more thoroughly. Believe Mayne's presence at initial approach to Sangster would be desirable. However, if Mayne unable to come week of 17-21 February, believe we should still inform Sangster. In any event, would be helpful have Mayne assigned here temporary duty to coordinate development of projects.

As you well know, our difficulties with GOJ have stemmed in large part from Jamaican belief that their internal stability and external support of the West merit favorable consideration from U.S., whereas U.S. appears more helpful to less stable and more troublesome countries. If we can demonstrate our readiness to help, argument tends to be reduced to more technical one of type and scope of assistance.

In terms of action, would appreciate (1) authority to inform Sangster before February 21 and hopefully sooner of four proposals and tentative loan amounts and (2) presence of Mayne in time for this approach and subsequent discussions.

GP-3.

DOHERTY

FP

~~CONFIDENTIAL~~

INCOMING TELEGRAM *Department of State*

Johnson
86

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Action
ARA

Info
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LIMITED OFFICIAL USE

Control: 9179
Rec'd: February 13, 1964
2:04 p.m.

FROM: Kingston

ACTION: Secstate 279

DATE: February 13, Noon.

I believe that particularly warm personal message from President Johnson to Prime Minister Bustamante on occasion 80th birthday, February 24 would be useful gesture at this time.

DOHERTY

DDD/9

- ~~—BUNDY-SMITH~~
- ~~—ALEXANDER~~
- ~~—BELK~~
- BRUBECK
- ~~—CHASE~~
- ~~—DINGEMAN~~
- ~~—DUNGAN~~
- ~~—FORRESTAL~~
- ~~—JESSUP~~
- ~~—JOHNSON~~
- ~~—KLEIN~~
- ~~—KOMER~~
- ~~—SALINGER~~
- ~~—SAUNDERS~~
- ~~—SCHLESINGER~~
- ~~—SMITH, WM. Y~~

File 0

87

~~CONFIDENTIAL~~

February 12, 1964

OFFICIAL-INFORMAL

Dear Mr. Ambassador:

I have read the interesting report of your conversation with Bustamante about AID and I thought you handled the situation very well. I have also seen your letter of January 29 to Ken Crockett.

I am somewhat puzzled about how we can best go about handling Bustamante and particularly what we should do about his reaction to our AID program. I take it he wants a "no strings attached" general support type of loan and that the staff here feels that this would be hard to justify. In an effort to come up with something constructive, Dr. Alvin Mayne, in association with Kennedy Crockett and others, has come up with three principal conclusions.

(1) The Government of Jamaica is fully able financially to get on with both post Flora rehabilitation and the first couple of years work on their Five Year Development plan and;

(2) Present Jamaican plans for economic development of the island tend to neglect the private sector and probably need expansion and redirection in this field of enterprise if Jamaica is to remain as viable five to ten years from now as she appears to be today.

(3) Concretely, we could offer a four point loan program consisting of \$3 million

dollars...

The Honorable
William C. Doherty,
American Ambassador,
Kingston.

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 13292, Sec. 3.4
By rgf/cm, NARA, Date 2-14-06

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~~CONFIDENTIAL~~

-2-

dollars to help the dairy industry; \$3 million dollars to create a secondary mortgage bank; \$2.5 million dollars to create or improve the existing industrial development bank; and about \$1.3 million dollars for a revolving fund to finance feasibility studies.

The question is whether you think it would be useful for Dr. Mayne to go to Jamaica to talk with Jamaican planners and other senior civil servants in the hope that Bustamante's sensitivity about "outside advice" would not present you with a great problem. I believe the hope is that after such discussions, the Jamaicans may wish to come to propose United States financing of the Mayne projects as if they were initiated by the Jamaicans themselves.

I would appreciate your candid opinions about this type of approach and indeed about what, if anything, we can do at this time to improve our relations with the Jamaican Government. These questions of course involve technical problems but it occurs to me that we also need good political judgments which you will be better able to pass on than any of us.

I would be obliged if you would write to me your thoughts and recommendations in a completely frank and candid way.

With best wishes,

Sincerely,

Thomas C. Mann
Assistant Secretary of State
for Inter-American Affairs

ARA:TCMann/ps

~~CONFIDENTIAL~~

BOX FROM QUICK COPY

✓ Jamaica 88

~~CONFIDENTIAL~~

February 10, 1964

MEMORANDUM FOR

MR. DUNGAN

SUBJECT: Jamaica -- Dungan Trip

1. I talked to Kennedy Crockett on Saturday about the best way to sell the aid package to Bustamante. Among other things, we discussed the possibility of pressing you into service at some stage of the game. I indicated that, if asked, you might be willing to make a short trip to Jamaica.

2. Hen liked the idea but feels that you might walk into a lion's den if adequate groundwork is not laid. He visualizes a two-phase approach. First, Ai Mayo would go down, nose around, and build up some interest in the proposed projects. He would make no commitments, however. Second, you and a couple others would go down shortly afterwards to propose and close the deal formally, and give Bustamante a good massage (e. g. "It ain't so, we really do care about you, Busta."). My own view is that a little money plus a lot of Dungan will go a long way in putting U. S. /Jamaican relations back on the track.

3. I will keep you informed.

Gordon Chase

✓cc: Mr. Bundy

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 13292, Sec. 3.4
By xy/cbm, NARA, Date 2-14-06

Jamaica

89

~~CONFIDENTIAL~~

February 3, 1964

MEMORANDUM FOR MR. RALPH DUNGAN

SUBJECT: Jamaica

1. As you may know, Tom Mann approved the \$10 million loan for Jamaica on Friday and sent a memo to Dave Bell asking for the money. While Dave Bell hasn't seen the proposal yet, I understand that the chances of approval are generally very good.

2. In my memo to you of January 21st (copy attached), I made a pitch in favor of a Dungan trip to Jamaica. If you feel this has merit and have not yet had a chance to talk to Tom Mann about it, you may want to do so soon. The reason -- I understand that State has already drafted a letter, suggesting the Al Mayne approach, which will be sent to Ambassador Doherty as soon as Dave Bell gives his OK.

Gordon Chase

cc: Mr. Bundy ✓

DECLASSIFIED
E.O. 13292, Sec. 3.4
By kg/cem, NARA, Date 2-14-06

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

January 21, 1964

MEMORANDUM FOR

MR. DUNGAN

SUBJECT: Miscellaneous

1. Jamaica

Cliff Alexander will probably try to get in touch with you this afternoon regarding the possibility of sending an American, of Jamaican extraction, to replace Ambassador Doherty if and when he leaves Jamaica. Cliff has one man immediately in mind but he may be tough to get since he was just elected to the judiciary. This man will be in town in the next day or so on other matters.

2. Panama -- Ambassador Farland

I passed the word to Lansing Collins that you were fairly relaxed about Ambassador Farland's interest in "setting the record straight" with respect to the attached staff survey (I have not read it through, but I assume that Ambassador Farland objects to statements such as the one on P. 2).

Lansing still feels that there is merit in keeping Farland happy and, therefore, quiet; in this regard, he notes that since Farland can't seem to get Congressman Morgan's attention, you might call Congressman Morgan and ask him to put a statement in the Congressional Record which would meet Ambassador Farland's needs (presumably State would give you the language). Lansing said that Tom Mann, who spoke to Farland yesterday, may give you a call about the matter this afternoon.

Gordon Chase

~~CONFIDENTIAL~~

DECLASSIFIED

E.O. 13292, Sec. 3.4

By *rg/bm*, NARA, Date *2-14-06*

Jamaica
92

Trinidad, Jamaica, and the Eastern Caribbean Federation

1. Eric Williams to Visit the U.S.

Prime Minister Williams tentatively intends to visit the UN and Canada sometime in April; he has also indicated that he would very much like to talk to the President. ARA has prepared a memo which is wending its way up to the 7th Floor and which recommends that the Prime Minister have a working visit to Washington, including a meeting with the President.

Needless to say, I am strongly in favor. We have sweated a good deal to get Williams on our bandwagon; it makes eminent good sense for the President to give the Prime Minister a few minutes to help keep him on board. As a matter of fact, the chances are probably good that, in view of the U.S./Williams history, a rejection would be regarded as a slap in the face.

2. Aid to Jamaica

On Friday, Tom Mann signed off on a memorandum to Dave Bell recommending a \$10 million loan to Jamaica. Assuming Dave Bell buys, we then must think of the best way to make some political capital out of the loan. Attached at Tab 7 is a copy of a memorandum to Ralph Dungan which, while somewhat dated, gives some feel for the problem.

3. Policy Paper on the Eastern Caribbean Federation (ECF)

A first draft of State's paper on our policy towards the ECF will be coming over early this week. It will probably recommend that we not push for Federation and independence (we would just as soon have the British stay there), but that when it does come we should be prepared to step in and work out a deal with the British and Canadians to make the islands viable -- the Canadians have made some agreeable noises. The total cost would be about \$15 million per year for 10 years; hopefully, the British will pick up 50% of the tab (roughly the level of their current input) while the U.S. and Canada would split the difference (\$3 1/2 million each, per year).

Gordon Chase

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E.O. 13292, Sec. 3.4
By *kg/psm*, NARA, Date 2-14-06

Jamaica
93

~~SECRET~~

January 21, 1964

MEMORANDUM FOR

MR. DUNGAN

SUBJECT: Jamaica

1. As I understand it, Tom Mann is in favor of loaning Jamaica \$10 million for feasibility studies and for providing credit to needy sectors of the economy. However, he still has to check this out with Dave Bell.

2. Assuming the loan goes through, there is still the problem of selling the loan to the Jamaicans. Experts in State and AID feel that there is a good chance that the Jamaicans will be disappointed by our offer; they would, of course, prefer the blank check, untied type of aid.

Thus, State and AID feel that there will be a need to sell the loan to the GOJ. To this end, the tentative plan is to send Al Mayne down to Jamaica to try to build up support for the loan at the technical and Ministerial levels. Hopefully, the GOJ will then request the loan from us.

3. Generally, I think there is merit in the State/AID approach -- i. e. it is worth making a little extra effort to try to ensure that the Jamaicans will accept any loan we are willing to offer. (Implicit to my view is that U. S. / Jamaican relations will continue to deteriorate unless and until we can get together on the aid question and that gracious Jamaican acceptance of a U. S. loan can be a significant step toward stopping or turning around deteriorating U. S. / Jamaican relations.)

4. I am not sure, however, that a trip by Al Mayne is the best device we have available. If we are willing to gamble a little with White House prestige, we have another way -- you and a couple appropriate officials could go down to Jamaica and make a pitch to Bustamante along the following lines:

(a) The President, understandably busy since the assassination, has recently had a chance to focus on U. S. / Jamaican relations. He notes, with satisfaction, that a number of thorny problems have been cleared up. For

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E.O. 13292, Sec. 3.4
By *rg/cem*, NARA, Date *2-14-06*

example, we have agreements on textiles and citrus fruits. Hopefully, Congress will pass the Administration ~~bill~~ bill which calls for non-quota status for Jamaicans.

(b) President Johnson is very interested in the successful development of a democratic Jamaica and wants to help Jamaica to the extent he can. In this regard, Dr. Mayne has recently returned from Jamaica and has submitted a report regarding possible U.S. assistance to Jamaica. We have studied Dr. Mayne's report and approve his recommendation that \$10 million be loaned to Jamaica for feasibility studies and for the provision of credit to needy sectors of the economy.

(c) To Bustamante's request that he be given ~~a blank check~~ ^{an untied loan,} you or one of the accompanying AID officials could make the appropriate economic arguments. In addition, you could also pull Bustamante aside and explain, as one understanding politician to another, some of the facts of life about Congress and aid.

5. There appear to be at least two arguments ~~in~~ favor of a Dungan approach. First, if Jamaican acceptance of our loan is really a problem, I would suspect that you would have a better chance of selling it to Bustamante than Al Mayne would have ~~in~~ ⁱⁿ selling it to the technical and Ministerial people, and ~~convincing~~ ^{convincing} them that they ought to sell it to Bustamante and then ask us for such a loan. Second, a pitch from you will go a long way in helping to solve our political problem in Jamaica. In my view, our Jamaican problem is one part substance (aid level) and three parts psychological ("the U.S. ignores us"). A one or two day trip ⁱⁿ by you would make it clear that we really do care and could be significant ⁱⁿ getting our relations with Jamaica back on the track.

6. I confess that I have not yet ~~thought~~ ^{had a chance to think} through all the angles on this one and I may be unaware of a crucial one. Nevertheless, you might want to munch over the Dungan trip possibility when you next talk to Tom Mann.

Gordon Chase

Jensen
94

January 20, 1964

MEMORANDUM FOR

Honorable Thomas C. Mann

The attached is self-explanatory. There has been some action in recent weeks on this matter, including a CIA estimate of the effect of not extending economic assistance. Also, refer to A-180 from Kingston.

I suggest we put our heads together on this one promptly.

/s/

Ralph A. Dungan
Special Assistant
to the President

P.S. I hesitate to write such a note after the last such which I just retrieved from the waste basket as possibly being of historical interest!

Enclosure

✓ cc: Gordon Chase

RICHARD E. BERLIN
939 EIGHTH AVENUE
NEW YORK, N. Y. 10019

January 15, 1964

Mr. Walter W. Jenkins
Special Assistant to the President
The White House
Washington, D. C.

Dear Walter:

I spoke last evening with a very good friend, Mr. George Ferris, who is Chairman of RAYMOND INTERNATIONAL. Raymond International is one of this country's large construction contracting firms. I happen to know Mr. Ferris is presently bidding, and working with the British and French Governments and bankers, on the proposed tunnel under the English Channel.

Raymond International is now engaged in a large draining project for the Jamaican Government involving approximately \$13,000,000.

Mr. Ferris was recently talking to Sir Alexander Bustamante, Premier of Jamaica, West Indies. Bustamante, who is half Irish and half Jamaican, told Mr. Ferris that he had always been 100% for the West "up to now", repeat, "up to now", but the United States has shown very little interest towards Jamaica. After the hurricane FLORA (which was a very damaging hurricane to Jamaica) Bustamante stated that they did not even receive a telegram from the USA, but little Iraq sent him \$1,000. Bustamante told Mr. Ferris that he understands the United States is throwing \$1,000,000

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a day away in Vietnam; he inquired, "Where is Vietnam?"

Bustamante said that Jamaica was the oldest English colony, founded in 1655, and the most stable government in all the Caribbean and that the U. S. had treated them in shabby manner. Mr. Ferris reported that Bustamante had said that he had received cables from Premier Khrushchev, approximately one each month, offering him money, help, friendship, etc. He again repeated to Mr. Ferris, "I am for the West - up to now."

Mr. Ferris reports that William Doherty, American Ambassador in Jamaica, is thoroughly familiar with the situation and is greatly disturbed and distressed. Doherty says, "The situation at the moment is red-hot." Doherty is our old friend who was head of Postal workers.

Mr. Ferris is now in California over the weekend but will be in Washington next week. He is a good friend of John McCone of the C.I.A. and will be talking to him. He is also very friendly with our friend George Woods, President of the International Bank.

I have known Ferris for some time. He is a thoroughly reputable citizen. I am sure that anything he says is correct. I take it from my conversation that another Cuba is spawning in Jamaica.

I am sure that you will want to impart this information to the President.

Warmest regards,
[Signature]

REB:mka

P.S. Best to Lyndon.

January 9, 1964

MEMORANDUM FOR

HONORABLE THOMAS C. MANN

I am attaching a draft memorandum which Jim Frey did for me, at my request, before Christmas. Because Panama had been the subject of two NSAM's; because it involves a special Congressional interest, particularly on the House side; because we may be in for a hot election in Panama; and because we may be pushed to treaty renegotiation more quickly than we had anticipated, I thought it would be appropriate for the President to review the essentials of our Panama policy and approve them.

As I think about it, however, I believe it would be more appropriate for you to seek a meeting with the President at your convenience during which you would discuss with him briefly the major countries in Latin America and the essentials of our policy and operational objectives -- I needn't try to list them.

Ralph A. Dungan

Attachment.

946

gmc

THE WHITE HOUSE
WASHINGTON

Jamaica ✓
95

~~SECRET~~ attachment

January 17, 1964

MEMORANDUM FOR

RALPH DUNGAN

SUBJECT: Consequences of U.S. Failure to
Increase Aid to Jamaica

Attached is a memorandum which I asked CIA
to prepare on the above subject. I have also
passed a copy to Kennedy Crockett, for distri-
bution in State or AID, as he sees fit.

Dordon C

BC
Gordon Chase

*The economic analysis seems a little
out of the Agency line but its
interesting. Are they going up to
defend the AID budget? This
certainly will be helpful, however, in
making the decision*

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~~SECRET~~
(attachment)

THE WHITE HOUSE
WASHINGTON

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~~SECRET~~ attachment

January 17, 1964

MEMORANDUM FOR

KENNEDY CROCKETT

SUBJECT: Consequences of U.S. Failure to
Increase Aid to Jamaica

Attached is a memorandum which I asked CIA to prepare on the above topic. It does not strike me as the last word on the subject, but is a useful document.

Please feel free to distribute it in State or AID, as you see fit.

Gordon Chase

~~SECRET~~
(attachment)

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330
Jamaica ✓
958

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OCI No. 0661/64

Central Intelligence Agency
Office of Current Intelligence
17 January 1964

CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: Consequences of US Failure to Increase Aid
to Jamaica

Summary

1. The most serious consequence of a US failure to meet Jamaica's aid expectations would be the evolution of a Jamaican foreign policy which, while still pro-Western, would be less attuned to US views, particularly regarding Cuba and trade with the bloc. Prime Minister Bustamante might go so far as to seek aid from the bloc, but there are formidable obstacles from both the Jamaican and the Soviet sides. The Bustamante government's popularity might decline to the point of its losing the next election, but Jamaican policies would be basically similar under a government of opposition leader Norman Manley. Finally, the stagnating economy would probably suffer from a further loss of investor interest; resulting increases in already high unemployment could perhaps encourage the growth of now insignificant Communist-front groups.

Jamaica's International Orientation

2. Bustamante has been unusually pro-US and the likelihood of his carrying out his recent threat to get substantial Soviet aid appears on balance to be small. Bustamante's remarks probably reflect his flamboyant and intemperate character, as well as some genuine irritation with the delays and paperwork connected with the US aid program, rather than

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By ius, NARA, Date 7-18-02

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a firm intention to take such a course. He may also feel personally hurt that such gestures as his offer of a base to the US and his attendance at President Kennedy's funeral--he was one of the few Caribbean leaders present--are unappreciated.

3. Substantial difficulties would face Bustamante if he should decide actively to seek Soviet aid. Having so long proclaimed his friendship for the US and his distaste for Communism, Bustamante himself would find it politically embarrassing to make too drastic a reversal. Moreover, there would be strong opposition within the cabinet to accepting aid from the bloc. In any case, Moscow has since 1961 been tightening its criteria for foreign aid; it would be highly unlikely to offer Jamaica a "blank check."

4. On the other hand, it should be recognized that Bustamante and his underlings, who may doubt that pro-Westernism is "paying off," may now at least be considering alternatives to US assistance or other ways to embarrass the US. Bustamante has told Jamaica's UN ambassador, for example, that he sees no reason why Jamaica should not have both trade and diplomatic relations with the Soviet bloc. In point of fact, almost all the Jamaican pimiento crop already goes to the USSR through middlemen.

5. If piqued over lack of US assistance, Bustamante could be particularly troublesome regarding Cuba; the US Embassy in Kingston believes that hitherto Jamaica has enthusiastically supported US efforts to isolate Cuba, at least in part due to Bustamante's influence. However, his government is under pressure to show concern for the welfare of 20,000 Jamaicans residing in Cuba. Moreover, the press, business interests, and both parties oppose Castro's regime less for ideological reasons than because they feel Caribbean unrest hurts Jamaica's interests. To date Jamaica has on one pretext or

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another refused about half of Cuba's requests for landings of chartered air flights, but it could grant them all. Plans to open a consulate in Havana could be carried out despite US objections.

6. There are several other ways as well in which an embittered government in Kingston, determined to follow a more independent and less cooperative foreign policy, could be troublesome. For example, Kingston might well try to alter the Defense Agreement under which US forces can use Jamaican ports and facilities in return for the military aid now being provided. Bustamante has already come under criticism for concluding the agreement without consulting parliament. He might be tempted to emulate Trinidad's example and insist on greater US military aid for continued use of Jamaican facilities.

7. As a member of the Latin American group in the UN--where it also attempts to be on friendly terms with the Africans--Jamaica will continue to have numerous opportunities to expound on the value of friendship with the US or to denigrate this association. The same would be true in the Organization of American States, if Jamaica obtains membership as it is now hoping to do.

8. A discontented Jamaica is also less likely to promote cooperation in the Caribbean area. One of the major obstacles to such closer cooperation is the personal rivalry among the various English-speaking leaders. Significant differences in the relative amounts of US aid parceled out to Trinidad and to Jamaica in particular--regardless of their different circumstances--would aggravate the difficulties the prime ministers of the two countries have in getting along with each other and in working out badly needed regional economic cooperation. However, Bustamante has been consistently hostile toward Premier Jagan in British Guiana. This hostility is probably too genuine for Bustamante to be persuaded by pique with the US to let up on his current efforts to steer Jagan toward a more moderate course.

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Political Consequences in Jamaica

9. The aid question might also have implications for the present political alignment in Jamaica. The Jamaica Labor Party (JLP) came into power in April, 1962, with only a small majority over its rival, the People's National Party (PNP). Since then, the Bustamante government has come under increasing fire for its autocratic tendencies and its inability to get things done. Both daily newspapers have become increasingly critical, and while only local elections are in prospect, the regime seems nervous over such portents as the gains which the PNP-affiliated union has made at the expense of the Bustamante union. The JLP would be particularly fearful for its future hold on the voter if US funds were not continued for the housing and water projects already announced.

10. The opposition PNP would be the primary beneficiary and would have some success in capitalizing on the theme that it could have obtained more economic aid. With respect to other and more sinister opposition groups, claims by the government that it is "sitting on a volcano" appear excessive. Nevertheless, Communist-front groups would certainly try to attract increased support from the discontented and unemployed, and the possibility of eventual disturbances cannot be ruled out. Agents based at the Cuban Consulate have been in regular contact with local front-groups and with the fanatic, semi-religious sect, the Rastafarians.

11. Within the JLP itself where the 79-year-old Bustamante has shown no disposition either to retire or to name an heir apparent, there is considerable discontent among the younger members with Bustamante's policies and incipient rivalry to succeed him. Even if Bustamante does not realign the JLP's policies, some members will exert continual pressure on him to do so. Two potential successors, Finance Minister and Deputy Prime Minister Sangster and Minister without Portfolio Hugh Shearer, have both complained of US indifference, and it is generally conceded that any successor would be less ardently pro-US than Bustamante has been.

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Domestic Economic Consequences

12. After a period of relatively rapid economic growth which produced a diversified economy and a relatively high per capita income (\$436 in 1962), Jamaica is now on an economic plateau. Major problems are high unemployment (around 18 percent), a shortage of both attractive investment opportunities and of local entrepreneurs, and pockets of stagnation in which Communist-front groups are active.

13. Jamaica therefore needs further economic growth to maintain the present standard of living and to avoid an increase in unemployment. It lacks the resources and know-how to move forward, however, and the government has been unable to find sufficient funds either domestically or on the commercial market or from international lending agencies. For example, without a US loan last fall Kingston could not have begun its first major housing project in the overpopulated slums of the capital. An estimated \$17 million is needed to repair the damage from hurricane Flora alone. Over-all, the finance minister has implied that the five-year development plan will fail if Jamaica cannot obtain from abroad one third--or \$85 million--of the plan's costs in government-to-government soft loans.

14. It would appear in fact that without external assistance, business activity is likely to slacken and unemployment to increase, particularly as some foreign firms have found labor conditions unsatisfactory. Tourism is already exploited to the saturation point. The commercial developer has the problem of finding a product which the local market wants and which will not encounter tariffs or other restrictions in foreign markets. The Jamaicans, for example, have bitterly complained about US restrictions on imports of textiles, and they are presently distressed by the problems they have in meeting US competition in the citrus fruit market in the UK.

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Jamaica

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THE WHITE HOUSE
WASHINGTON

~~CONFIDENTIAL~~

January 17, 1964

MEMORANDUM FOR

MR. BUNDY

SUBJECT: Miscellaneous

1. Jamiaca

There seems to be some favorable movement on aid to Jamaica. Kennedy Crockett tells me that Tom Mann held a long meeting on the subject yesterday. I understand that while a firm decision has not yet been made, the trend seems to be in favor of a loan along the lines of Al Mayne's proposal (\$10 million of banking-type funds to permit needy sectors of the Jamaican economy to get credit and to permit feasibility studies).

Ken noted that the Al Mayne proposal may be imperfect from a political point of view; the Jamaicans, of course, would prefer to get the blank check, untied kind of aid. State is wrestling with the problem of how to make a political impact with a loan which also makes economic sense. One possibility is to send Al Mayne down to Jamaica again to try to sell the proposal at the GOJ technical level before the U.S. offers it to Bustamante.

2. Allocation of \$160,000 to Customs

I refer to the allocation of money from State emergency funds to Customs for the control of exile activity against Cuba. John Crimmins tells me that Congressman Rooney was approached yesterday about the allocation and that he is happy.

Keep at it - it's the old dilemma - Javel work

P.S. Have a very happy holiday !!

GC
Gordon Chase

cc: Ralph Dungan

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E.O. 13292, Sec. 3.4
By sp/asm, NARA, Date 2-14-06

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INCOMING TELEGRAM *Department of State*

Jamaica

97

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Action
SS

Control: 10527
Rec'd: January 15, 1964
11:50 p.m.

Info

FROM: Kingston

ACTION: Secstate 249

029

DATE: January 15, 5 p.m.

LIMDIS

EMBTELS 240, 243

As follow up to January 9 meeting, DCM met at length with Ashenheim yesterday. Ashenheim demonstrated he could probably pass exam in workings of American Government, but fails to use his knowledge to develop valid estimate of what Jamaica can reasonably expect to obtain from US. He seems to recognize problems on US side, but refuses to appreciate them. Accordingly, it seems likely his counsel has not served to correct distorted picture of USG held by PM who, on basis of own powers, believes way to obtain favorable US action to Jamaican requests is by direct approach to President.

Ashenheim showed awareness of obstacles to obtaining untied loans, but persisted in calling for a waiver in Jamaica's case. He was impervious to suggestion Jamaica might make more progress by playing game according to rules and orienting requests to projects. Instead he showed preference for concentrating on finding exceptions to rules, or bringing about their change. In response to viewpoint GOJ in position to do more for self, he said GOJ proudly determined to maintain its present cautious fiscal policy and claimed in reality Jamaica's financial position less bright than advertised.

He also called for US waiver of civil aviation requirements for Jamaica and said he at loss to understand why US has refused.

He also called for US waiver of civil aviation requirements

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By *sp/psm*, NARA, Date 2-14-06

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-2- 249, January 15, 5 p.m., from Kingston

for Jamaica and said he at loss to understand why US has refused.

On national water authority he in effect confirmed Embassy analysis (EMBTEL 243) on political motivation. He said GOJ disliked authority because it would undermine Parish Councils which have been "traditional training ground" for Jamaican politicians. Regarding about-face in GOJ attitude toward authority and delay in airing dissatisfaction, he refused to be drawn out. He also declined discuss alleged authority cost of 300,000 pounds. He intimated GOJ hopeful US will now withdraw requirement for NWA since PM has revealed his opposition.

He seemed truly surprised that US could not be expected to carry on bauxite stockpiling indefinitely and apparently believes, official exports notwithstanding, that US stockpiling objective for Jamaica-type bauxite has not yet been shelved although he describes race with stork as Jamaica's main problem he side-stepped any discussion of what Jamaica might do to clip stork's wings.

He said he felt Jamaica's economy in past month after more than a year of relative stagnation had begun to show signs of forward movement.

He expressed satisfaction over citrus agreement and predicted greater local investment in citrus because of chance for tax write-offs.

Farthest east Ashenheim went in discussion was to say that Jamaica preferred to seek help win Wester Hemisphere, but if unable raise loans there would turn to London market.

Meanwhile, water authority and Finance Ministry civil servants, apparently unaware of PM position on authority, called meeting January 13 with AID officials to review procurement for authority water schemes. AID has also learned informally that estimated

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-3- 249, January 15, 5 p.m., from Kingston

annual NWA budget of 308,000 pounds includes 290,000 pounds which represent transfers of currently programmed funds and only 18,000 pounds to cover one-time start-up costs for authority.

Ashenehim plans return Washington on January 31 and will seek meeting with Mant to review Jamaican grievances.

GP-3.

DOHERTY

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AIRGRAM

AID (US) 8 Jam

Jamaica
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RM/R	REP	AF
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TR	XMB	AIR
ARMY	CIA	NAVY
OSD	USIA	NSA

A-180
NO.

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AIR PRIORITY
HANDLING INDICATOR

98

TO : Department of State

JAN 15 1964 12 13

- ~~BUNDY-SMITH~~
- ~~ALEXANDER~~
- ~~BELK~~
- ~~BRUBACK~~
- ~~CHASE~~
- ~~DINGEMAN~~
- ~~DUNGAN~~
- ~~FORRESTAL~~
- ~~JESSUP~~
- ~~JOHNSON~~
- ~~KLEIN~~
- ~~KOMER~~
- ~~SAUNDERS~~
- ~~SCHLESINGER~~
- ~~SMITH, WM. Y~~

FROM : American Embassy, Kingston

DATE: January 14, 1964

SUBJECT: Embassy Meeting with GOJ on Aid Problems

REF :

COPY NO. 19

SERIES B

LIMIT DISTRIBUTION

Enclosed is a memorandum of the Ambassador's conversation with Prime Minister Bustamante and members of his Cabinet concerning U.S. aid to Jamaica. This conversation was summarized and commented on in the Embassy's telegrams 240 and 243.

ACTION REQUESTED. Embassy requests the Department to return 3 copies of this airgram.

FOR THE AMBASSADOR:

William B. Grant

William B. Grant
Second Secretary of Embassy

Enclosure: *AB*
Memorandum of Conversation.

DECLASSIFIED

Authority NLS001R-58-3-12

By 4 ARA Date 8-11-14

GROUP 3

Downgraded at 12-year intervals,
not automatically declassified.

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In Out

Drafted by: POL:WBC/ANC:lmd 1-13-64

Contents and Classification Approved by: DOM:BHK/losson

Clearances: Cleared with Ambassador and AID - Mr. Vance

2011

WBC
ANC

This document contains 11 pages. 5.6 copies, Series B.

MEMORANDUM OF CONVERSATION

Date: Jan 9, 1964
Time: 10:30 A.M.
Place: Prime Minister's
Office

Subject: U.S.-Jamaican Relations

Participants:

Jamaican

American

Prime Minister Bustamante
Deputy Prime Minister Sangster
(arrived late)
Minister of Trade and Industry
Lightbourne
Minister of Housing Tavares
Minister of Home Affairs McNeill
Ambassador Ashenheim
Mr. James Lloyd, Permanent
Secretary, Prime Minister's Office
Mr. Fred DeGazon, Permanent
Secretary, Foreign Affairs
Mr. V.C. Smith, Permanent
Secretary, Ministry of Trade and
Industry
Mr. H.S. Walker, Under Secretary,
Ministry of Finance

Ambassador Doherty
Boris H. Klosson, Deputy Chief
of Mission
Mr. Harrell T. Vance, Director
of AID/Jamaica
Mr. Robert E. Rosselot,
Second Secretary of Embassy
Mr. William B. Grant,
Second Secretary of Embassy
Mr. William N. Goodson,
AID Housing Advisor
Mr. Lee Francis, AID Water
Specialist

In the absence of the Deputy Prime Minister, the Prime Minister invited Minister Lightbourne to chair the meeting and informed the gathering that Mr. Sangster would shortly return from an important meeting at the University.

Minister Lightbourne opened the meeting by saying that the Government had called the meeting to have a frank discussion on the whole question of foreign aid. He said it was their hope to discuss this question in a thoroughly candid but not hostile manner. (At this point the Prime Minister loudly interjected, "I am hostile". When Mr. Lightbourne smiled at this remark, the Prime Minister said, "I'm not bluffing".) During the past year Jamaica had indicated clearly where it stood in the world today. During its 300 years of democracy (sic), Jamaica had fought very hard to develop

itself. However, there were today strong pressures of unemployment which he hoped would not become unmanageable and that political pressure from the Opposition was also strong. Unfortunately, in view of the growing population caused by the high birth rate, it was not possible to catch up with unemployment overnight. He then asked Minister Tavares to lead off the discussion.

Ambassador Doherty asked that before their presentation got under way he be allowed to point out that he had suggested that the meeting be called because he thought with the commencement of the new year it would be useful to have a general review of US-Jamaican relations and to hear the Government's views as to what 1964 held in store for Jamaica. He strongly welcomed the suggestion made by the Minister of Trade and Industry that the meeting be held in a spirit of candor.

Minister Tavares, in discussing first the overall approach to aid, said he wished to point out that there was no other country in the world which had expressed a closer regard for the United States than Jamaica. He referred to Jamaica's stability, the prestige of the Prime Minister, and said that there had been no question where Jamaica stood or about Jamaica's ideology, and that it had been politically with the West. He wanted to make it clear that Jamaica had no right or lien on the funds of the United States, but from their analysis it could be seen that other countries of comparable size and population received more aid from the U.S. In this connection he cited the Dominican Republic, Haiti, Cambodia and Vietnam. The U.S. apparently gave more aid to countries which were on the verge of going communist, but he thought far more consideration should be given to Jamaica than in the past -- particularly because of its 18% unemployment rate. Admittedly on paper Jamaica's GNP per capita was higher than some other countries, but this figure was highly misleading and did not obscure the fact that despair and genuine poverty existed. (At this point the Prime Minister said loudly, "that is Moscoso, that is why I told him off before Kennedy".) Continuing -- Tavares said that the casual use of per capita GNP figures should not lead to the conclusion that Jamaica was not in need. Unemployment of 18% meant that Jamaica was sitting on top of a volcano. There was great concern in developed countries when there was the slightest rise in unemployment over a few percent, yet Jamaica's unemployment was 18%. If this situation continued, then a crisis would develop. In conclusion, other countries were receiving more aid even though Jamaica was a tried and true friend.

Turning to specifics, Tavares said he wished to discuss housing. He said that a housing loan had first been discussed in 1960-61, but that it had taken two years to work out a loan agreement for 1.7 million dollars signed in May 1963 and a subsequent amount of 1.2 million in August 1963. Such long delays put the Government in a very embarrassing position and had subjected it to Opposition criticism. The length of time which passed between the initial public announcement of the loan and the availability of funds was very embarrassing because it made it appear the Government was doing nothing. As it was, despite the fact that more money was budgeted the Ministry was unable because of these delays to spend more than a few thousand dollars in the remaining months of this fiscal year. He realized that the Embassy and AID/Jamaica were trying to do their best, and that the problem lay primarily in Washington. However, he thought that there ought to be some revision of aid machinery to simplify procedures. He complained that in his last visit to Jamaica, Moscoso had been negative about the possibilities of future housing loans. However, the report of an expert housing team which had visited Jamaica in 1959 had clearly revealed the fantastic need for housing and slum clearance. Consequently, he had been astounded when Moscoso told him that Jamaica would not be considered for more housing. (At this point Deputy Prime Minister Sangster arrived.)

Tavares maintained that although Jamaica was regarded as a stable country, all the restrictions attached to loan agreements made them wonder whether the United States trusted them. (At this point the Prime Minister shouted, "thieves -- they think we are thieves. Look what they gave to Liberia and they stole it all".) In conclusion Tavares asked for a review of U.S. aid policies at the highest level and repeated his previous remark that although Jamaica was not strictly entitled to more aid, it could not help but note its situation in comparison with other countries.

Ambassador Doherty said that before making his main points he wished to point out that Mr. Moscoso should not be regarded as hostile to Jamaica. Following his last trip to Jamaica he had agreed to a supplemental water loan of 1.5 million dollars -- 70% of which would be specifically for local costs. Furthermore, while in Jamaica he agreed on the spot to a site construction waiver so that work could begin immediately at three sites. However, no work had yet been started.

Minister Tavares pointed out that before construction could begin on any site that a number of things first had to be done -- relocation of persons, site clearance, etc.

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Page 4
Enclosure 1
A-180
Kingston

Ambassador Doherty said that the point still remained that the waiver had been granted and that everything on these sites now depended on action by Jamaican authorities.

The Ambassador then made the following general observations. He recognized the Prime Minister's distinguished contribution to his country and Jamaica's pro-Western course, but pointed out that since the relations between Jamaica and the United States were so closely connected on a number of matters, it was inevitable that there be friction on occasion as well as agreement. In fact, if he were the Ambassador from another country, there would be few or no problems. As it was, he thought it had been profitable for both the U.S. and Jamaica to discover during the past year that problems were capable of solution through patient and careful negotiations. He was pleased that a number of U.S. programs for Jamaica seemed to be moving ahead without difficulties.

He pointed out that the Prime Minister had been witness during a luncheon given by Secretary Rusk to the latter's observation, that "bauxite was coming out of our ears", yet the bauxite barter program was being continued. On the sugar front, the Ambassador observed that Jamaica had no problem in selling sugar to the U.S. at good prices. (The Prime Minister interjected, "that is because of Cuba".) Continuing, the Ambassador noted that more farm workers had been sent to the U.S. under the Farm Labor Recruitment Program than in any previous year (approximately 10,000). Moreover, he understood that compulsory savings from their earnings transmitted to their accounts in Jamaica amounted to approximately 2 million dollars in 1962. As for the citrus and textile problems, which had seemed so formidable at first, it was noteworthy that they had been largely resolved as a result of patient deliberate negotiations and a willingness to compromise on all sides.

Concerning immigration, the Ambassador recalled that the Prime Minister had received personally from the President a letter in which he had agreed to ask Congress to put immigration from Jamaica on a non-quota basis. This legislation now lay before Congress and it was his hope that the session would produce some constructive action which would benefit Jamaica. However, in an election year, it must be realized that less legislation than usual is passed by Congress. Despite the quota of 100, it should be recognized that in the last two years, the number of immigrant visas granted to Jamaicans had come to over 1400 per year, and the number of non-immigrant visas issued in 1963 had risen to over 12,000.

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Concerning Air Jamaica, the Ambassador said he realized there were still problems to be ironed out, but he believed that the same calm approach and compromising spirit which had led to the resolution of the textile and citrus questions would lead to a solution in this field as well.

On the aid front, we were all aware that delays had occurred on both sides in both the water and housing projects, but that these had now been largely ironed out and both construction projects could move ahead on an accelerated scale. (The Prime Minister interrupted at this point to state that according to their figures, the authority would cost £300,000 a year or £3 million additional over the contemplated 10-year period. He said he had never been so disgusted in his life. The water loan was very expensive so let's "break it all off".)

Mr. Lee Francis, AID Water Advisor, pointed out that the authority should over a period of time become self-sustaining as soon as the proper rate structure was put into effect as contemplated in the program.

Minister Lightbourne expressed doubts whether people would be able to pay rates which would both service the debt and take care of our recurrent expenditure. (At this point the Prime Minister interjected, "as far as I'm concerned, let's break off this damned aid program".)

Following a moment in which nothing was said, Minister Lightbourne said he was grateful for the great understanding which the Ambassador and the U.S. had shown on the citrus and textile questions, but that he wished to point out that Jamaica had only been trying to protect what it already had. He said that the U.S. in its AID Program prefers to put out fires rather than to build fire-fighting equipment. He said AID machinery is much too inflexible. The Prime Minister, he said, was greatly concerned over this rigidity of approach. He added, "we know you don't think we are thieves, but we don't like being treated as if we were thieves". Alluding once again to the eye-catching public announcements of U.S. aid and the long delay before aid was extended, he pointed out that people expected immediate results after publicity. When they don't appear, good intentions can eventually turn out to become dangerous.

Ambassador Doherty said that in looking at the question of possible future aid to Jamaica, he wished to observe that the three-man team which had visited Jamaica in November and December had completed its study and that final recommendations were

now being formulated. However, the Prime Minister must be aware that it had been particularly difficult this year to secure Congressional approval of the aid bill and that the amount appropriated had been drastically reduced. Moreover, the U.S. had been confronted with a persistent drain of its gold resources partially as a consequence of government spending abroad. For this reason, we have had to insist that as much aid as possible be spent in the U.S. and that we carefully scrutinize and limit to the maximum extent possible dollar aid for local costs. The Ambassador referred to Jamaican concern that certain types of pipe could be more cheaply purchased in other countries than the U.S., but that under the Water Loan, purchase had to be made in the U.S. However, he had learned that a certain Italian asbestos cement pipe used on other water projects had not stood up as well as American pipe. Moreover, many of the fittings and other parts which had to be budgeted for the projects were much cheaper in the U.S. than in any other country.

Concerning comparative aid, the Ambassador pointed out that on a per capita basis Jamaica compared very favorably with other countries receiving aid from the U.S. It was not the highest -- since certain countries in an absolutely desperate position or involved in civil war might receive more per capita -- but it was in the top bracket.

The Ambassador went on to say that a discussion of what Jamaica received in comparison to what other countries received did not advance the discussion very far since what we allocated to other countries depended on a variety of other factors. It was true we gave much more aid to certain countries which were far less fortunate than Jamaica, but this was done so that they might have an opportunity to be in as good a position as Jamaica. In fact, many African, Far Eastern and some Latin American countries had a GNP per capita of less than 100 dollars per year, or only about one-fourth as much as Jamaica. (At this point Minister Lighthourne asked whether we could provide him with the data on which these figures were calculated. Mr. Vance said he would be happy to make available this information.)

The Ambassador urged that Jamaica not overestimate what foreign aid could do. The U.S. had found that the action which the government of any developing nation took on its own was generally far more important than the amount of aid received from the outside.

The Ambassador then referred to the £25 million request which the Prime Minister had orally made to President Kennedy during his last trip to Washington. He said that under the 5-year plan such a request came to approximately £5 million a year. If one totalled up the expenditure and commitment of all U.S. programs in Jamaica during the first year of independence, it came to approximately 14 million dollars, or roughly £5 million. He suggested it would be wise if the Government waited to see what the new year would bring.

Minister Tavares then broke in to say that Moscoso had said that there would be no more money for housing. Did the Ambassador mean to imply that funds would now become available.

The Ambassador replied that we now have a new President and we would have to see.

Minister Lightbourne added suavely he had also heard that Mr. Moscoso had been replaced.

The Ambassador then urged that the Government be patient for the next two weeks or month until things jelled to a point where we could come back for another discussion. However, he obviously could make no commitment in view of the fact that the Mayne report was under study.

Mr. Lightbourne smiled and said he did not wish to press the Ambassador any further.

Deputy Prime Minister Sangster said he had listened to the discussion hoping that he would hear something of the future. He pointed out that what they thought a year ago and what they thought now were two very different things. If he had been in the water negotiations from the start, Jamaica would not have accepted this soft loan. He volunteered that no official from the U.S. except the Ambassador appeared to understand Jamaica. To maintain the stability and growth of Jamaica without rebellion and revolution required an annual expenditure of X million pounds. Sangster said they had budgeted for soft money but they could have raised money on a commercial basis. Jamaica had "a remarkable financial record". (The Prime Minister at this point stated, "I can raise all kinds of money, commercial or otherwise from either east or west".) Sangster then said, "are you going to aid us the way we see it, or the way you see it".

Referring to agricultural expenditure, Sangster said the Government had bought land to carry out a redistribution of land under a reform program. He thought something was wrong somewhere when the U.S. could not help on the redistribution of 20,000 acres of land. He claimed that the government could carry out its program with its own funds but this would then require 5 to 7 years. Depressed conditions required quicker action and with U.S. assistance, land could be distributed in less than two years. He said Jamaica needed quick help in this area as well as many others. In conclusion, he thought that America had been happy to have a "lighthouse in the Caribbean", but that they had gotten the impression the U.S. no longer cared about Jamaica.

Ambassador Doherty replied that the Deputy Prime Minister had said many things with which he could not disagree, but that he wished to point out that on the very day of President Kennedy's assassination, Dr. Mayne had been flying over Jamaica inspecting hurricane Flora damage, and he suggested that the Ministers be patient until there were an opportunity to discuss Dr. Mayne's proposals.

Minister Sangster emphasized that all the government wanted was untied loans. He then referred to the water loan, and particularly the National Water Authority (NWA), as something which did not appear to be in Jamaica's interest.

Ambassador Doherty retorted that if that was the Government's position, it should write a letter to President Johnson.

Minister Lighthourne then said that the cabinet regarded the water loan as a mixed blessing. It was both costly and wasteful and suggested that the matter be taken up as an "issue". He stressed that Jamaica had its own methods and that they worked. He hoped that the NWA would be "thrown out the window" because it violated Jamaica's independence. People would think that Jamaicans were a "gutless" people if they accepted the restrictive provisions of this loan. In fact, the NWA was almost an "indignity".

The Ambassador said he could not understand why the water loan provisions should be referred to as an indignity. The greatest indignity of all in his view was the sight of women and children in the countryside carrying water pails on their heads.

Mr. Vance said it had been his impression from everything he had learned and read about the water loan that the provisions of the loan had been fully negotiated and accepted.

Minister Lightbourne replied that the initial negotiations and agreement in principle had been obtained from the previous government, and that matters were so far advanced when the new government came in that there was little else that could be done with the water loan.

Deputy Prime Minister Sangster then said that he had never liked the water loan because he thought it would weaken the fabric of local government.

The Ambassador said that if the government did not like the water loan, it should do something about it. He suggested that they write a letter either to the Embassy, or the Department in Washington via the Jamaican Embassy or directly from the Prime Minister to the President.

The Prime Minister then said that he wanted to reject the loan. He added, "I have confidence in you Mr. Ambassador, but not in your aides".

The Ambassador immediately replied that he had full confidence in all of his aides.

The Prime Minister rebutted, "I know you do, but I don't".

The Ambassador then said that he had gathered so far from the discussion that the water loan was the principal irritant. If this was so, every effort should be made to correct the problem. He asked if there were any other irritants.

The Minister of Home Affairs, Mr. McNeill, said that the greatest problem Jamaica faced was that it had mounting unemployment and that there was insufficient bread to eat. Unless something could be done to improve quickly this situation, he thought Jamaica was headed for plenty of trouble.

Ambassador Ashenheim supported Minister McNeill's remarks and pointed out that unemployment was concentrated in the age group of 15 to 29 -- a frightening prospect.

Minister Lightbourne immediately picked up this theme and said that unless substantial aid was forthcoming Jamaica could eventually go communist.

Minister Tavares asked the Ambassador if the government could look forward to more assistance in the field of housing.

The Ambassador referred to the fact that an AIFLD representative was in Kingston talking with the three unions about the possibility of a 6 million dollar AFL-CIO housing loan for low-cost housing. (The Prime Minister immediately interjected, "we have all the housing we want, it's the land reform program that is vital".) Minister Tavares immediately agreed that the land distribution program had priority.

In conclusion, the Ambassador said that the meeting had provided a healthy airing of current disagreements. He noted that water and housing had been particularly emphasized. However, he wished to point out that he had not mentioned the program which seemed to be the greatest irritant of all, namely Food for Peace. (The Prime Minister interjected, "that's right. Do not even mention it".) The Ambassador agreed that the U.S. would take a new look at the irritants which were discussed and said it was understood that the Jamaican government would produce a paper outlining its position on these problems.

Ambassador Ashenheim referred to the new 800,000 ton bauxite barter program and asked if there were any objection to the Government's issuing a press release on this subject.

The Ambassador said he could see no objection but would let him know specifically later in the day. /The Embassy later agreed to the issuance of a press release since the news had already been released in Washington./

INCOMING TELEGRAM *Department of State*

Jamaica
99

48

UNCLASSIFIED

Action
ARA

Control: 9360

Rec'd: January 14, 1964
10:04 P.

- ~~BUNDSMITH~~
- ~~ALEXANDER~~
- ~~BELK~~
- ~~BRUBECK~~
- ~~CHASE~~
- ~~DINGEMAN~~
- ~~DUNGAN~~
- ~~ECKEL~~
- ~~FORRESTAL~~
- ~~JOHNSON~~
- ~~KILDUFF~~
- ~~KLEIN~~
- ~~KOMER~~
- ~~SAUNDERS~~
- ~~SCHLESINGER~~
- ~~SMITH, WM. Y.~~

FROM: Kingston

Info

ACTION: Secstate 244 priority

SS

G

SP

INFO: London 33 priority

L

CAP

Port of Spain 42 priority

EUR

Bridgetown 2 priority

E

DATE: January 14

ICA

AID

P

Federal loan and development guarantee fund.

USIA

INR

CIA

Following is precise West Indian summit meeting statement released January 13:

NSA

FRB

COM

TRSY

XMB

Conference agreed should request USG reconsider decision (not further defined) it had conveyed HMG GOJ and GOTT should make further representations USG through Embassies Washington with view contribution to FLGF which already made by USG for provision industrial credit in area remaining in fund. Also agreed should request HMG leave contributions from C D and W funds in FLGF.

RMR

DOHERTY

AAL/4

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Jamaica

100

~~CONFIDENTIAL~~

January 14, 1964

MEMORANDUM FOR

MR. MANN

SUBJECT: Jamaica

I understand that, within the next week or so, you will be focusing on the question of whether or not the U. S. should increase its level of aid to Jamaica. Since I have an interest in the subject because of a couple of small Jamaican jobs in the past, and since I will probably be on leave when it comes up for decision, I thought it might be useful to send my views over to you in this informal fashion. Here they are, for whatever use you may want to make of them.

1. There appears to be general agreement in the U. S. Government that U. S. /Jamaican relations, which were recently exceedingly good, are beginning to sour seriously. Undoubtedly, a large part of the blame for this deterioration belongs to the Jamaicans. At the same time, there is probably some force in the basic Jamaican argument that the U. S. has ignored Jamaica while taking care of the rest of Latin America and that Jamaica's unquestioning support of the U. S. has not paid off.
2. Regardless of who is to blame for it, I, for one, believe that the deterioration is an important matter for us -- even if it does not result in Jamaican overtures to the Bloc (which it conceivably could) or in Jamaican reluctance to support major U. S. foreign policy interests (which it might). Jamaica, trying to solve its problems in the democratic way, is one of the few bright lights in the Caribbean. It would appear to make little sense to allow our relations with this "shining example" to sour, if we can prevent it.
3. As I understand it, an increased level of aid to Jamaica would go a long way in meeting our political problem, and may even be a prerequisite for improving U. S. /Jamaican relations; I also understand that, without a great deal of effort, an increased level of aid can be justified economically.

DECLASSIFIED
E.O. 13292, Sec. 3.4
By xy/cbu, NARA, Date 2-14-86

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-2-

If this is true, then I am for it, especially in view of the fact that Jamaica is not Brazil and that a sizeable impact can presumably be made with a relatively small amount of money, properly and expeditiously administered.

4. I recognize that the question of aid to Jamaica may be intimately related to the fate of the foreign aid program in general. While it is clear that this large, strategic interest may have to carry great weight in the Jamaican aid equation, and may even have to be overriding, it seems equally clear to me that we cannot dismiss lightly the political consequences involved in continued deterioration of U.S. /Jamaican relations.

McGeorge Bundy

cc: Mr. Dungan

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THE WHITE HOUSE
WASHINGTON

100a

~~CONFIDENTIAL~~ attachment

January 13, 1964

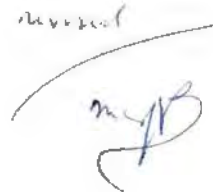
MEMORANDUM FOR

MR. BUNDY

SUBJECT: Jamaica

As you requested, attached for clearance and/or comment, is a draft memorandum from you to Tom Mann about aid to Jamaica. As I see it, a principal fear is that the political dimension of the Jamaican problem will get lost in the shuffle of great economic issues (e. g. the fate of the foreign aid program) and will not receive appropriate consideration. The intent of the memo is to ensure that this does not happen.

GC
Gordon Chase

OK
An
revised


~~CONFIDENTIAL~~ attachment

Confidential

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DRAFT

1/13/64

MEMORANDUM FOR MR. MANN

SUBJECT: Jamaica

I understand that, within the next ^{small} week or so, you will be focusing on the question of whether or not the U.S. should increase its level of aid to Jamaica. Since I have an interest in the subject, ^{because of a couple of Jamaican jobs on the part} and since I will probably be on leave when it comes up for decision, I thought it might be useful to send my views over to you in this informal fashion. Here they are, for whatever use you may want to make of them.

1. There appears to be general agreement in the U.S. Government that U.S./Jamaican relations, which were recently exceedingly good, are beginning to sour seriously. Undoubtedly, a large part of the blame for this deterioration belongs to the Jamaicans. At the same time, there is probably some force in the basic Jamaican argument that the U.S. has ignored Jamaica while taking care of the rest of Latin America and that Jamaica's unquestioning support of the U.S. has not paid off.

2. Regardless of who is to blame for it, I, for one, believe that the deterioration is an important matter for us -- even if it does not result in Jamaican overtures to the Bloc (which it conceivably could) or in Jamaican reluctance to support major U.S. foreign policy interests (which it might). Jamaica, trying to solve its problems in the democratic way, is one of the few bright lights in the Caribbean. It would appear to make little sense to allow our relations with this "shining example" to sour, ^{if we can prevent it.} ~~At a minimum, we should make a good, solid try to prevent it.~~

DECLASSIFIED

E.O. 13292, Sec. 3.4

By sp/brn, NARA, Date 2-14-06

Confidential

-2-

3. As I understand it, an increased level of aid to Jamaica would go a long way in meeting our political problem, and may even be a prerequisite for improving U.S. /Jamaican relations; I also understand that, without a great deal of effort, an increased level of aid can be justified economically. If this is true, then I am for it, especially in view of the fact that Jamaica is not Brazil and that a sizeable impact can presumably be made with a relatively small amount of money, properly and expeditiously administered.

4. ~~In closing~~, I recognize that the question of aid to Jamaica may be intimately related to the fate of the foreign aid program in general. While it is clear that this large, strategic interest may have to carry great weight in the Jamaican aid equation, and may even have to be overriding, it seems equally clear to me that we cannot dismiss lightly the political consequences involved in continued deterioration of U.S. /Jamaican relations.

McGeorge Bundy

~~cc:~~ cc: Mr. Dungan

~~SECRET~~

CENTRAL INTELLIGENCE AGENCY
Intelligence Information Cable

Jamaica ROUTINE
101

25X1X

COUNTRY JAMAICA

25X1A

DATE OF INFO.

DISTR. 11 JANUARY 1964

SUBJECT

JAMAICAN GOVERNMENT DISSATISFACTION WITH UNITED STATES GOVERNMENT'S ECONOMIC ASSISTANCE TO JAMAICA

PLACE & DATE ACQ.

25X1X

SOURCE AND APPRAISAL:

TO STATE: NO DISTRIBUTION EXCEPT TO MR. THOMAS L. HUGHES.
TO EXO : EXCLUSIVE FOR MR. MC GEORGE BUNDY.

1. ON 8 JANUARY 1964 MINISTER OF HEALTH DR. HERBERT W. ELDEMIRE EXPRESSED PRIVATELY THE JAMAICAN GOVERNMENT'S DISSATISFACTION OVER THE FAILURE OF THE UNITED STATES GOVERNMENT TO ASSIST THE JAMAICAN GOVERNMENT WITH REASONABLE LOANS. ELDEMIRE SAID THE ENTIRE CABINET WAS "FED UP" WITH THE AMERICANS, SINCE MOST TRANSACTIONS WITH THEM HAVE BEEN UNSATISFACTORY
2. ELDEMIRE SAID THAT JAMAICAN OFFICIALS HAVE BEEN WELL RECEIVED IN WASHINGTON BUT THERE ARE NO RESULTS FROM THESE UNITED STATES EXPRESSIONS OF GOODWILL. THE JAMAICAN GOVERNMENT FEELS THAT IT OBTAINED COMMITMENTS ON LOANS IN WASHINGTON

This material contains information affecting the National Defense of the United States within the meaning of the Espionage Laws, Title 18, U.S.C. Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.

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BACKGROUND USE ONLY NO FOREIGN DISSEM

GROUP Excluded from automatic downgrading and declassification

STATE (HUGHES ONLY) DD/I AD/CI EXO (BUNDY ONLY)

SANITIZED
Authority RAC-NLJ 001-058-3-7
By *us* NARA, Date 7-24-02

25X1A

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(When Filled In)

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PAGE 2

BUT UPON RETURNING TO JAMAICA THEY HAVE FOUND THAT MATTERS ARE QUITE DIFFERENT AND TOO MANY STRINGS ARE ATTACHED TO THE LOANS.

3. THE ISLAND WATER SCHEME WAS CITED AS AN EXAMPLE IN WHICH THE ORIGINAL PROPOSAL PROVIDED FOR JOINT PARTICIPATION BY THE UNITED STATES AND JAMAICA ROUGHLY IN PROPORTIONS RESPECTIVELY TWO TO ONE, ACCORDING TO ELDEMIRE. WHEN IT SUBSEQUENTLY BECAME CLEAR THAT JAMAICA MUST PROVIDE THE LABOR, AND BUY THE STEEL AND CEMENT IN AMERICA, THE PROPORTIONS WERE REVERSED. ELDEMIRE EMPHASIZED THAT JAMAICA WAS WILLING TO PUT UP A FAIR SHARE ON ANY PROPOSITION.

4. ELDEMIRE EXPRESSED KEEN DISAPPOINTMENT OVER A. I. D. OPERATIONS IN JAMAICA AND SAID THAT THESE OPERATIONS WERE MORE HARMFUL THAN HELPFUL. HE VOICED THE PERSONAL VIEW THAT A. I. D. WAS NOT REALLY TRYING TO HELP JAMAICA, THAT HE PERSONALY DID NOT WISH TO DEAL WITH THAT AGENCY AND AS FAR AS HE WAS CONCERNED A. I. D. COULD BE WITHDRAWN FROM THE COUNTRY.

5. THE JAMAICAN GOVERNMENT IS DESPERATELY IN NEED OF LOAN CAPITAL, BOTH LONG AND SHORT TERM. THE CABINET MEETING ON 10 JANUARY WILL DEAL WITH MEANS TO RAISE FUNDS TO COVER A DEFICIT OF 3,000,000 JAMAICAN POUNDS (\$8,400,000) IN THE CURRENT BUDGET. IN ADDITION, THE CABINET IS WORRIED ABOUT HAVING COMMITTED THEMSELVES TO THE EXPENDITURE OF LARGE SUMS OF MONEY UNDER THE FIVE-YEAR PLAN WITHOUT HAVING LOCATED SOURCES OF CAPITAL.

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2006 Approved For Release 2001/09/06 : NLJ-001-058-3-7-0

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CONTINUATION

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HOWEVER, THE GOVERNMENT IS DETERMINED TO EXECUTE THE FIVE-YEAR PLAN IRRESPECTIVELY.

6. THE JAMAICAN GOVERNMENT KNOWS IT MUST GET THE REQUIRED FUNDS SOMETIME, SOMEWHERE. THERE HAS BEEN DISCUSSION IN THE CABINET OF TURNING TO THE EAST FOR LOANS, BUT THIS IS NOT BEING CONSIDERED SERIOUSLY AT THIS TIME. ELDEMIRE SAID THAT IF THIS WERE EVER APPROVED BY THE PRIME MINISTER, HE AND FOUR OTHER CABINET MINISTERS WOULD RESIGN. THE FOUR MINISTERS WERE NOT IDENTIFIED FURTHER BY ELDEMIRE, OTHER THAN BY HIS COMMENT THAT THEY WERE CLOSE FRIENDS WHO HAD GROWN UP TOGETHER, ATTENDED THE SAME SCHOOLS AND WERE FIRM IN THEIR RESOLVE TO RESIST ANY MOVE OF JAMAICA TO TURN TO THE SOVIETS.

7. THE FIVE-MINISTER GROUP KNOW THERE IS AVAILABLE CAPITAL FOR IMMEDIATE NEEDS IN JAMAICA AND WILL TRY SCHEMES TO RAISE THE THREE MILLION POUNDS. THIS INCLUDES THE CREATION OF A STATE LOTTERY, WHICH HOWEVER IS OPPOSED BY ALL RELIGIOUS GROUPS EXCEPT THE CATHOLIC CHURCH. OTHER CABINET MINISTERS ARE AGAINST THE LOTTERY FOR ELECTORAL REASONS, SAYING THE GOVERNMENT DARE NOT OPPOSE THE CHURCHES. MINISTER OF DEVELOPMENT AND WELFARE EDWARD SEAGA PROPOSED INCREASING TAXES TO COVER THE CURRENT DEFICIT BUT THE MAJORITY REGARDED SUCH A STEP AS POLITICALLY DISASTROUS.

8. ELDEMIRE CONCEDED THAT PRIME MINISTER BUSTAMANTE WAS

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FORM 5-63

2086 Approved For Release 2001/09/06 : NLJ-001-058-3-7-0

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PAGE 2

VERY IMPULSIVE AND COULD BLUNDER INTO A SITUATION WITH SCVIETS, BUT HE THOUGHT THE PRIME MINISTER'S DECISIONS BASICALLY SOUND. OCCASIONALLY, THE PRIME MINISTER MADE DECISIONS WHICH THE ENTIRE CABINET THOUGHT WERE WRONG. THE PRIME MINISTER HAD AGREED TO CHANGE AFTER A WEEK IF PROVEN WRONG, BUT ACCORDING TO ELDEMIRE HE WAS USUALLY PROVEN RIGHT. ELDEMIRE CHARACTERIZED A RECENT RULING IN-BOND TRADERS AS A WRONG DECISION OF THE PRIME MINISTER.

9. ELDEMIRE THOUGHT THAT THE PRIME MINISTER MIGHT WELL HAVE PUT OUT A STORY THAT JAMAICA MIGHT TURN TO THE EAST FOR LOANS, AS A SLIGHT TOUCH OF BLACKMAIL TO INFLUENCE AMERICAN THINKING, HOWEVER, HE FELT POSITIVE IT WAS NOT MEANT SERIOUSLY. ELDEMIRE SMILINGLY COMMENTED THAT THE MINISTER OF HEALTH FROM ABYSSINIA HAD TOLD HIM LARGE AID SUMS HE HAD RECEIVED FROM THE UNITED STATES WERE SUDDENLY SHARPLY REDUCED BUT ONCE HE HAD TOLD THE UNITED STATES HE WOULD GO TO THE SOVIETS FOR THE DIFFERENCE THE FUNDS WERE PROMPTLY RESTORED. HE SAID THE SOVIETS WERE READY TO PROVIDE IT. ELDEMIRE THEN POINTED TO UNITED STATES AID OF 100 MILLION DOLLARS TO CAMBODIA WHICH WAS FAIRLY WELL LOST WHEREAS FRIENDLY JAMAICA WAS UNABLE TO GET THE NEEDED HELP FROM THE UNITED STATES.

10. ELDEMIRE, WHO HAS BEEN KNOWN AS VERY PRO-U.S., ADDED HIS DISENCHANTMENT WITH AMERICANS IN THE PRIVATE SECTOR. HE HAD TRIED TO ARRANGE A \$ 30,000,000 LOAN WITH KUHN AND LOEB

CLASSIFICATION - DISSEMINATION CONTROLS

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BACKGROUND USE ONLY NO FOREIGN DISSEM

FORM 5-63

Approved For Release 2001/09/06 : NLJ-001-058-3-7-0

25X1A

MFG. 6-63

(15-20)

CONTINUATION

CLASSIFICATION - DISSEMINATION CONTROLS		25X1A	IN 9
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NEW YORK AND APPEARED ^{TO} BE GETTING AGREEMENT FOR THIS AMOUNT AT 6 PER CENT INTEREST SELLING AT 98. HIS FOLLOWUP LETTER, HOWEVER, HAS BEEN THREE WEEKS WITHOUT AN ANSWER. ELDEMIRE SAID THIS WAS A HIGH-COST LOAN BUT THE JAMAICAN GOVERNMENT WOULD TAKE IT, IF IT BECAME AVAILABLE. ELDEMIRE SAID HE NOW SHIES AWAY FROM AMERICANS, WHO APPEAR TO PROMISE MUCH BUT DO NOTHING.

11. ELDEMIRE FERVENTLY HOPED JAMAICA WOULD BE ADMITTED INTO OAS AND MANIFESTED HIS DISAPPOINTMENT THAT THIS HAD NOT HAPPENED. HE CONFIRMED THE GOOD RELATIONS BETWEEN THE JAMAICAN GOVERNMENT AND THE UNITED STATES AMBASSADOR, BUT SAID THEY COULD NOT SEEM TO GET ANYWHERE.

25X1A

12. [REDACTED] DISSEM: STATE ARMY NAVY.

END OF MESSAGE

CLASSIFICATION - DISSEMINATION CONTROLS			
SECRET	BACKGROUND USE ONLY	NO FOREIGN DISSEM	

FORM 5-63

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Approved For Release 2001/09/06 : NLJ-001-058-3-70

CONTINUATION

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MFG. 6-63

(15-2)

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102

THE WHITE HOUSE
WASHINGTON

~~CONFIDENTIAL~~

January 11, 1964

MEMORANDUM FOR

MR. BUNDY

SUBJECT: Jamaica

1. Attached are two cables regarding Ambassador Doherty's talks with Prime Minister Bustamante yesterday. These cables tie in importantly with the ^{present} review of U. S. aid to Jamaica.

2. I, for one, regard this time-frame as an important cross-road in U. S. /Jamaican relations. In this regard I have asked Chet Cooper to research and assess the Jamaican situation.

GC
Gordon Chase

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 13292, Sec. 3.4
By ng/cbm, NARA, Date 2-14-06

NO FOREIGN DISSEM
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OCI No. 3572/64

CENTRAL INTELLIGENCE AGENCY
Office of Current Intelligence
8 January 1964

✓ Bundy

39

103

CURRENT INTELLIGENCE MEMORANDUM

SUBJECT: Jamaican Efforts to Obtain Economic Aid

1. Jamaican Prime Minister Bustamante, dissatisfied with the level of US economic aid, is spreading the word that he may establish closer relations with the Soviet bloc.

2. He told [redacted] on 1 January that he is "greatly disappointed in American failure to help Jamaica," and that Mikoyan has promised the Soviet Union will underwrite Jamaica's entire five-year plan after diplomatic relations are established. The plan, according to the US Embassy in Kingston, calls for total expenditures of \$214.8 million, of which \$85 million would be in currency loans.

25X1X

25X1X

3. [redacted] sees Bustamante frequently, and probably was expected to pass the prime minister's remarks to the embassy. The source does not think Bustamante was bluffing.

25X1X

25X1X

4. No Soviet official is known to have visited Jamaica or seen its five-year plan. Jamaican officials might have talked with Mikoyan, however, when he was in Washington for President Kennedy's funeral.

5. Moscow has been tightening its criteria for foreign aid since 1961, making it highly unlikely that Jamaica would be offered such a "blank check." Furthermore, evidence indicates that the Soviet analysis of economic conditions in Latin America is unfavorable; Moscow discouraged several Latin American requests for aid last year. At the most, Soviet officials might have indicated that Jamaican requests would receive sympathetic consideration.

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BACKGROUND USE ONLY

SANITIZED

Authority RAC-NLJ 001-058-3-8
By iss, NARA, Date 7-23-02

~~SECRET~~
NO FOREIGN DISSEM
BACKGROUND USE ONLY

6. Bustamante's threat, which included a hint that Khrushchev might be invited to Jamaica if he visits Cuba, appears to be largely a bargaining maneuver, although he has an impulsive and sometimes irrational temperament. Renewed pressure for increased US aid would be a logical reflection of the strong opposition attacks on his program. It probably also reflects the rivalry among Caribbean leaders for favorable treatment by the US. Bustamante's principal Caribbean rival, Prime Minister Eric Williams of Trinidad, has had relatively greater success, in part because of the Chaguaramas installation.

7. The Communist faction in Jamaica is too weak to exert any appreciable pressure on Bustamante, a situation which is partly attributable to Bustamante's strong anti-Communist posture.

8. Jamaica has made no comprehensive presentation of its aid desires to the US Government. In November 1962, Bustamante talked in terms of a long-term \$25-million loan. Since August 1962, the US has extended to Jamaica \$5.4 million in long-term loans, and a small amount of technical assistance and grants. The Export-Import Bank has loaned Jamaica another \$5 million.

THE WHITE HOUSE
WASHINGTON

✓
Jamaica
104

~~CONFIDENTIAL~~

January 7, 1964

MEMORANDUM FOR

MR. BUNDY

SUBJECT: Jamaica

1. Yesterday I attended a meeting at State about increasing the aid level to Jamaica. The meeting was chaired by Bill Rogers (he appears to be running the Alliance for Progress shop now) and included Sterling Cottrell, Bob Sayre (acting for Kennedy Crockett), Ray Sternfeld, and some others.

2. Much of the meeting was consumed by Al Mayne's briefing of the Jamaican economic situation; he returned from Jamaica a couple weeks ago after investigating the possibilities of increasing the level of U. S. assistance to Jamaica. Al said that Jamaica can solve a lot of their problems by themselves -- e. g. spend some money on public works. He went on to say that while there is little we want to do which will make an impact over the short run, there are some very good things we can do which will make an impact over the long run. He suggested that a program of \$10 million, covering the following areas, makes good economic sense -- providing banking-type funds (credit) for the dairy industry, for the entrepreneur industrial class, for the secondary mortgage (housing) market, and for feasibility studies; such a program could act as a catalyst for the Jamaican economy. The economists around the table seemed to buy Al's proposals.

3. The discussion of the political aspect was brief but there seemed to be general agreement that we should be doing more for Jamaica. While Bustamante may be bluffing about his Soviet tendencies, the situation in Jamaica will continue to sour unless we do something.

Also, the consensus seemed to be that while the Jamaicans would prefer to get a check for \$10 million, with no strings attached, Al Mayne's program can probably be sold and can help meet our political problem in Jamaica.

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 13292, Sec. 3.4
By *kg/km*, NARA, Date *2-14-26*

~~CONFIDENTIAL~~

-2-

4. The big obstacle in the way of an increased aid level to Jamaica is the problem of the whole foreign aid program. Bill Rogers put it simply -- foreign aid is in trouble and there is a hypothetical list of countries where aid should be knocked off; Jamaica is on the list along with such countries as Venezuela, Trinidad, and Mexico. Bill added that the present work of the Ball Committee has an important bearing on aid to Jamaica.

5. Bill Rogers spoke to Tom Mann after our meeting. Bill says that Mr. Mann wants to study the Jamaican problem some more but definitely does not want the door closed on U.S. aid to such relatively prosperous countries as Jamaica, Trinidad, Venezuela, and Mexico.

6. I made the point to Bill Rogers (and also to Jim Frey, who is now working in Tom Mann's shop) that we should probably come to a basic decision quickly -- i.e. that we are, or are not prepared to raise our aid level to Jamaica. There are some signals which indicate that Bustamante may let go an official blast at us in the next few days. If we are going to give aid to Jamaica, we want it to appear as our own initiative and collect whatever political dividends there may be; we don't want it to appear as a response to Bustamante's "wolf" cry.

Both Bill and Jim seemed to agree, and presumably will make the point to Tom Mann. In any event, I will keep an eye out.

GC
Gordon Chase

cc: Ralph Dungan

~~CONFIDENTIAL~~

THE WHITE HOUSE
WASHINGTON

*John
Gansner
104a*

Gordon

I had seen #234.

If you are following
this would you talk
to me

JD

Ralph - you may want to ^{h'} look at Kingston's 234 if ^{104b} you haven't seen it yet.

G. Chase

~~CONFIDENTIAL~~

January 7, 1964

MEMORANDUM FOR

MR. BUNDY

SUBJECT: Jamaica

1. Yesterday I attended a meeting at State about increasing the aid level to Jamaica. The meeting was chaired by Bill Rogers (he appears to be running the Alliance for Progress shop now) and included Sterling Cottrell, Bob Sayre (acting for Kennedy Crockett), Ray Sternfeld, and some others.

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Also, the consensus seemed to be that while the Jamaicans would prefer to get a check for \$10 million, with no strings attached, Al Mayne's program can probably be sold and can help meet our political problem in Jamaica.

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E.O. 13292, Sec. 3.4

By kg/cbm, NARA, Date 2-14-06

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-2-

4. The big obstacle in the way of an increased aid level to Jamaica is the problem of the whole foreign aid program. Bill Rogers put it simply -- foreign aid is in trouble and there is a hypothetical list of countries where aid should be knocked off; Jamaica is on the list along with such countries as Venezuela, Trinidad, and Mexico. Bill added that the present work of the Ball Committee has an important bearing on aid to Jamaica.

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Both Bill and Jim seemed to agree, and presumably will make the point to Tom Mann. In any event, I will keep an eye out.

Gordon Chase

cc: Ralph Dungan

INCOMING TELEGRAM *Department of State*

Jamaica
105

~~CONFIDENTIAL~~

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Control: 2635
Rec'd: January 6, 1964
1:52 p.m.

FROM: Kingston

ACTION: Secstate 235

INFO: Port of Spain 40
Barbados 7
Georgetown 6
Curacao Unnumbered
Martinique Unnumbered

DATE: January 6, 11 a.m.

DEPARTMENT POUCH CURACAO, MARTINIQUE

West Indian Summit

GOTT High Commissioner Ramcharan advised Embassy following pre-conference developments:

1. PM Williams coming to conference with plan for closer West Indian economic association comprising former components Federation, Netherlands Antilles, Guadeloupe and Martinique, and British Guiana. Williams aware Jamaica opposed any revival political Federation and has consequently constructed plan along strictly economic lines.

2. Williams, Bustamante and Jagan meeting Ramcharan's home evening January 12 for final show-down talk with Jagan. Will be told that unless he drops his current pro-communist course action he will be outlawed from participating proposed economic association. Ramcharan said GOTT knew Jagan had "32 agents" in Cuba receiving training in techniques of violence.

3. Williams much concerned about his personal safety during forthcoming stay Jamaica. Ramcharan referred to recent meeting Port of Spain between Williams and Sanchez, commercial officer,

~~BUNDY-SM~~
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~~SAUNDERS~~
~~SCHLESINGER~~
~~SMITH, WM. Y.~~

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DECLASSIFIED
Authority NLS001R-58-3-14
By 8 NARA Date 8-11-14

~~CONFIDENTIAL~~

-2- 235, January 6, 11 a.m., from Kingston

Cuban Consulate, Jamaica, who had obtained appointment with Williams to discuss possibility Cuban-Trinidad trade. When Williams asked Sanchez with considerable sarcasm whether he had come to sell arms, Ramcharan said Sanchez completely lost temper and started to make number of threats, including threat personal injury against Williams. Ramcharan did not think that Jamaican security measures would be sufficient ensure adequate protection, and somewhat naively asked whether US could in any way supplement Jamaican security measures. Embassy officer advised Ramcharan inform PM confidentially Sanchez-Williams incident so that Jamaican security would be alerted take more stringent security precautions. Ramcharan apparently plans to do this.

4. Topic civil aviation added conference agenda as result Bustamante's personal request to Williams. Ramcharan observed that GOTT had made number suggestions to Jamaica concerning more "febrated" approach to aviation but so far without success. He thought issue would come to head at conference.

GP-3.

NOTE: Pouched by OCT

DOHERTY

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~~CONFIDENTIAL~~

THE WHITE HOUSE
WASHINGTON

✓
Jamaica
106

~~CONFIDENTIAL~~

January 6, 1964

MEMORANDUM FOR

MR. BUNDY

SUBJECT: Jamaica

1. Attached is the cable which was referred to in the CIB this morning about Jamaican/Soviet relations. I find the cable somewhat disturbing, particularly the Embassy's hard-nosed attitude (at the paper clip); although I am open for argument, I doubt that this is the right U.S. position. I have asked State to clear its reply to Kingston with us.
2. My own preliminary view (based on a minimum of facts) is as follows. First, we have to determine how strongly we feel about Jamaica. Despite some pushing in the past on my part, this has really not been done in depth. Second, if, after examination, we decide that it is in our interest to overcome the economic arguments against giving aid to Jamaica and to do something for Jamaica, then we should do it quickly. In view of the facts (1) that Bustamante has apparently not yet conveyed his views to us officially, and (2) that we have just had an AID man visiting Jamaica to look over the 5 year plan, quick action will probably appear as a result of U.S. initiative. If we decide to help Jamaica but wait until the AID visit cools off or until Bustamante tells us officially about his Soviet tendencies, an aid gesture will appear to be the result of Bustamante's Soviet rattling.
3. I am going to a meeting at State this afternoon and will keep you informed.

GC
Gordon Chase

DECLASSIFIED
E.O. 13292, Sec. 3.4
By mg/cbm, NARA, Date 2-14-26

~~CONFIDENTIAL~~

INCOMING TELEGRAM *Department of State*

Jamaica

~~CONFIDENTIAL~~

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Action
SS

Control: 1673
Rec'd: January 3, 1964
7:30 p.m.

Info

FROM: Kingston

045

ACTION: Secstate 234 Priority (SECTION ONE OF TWO)

DATE: January 3, 3 p.m.

LIMIT DISTRIBUTION

Jamaican-Soviet Diplomatic Relations

American businessman resident here, whom Embassy regards as reliable and who has frequent contact with Prime Minister Bustamante, informed Ambassador that in course long discussion with Prime Minister at his residence January 1, Prime Minister made following statements:

1. He is greatly concerned over "failure" US provide aid to Jamaica and over complete lack of sympathy which US had demonstrated with reference to Jamaica's loss from Flora floods. (Prime Minister said USG had not even sent sympathy cable. He also aware US at one point prepared offer \$50,000 to help out on Flora loss, but said if Ambassador had offered this amount, he would have told him where he could put it.)

2. Failure Jamaica move forward appreciably during past year said to produce continuing opposition criticism and ridicule, and Prime Minister would not be surprised if opposition introduced shortly motion for vote of no confidence. Prime Minister apparently expressed some concern whether he could hold support some of his Cabinet members if such motion introduced.

3. In view this situation Jamaica's only alternative was to turn to Soviet Bloc. Prime Minister said Mikoyan had informed GOJ (time and place unspecified) that Soviet Union understood Jamaica's problems and its difficulties in obtaining assistance for five-year plan. Mikoyan said that following initial step

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Authority NLT 001 R-58-3-75
By ARA Date 8-7-14

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-2- 234, January 3, 3 p.m. (SECTION ONE OF TWO) from Kingston

establishment diplomatic relations USSR would be prepared to underwrite Jamaica's five-year plan "in entirety." (Plan calls for total expenditure of \$214.8 million, \$85 million of which to be soft loans).

4. Prime Minister said he understood Khrushchev planning visit Cuba some time February or March and would appreciate opportunity visit Jamaica at that time.

5. Decision has been made to open all Jamaican ports to Russian shipping. Prime Minister tired of what he described as Jagan's chiding over his success obtaining Bloc aid and GOTT's success obtaining US aid in response to Williams threat "to kick" US out of Chaguaramas.

6. Prime Minister appreciates Ambassador's efforts, but bitterly disappointed over Ambassador's failure obtain aid. He is grateful to efforts Congressmen McCormack, Delaney, and Kelly in pushing aid for Jamaica in Washington.

Source did not think Prime Minister was bluffing and said that he gathered from Prime Minister's remarks that Bustamante expected to make either in private approach to Ambassador or publicly full scale attack on US policy toward Jamaica. Source thought it possible Bustamante might decide to announce intention to establish diplomatic relations with Soviet Union at West Indian summit meeting Kingston January 13.

Source has been useful in passing on information in past, and has generally impressed Ambassador with his discretion and judgment. Although he did not think Prime Minister was using him as pipeline to Embassy, source is well-known friend of Ambassador and Embassy believes Prime Minister intended that his comments would be passed along.

Since last report GOJ frustration over inability raise foreign aid (EMBTel 164), other recent developments have tended confirm heightened GOJ impatience in obtaining US assistance. On December 13 Deputy Prime Minister Sangster told Dr. Mayne, leader

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-2- 234, January 3, 3 p.m. (SECTION ONE OF TWO) from Kingston

leader three-man aid team investigating possibilities US assistance Jamaica, that US considered Jamaica to be "small and unimportant", and that "you don't care whether we go Communist." (Sangster's remark followed his rather negative reaction to exploratory suggestions made by Mayne about possible US assistance to dairy farming, housing and creation private development bank). When Ambassador referred to Sangster's comment in discussion last week with Minister Sherer,

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INCOMING TELEGRAM *Department of State*

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Action

Control: 1674
Rec'd: January 3, 1964
7:51 p.m.

SS

Info

FROM: Kingston

045

ACTION: Secstate 234 Priority (SECTION TWO OF TWO)

DATE: January 3, 4 p.m.

LIMIT DISTRIBUTION

later stated emphatically "we all feel that US is not doing enough for us." When asked about assistance from UK, Shearer merely shrugged.

If Bustamante actually planning abrupt turn in foreign policy, there have been no hints in public statements, except perhaps that in his reply to Khrushchev's New Year's greeting Bustamante was more fulsome than last year. Moreover, possibility of change apparently has not filtered down to senior civil service level. On December 23, Permanent Secretary Lloyd in Prime Minister's office mentioned to DCM Prime Minister's curiosity about Soviet Union and desire to see country sometime, but as discussion broadened re possibility closer GOJ-block relations, Lloyd expressed opinion Prime Minister would not permit establishment diplomatic relations. Permanent Secretary Foreign Office (Degazon) January 3 in reply direct question said no change contemplated re establishment relations with USSR. He said some consideration being given to direct trade with USSR, since most Jamaica's pimento crop now shipped there through middle-man channels. He saw direct trade with USSR as parallel to US wheat sales to Moscow.

Comment:

Prime Minister's statements to source viewed in light his previous comments to Ashenheim reported Embassy's A-148 and Richardson's remarks (USUN 242 to Department) appear part deliberate campaign, even if somewhat haphazardly orchestrated, to blackmail US into increasing foreign assistance to Jamaica

by using

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~~CONFIDENTIAL~~

-2- 234, January 3, 4 p.m. (SECTION TWO OF TWO) from Kingston

by using obvious threat to turn towards Bloc. Although this may be mere bluff, we can not act on this assumption. Prime Minister's impulsive and irrational temperament has led him in past to take number injudicious and ill-considered actions on domestic front, and might cause him to follow similar course on foreign affairs without slightest idea of damaging consequences to Jamaica. Indeed Prime Minister's New Year's statement concentrated on need to create greater confidence among both domestic and foreign investors, and aim which closer relations with USSR would vitiate.

Since Ambassador Ashenheim will be in Jamaica until late this month, believe Embassy should take action here early next week to head off some conceivably rash action by Prime Minister. If Department concurs, Ambassador proposes take up idea (which he had previously suggested on two occasions to Prime Minister) that top-level meeting be held to review US-Jamaican relations. This should provide Prime Minister with excellent opportunity to bring his grievances to fore- and suitable occasion for Ambassador to attempt head off any precipitate action. However, if GOJ employs threat at such meeting or earlier to turn toward Bloc, our tentative view is to adopt hard line which would stress how greatly such action would injure Jamaica's own interests as well as our future attitude toward Jamaica.

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TRT/6

~~CONFIDENTIAL~~

FORM DS-10
4.1.55 DEPARTMENT OF STATE
REFERENCE SLI

570
DATE 12/20/63 107

TO:	NAME OR TITLE	ORGAN. SYMBOL	ROOM NO.	BLDG.	INITIALS	DATE
1.	Mr. Gordon Chase					
2.	To White House					
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4.						
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APPROVAL	NOTE AND FORWARD
AS REQUESTED	NOTE AND RETURN
COMMENT	<input checked="" type="checkbox"/> PER CONVERSATION
FOR YOUR INFORMATION	PREPARE REPLY
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NECESSARY ACTION	SIGNATURE

REMARKS OR ADDITIONAL ROUTING

GPO 874588

FROM (NAME AND ORGANIZATION) ARA/EMA	ROOM NO. AND BLDG. 3234
SIGNATURE Mel Swin	PHONE NO. 7160

Jamaica

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Confidential

Newly independent, Jamaica is attempting simultaneously to cope with difficult problems of economic development and to establish its position in the international community. ~~Despite the~~ Many uncertainties clouding the nation's future, ~~economic, social, and political progress~~ ^{Despite this and the remaining} ~~and its relative inexperience in foreign relations,~~ Prime Minister Bustamante has not hesitated to place his country openly and unequivocally on the side of the West and the United States in the present struggle with the Sino-Soviet bloc:

~~Items:~~

(1) With its coastline only 90 miles from Cuba and its nationhood less than three months old at the time of the Cuban crisis the Prime Minister announced on October 23 that "Jamaica is against the building of offensive weapons which constitute a threat to peace and endorses the steps that have been announced by the USA which seek to put an end to this threat." Bustamante's words were backed up by granting permission for United States forces to utilize Jamaican ports and airfields.

(2) The Prime Minister has twice publicly offered the U.S. facilities to establish a base in Jamaica.

(3) Jamaica has ^{cooperated closely with the US} ~~provided complete cooperation~~ in preventing transit of aircraft to and from Cuba.

(4) In response to our request the GOJ exerted its best efforts to obstruct and delay departure of the NANA, a boat which British citizen Harold Derber planned to transport refugees from Cuba to the U.S.

Confidential

DECLASSIFIED

Authority NLS001R-58-3-16
 By ly ARA Date 8-11-14

(5) Jamaica has granted certain classified facilities of importance to the U.S. Defense Department.

(6) The United States position on various UN issues (e.g. Communist Chinese representation and election ^X SC members) has been consistently supported by Jamaica.

The U.S. Response

The U.S. response to this open handed and unquestioning support has fallen so far short of Jamaican expectations that many influential ⁱⁿ Jamaicans/both private and public life are beginning to wonder whether a less cooperative attitude toward the U.S. might not advance the island's interests more effectively. Negative actions taken by the U.S. which bear on this attitude include the following:

(1) Denial of a \$25 million loan requested by the Prime Minister to finance economic development projects while at the same time we granted \$30 million to Trinidad to settle our base rights in that island.

(2) Imposition of restraints on Jamaican exports of cotton textiles to the U.S.

(3) Refusal to grant operating rights to the U.S. to the island's new national airline, Air Jamaica.

(4) Suspension of the barter program conducted since 1955 under which the U.S. has acquired Jamaican bauxite for the strategic stockpile in exchange for agricultural surpluses. *(a reduced program for 800,000 tons is expected to be approved shortly)*

(5) Inability, to date, to grant Jamaica (and Trinidad) the same nonquota immigration status accorded to the other independent nations of the Western Hemisphere.

(6) Strong representations against Jamaica's plan to establish a vice-consul in the UK Embassy in Havana to protect the interests of the large number of Jamaicans living in Cuba.

(7) *atms*

INCOMING TELEGRAM *Department of State*

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~~CONFIDENTIAL~~ ACTION DEPT (2542) INFO KINGSTON 13
DEC 19, 7:30 PM

JAMAICA -- INTERNATIONAL LENDING AGENCIES

JAMAICAN UN REP RICHARDSON TALKED URGENTLY AND AT LENGTH TO MISSION OFFICER TODAY. HIS PRONOUNCED DEPRESSION FOLLOWED REVIEW THAT MORNING OF CORRESPONDENCE RELATING TO JAMAICA'S UNSUCCESSFUL APPEAL FOR LOANS TO FINANCE REHABILITATION OF HURRICANE DAMAGE. RICHARDSON PARTICULARLY CONCERNED RE FAILURE INTERNATIONAL LENDING AGENCIES, INCLUDING US GOVT, RECOGNIZE PRESENT NEEDS JAMAICA FOR LOANS FOR INFRASTRUCTURE AND DEVELOPMENT AS WELL AS REPAIR OF \$17 MILLION HURRICANE DAMAGE.

FOR LAST FIVE YEARS JAMAICA UNABLE OBTAIN SUFFICIENT LOANS FROM ANY INTERNATIONAL SOURCES, PRIVATE OR PUBLIC. IF THIS CONDITION CONTINUES RICHARDSON FORESEES DRASTIC POLITICAL CHANGES WITHIN JAMAICA IN WHICH SOLUTION WILL BE SOUGHT MORE ALONG LINES OF CUBA THAN ALONG LINES TRADITIONAL US POLICY. FEELS PRIVATE US CAPITAL FAILING MEET RESPONSIBILITIES OR DISPLAY IMAGINATION IN WAY NECESSARY TO ASSURE THAT KIND OF DEVELOPMENT AND OPPORTUNITY WHICH WILL IN TURN ASSURE CONTINUATION CURRENT FAVORABLE AND DESIRABLE POLITICAL AND ECONOMIC ORIENTATION JAMAICA.

RICHARDSON PARTICULARLY CONCERNED BY DISCOURAGED STATE OF MIND JAMAICAN CIVIL SERVANTS, HIGHLY TRAINED AND OCCUPYING POSTS OF RESPONSIBILITY. EQUAL SUBJECT OF CONCERN IS ATTITUDE OF YOUNG LEADERS DISSATISFIED WITH BOTH BUSTAMANTE AND MANLEY AND BIDDING TIME UNTIL NEW GENERATION AND COMPLETELY DIFFERENT IDEALISM CAN TAKE OVER. BASIC TO STATE OF MIND IS INCREASING UNEMPLOYMENT AND LACK OF FORESEEABLE OPPORTUNITIES CHANGE BLEAK OUTLOOK.

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E.O. 13292, Sec. 3.4
By *rg/km*, NARA, Date *2-14-06*

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-2- 2542, DECEMBER 19, 8 PM, FROM: NEW YORK

RE INTERNATIONAL LENDING AGENCIES RICHARDSON ASKS WHEN WILL THEY STOP ACTING LIKE PURE BANKERS AND REALIZE WHAT IS INVOLVED POLITICALLY AND SOCIALLY IN THEIR REFUSAL AID JAMAICA. WITH REASONABLE AID THROUGH LOANS HE CLAIMS JAMAICA CAN BE TURNED INTO MODEL EXAMPLE OF PRESENT DAY PRIVATE CAPITALISTIC STRUCTURE, ENVISAGING WHAT HE CLAIMS TO BE RELATIVELY SMALL SUM OF \$10 MILLION A YEAR FOR FIVE YEARS.

RICHARDSON CLOSED SAYING HE WOULD NOT BE HERE FOREVER; DID NOT KNOW HOW LONG HE COULD CONTINUE TO RESIST PRESSURE HE RETURN TO JAMAICA AND TAKE OVER DIRECTORSHIP OF CENTRAL BANK. IF HE DID SO, FELT HE MUST BE PREPARED TO GO TO EASTERN EUROPEAN SOURCES FOR AID, CITING SUCCESSFUL EXAMPLE OF NASSER WHO GOT WHAT HE WANTED "ON OWN TERMS," IF WESTERN SOURCES CONTINUED INTRANSIGENT POSITION. FEELS IF HE "LEVELED" WITH BUSTAMENTE ON RECEPTION HE HAS MET BUSTAMENTE WOULD DECIDE FORTHWITH ON NECESSITY COMPLETE TURNABOUT IN JAMAICAN ORIENTATION IN SEARCH FOR ECONOMIC HELP.

COMMENT: RICHARDSON, KNOWN TO MISSION OFFICER SINCE 17TH GA, WAS TRULY EXERCISED AND UPSET BY WHAT HE CONSIDERS TURNDOWN OF REASONABLE JJAMAICAN REQUESTS FOR HURRICANE DAMAGE REHABILITATION. THOUGH CURRENTLY WEDDED TO WEST SEES LITTLE INDICATION WEST WILL MAKE EFFORT NECESSARY REVITALIZE JAMAICA AND KEEP IT IN WESTERN CAMP. FEELS STRONGLY SERIOUS SITUATION IN JAMAICA NOT UNDERSTOOD WASH. RICHARDSON'S REACTION TO PRACTICES PRIVATE INDUSTRY AND WHAT HE CONSIDERS DEMAND FOR UNREASONABLY HIGH RATE ON INVESTMENT WOULD BEAR STUDY AS WOULD IDEAS RE NATIONALIZATION OF ELECTRIC POWER COMPANY AND REASONS FOR IT.

RICHARDSON IS A HIGHLY TRAINED AND RESPONSIBLE CIVIL SERVANT, INTENSELY PATRIOTIC, UNUSUALLY INTELLIGENT AND DESTINED PLAY IMPORTANT ROLE IN LA GROUP. HAS BEEN EXTREMELY FRIENDLY AND HELPFUL TO USDEL.

RICHARDSON INTENDING VISIT JAMAICA TWO WEEKS THIS WINTER. RECOMMEND CONSIDERATION BE GIVEN SPECIAL MTG BETWEEN HIM AND TOP ARA ECONOMIC AND POLITICAL OFFICIALS. ALSO SUGGEST AMB DAUGHERTY CONSIDER MTG WITH HIM IN JAMAICA.

GP-4. STEVENSON

BT
CFN 2542 13 19 7:30 \$17 \$10 4

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FORM DS-10 4.1	DEPARTMENT OF STATE REFERENCE SL.	DATE 12/18/63 440
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TO:	NAME OR TITLE	ORGAN. SYMBOL	ROOM NO., BLDG.	INITIALS	DATE
1.	Mr. Gordon Chase				109
2.	The White House				
3.					
4.					
5.					

APPROVAL	NOTE AND FORWARD
AS REQUESTED	NOTE AND RETURN
COMMENT	PER CONVERSATION
FOR YOUR INFORMATION	PREPARE REPLY
INITIAL FOR CLEARANCE	SEE ME
NECESSARY ACTION	SIGNATURE

REMARKS OR ADDITIONAL ROUTING GPO: 674586

Gordon, this is the outline
I am using for the PAPER.
Comments gratefully received.

FROM (NAME AND ORGANIZATION) ARA/CMA	ROOM NO. AND BLDG. 3234
SIGNATURE Neil Levin	PHONE NO. 7760 or 7751

Jamaica
109a

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Outline - AID Policy Paper on Jamaica

I. Problems

- \$30 million to Trinidad and Tobago
- Cotton textiles
- air Jamaica
- citrus fruits
- bauxite barter
- non-quota status
- Federal Development Loan and Guaranty Fund
- Vice-consul in Cuba
- OAS membership
- delay military aid
- delay implementation AID loans

II. Jamaican Cooperation

- ^{ports} bases and airfields use
- base offer
- public support Cuba
- Naya case
- transit Cuba aircraft
- classified facilities
- cooperation in UN
- Chirep issue
- Vote on Malaysia for SC

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Authority NLT 001R-58-3-17

By 25 vARA Date 8-11-14

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- 2 -

III. Indications of Jamaican Reaction

Shearer statements to USUN

Delay signing textile agreement

Delay on fixing Charep position

Bustamante statements on citrus

Bustamante letters on AID

Opposition attack on JLP
(attitude of young PNP leaders)

IV. U.S. Aid to Jamaica compared other LA countries

(U.S. has closer trade and investment ties
with Jamaica than with many Central American
countries.)

V. Jamaican Economic Situation and Self-Help

(Alliance criteria)

VI. Jamaican Development Plan and Financing

VII. Possible Lines of Action for U.S.

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AIRGRAM

DEF J. G. ...
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RM/R	REP	AF
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A-165

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ANALYSIS & DISTRIBUTION BRANCH

FROM : American Embassy, Kingston

DATE: December 17, 1963

SUBJECT: Government Requests Definition U.S. Defense Area in Jamaica

REF :

The Embassy has received a note (text enclosed) dated December 10, 1963, from the Ministry of External Affairs referring to Article II of the Agreement concerning the United States Defense Areas in the Federation of the West Indies signed in 1961, and expressing the desire that the defense area in Jamaica referred to in Annex C of this treaty be defined. (This defense area is located at Port-land Ridge at approximately the most southern point in Jamaica.) The Ministry's note states that the defense area for Jamaica has never been "described and allocated", asks whether it is convenient for the United States to consider this question and, if so, to name representatives to pursue this matter in consultation with representatives of the Jamaican Government.

The Ministry indicates that its inquiry has been prompted by the Government's current consideration of development programs which would make permanent use of some of the lands in the defense area. The wording of the text and attached map of Annex C of this treaty (TIAS 4734) support the Ministry's statement that the defense area has not been defined. The map attached to Annex C of the treaty refers to the defense area as a "proposed site",

GROUP 4

Downgraded at 3-year intervals.
Declassified after 12 years.

Encl: *cut*
As stated.

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In Out

FORM 4-62 DS-323

Drafted by: *WJ*
POL:WGrant:lmd 12-17-63

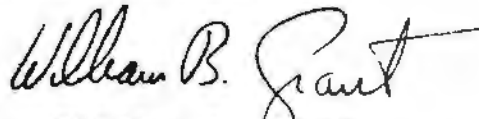
Contents and Classification Approved by:
DCM:BHKlosson

Clearances: ALUSN/CDR Bird (in substance)

and the text of Annex C indicates that the map is not definitive. Although Annex C states that the "defense area shall as soon as may be practicable be definitively described" by agreement between the parties, the Embassy's files do not indicate that this has ever been done.

Assuming that the United States still wishes to reserve its right under the treaty to establish a Loran C station in Jamaica, the Embassy suggests that the Army and Navy Attaches at this post be designated as representatives to consult with representatives of the Jamaican Government so that this area may be appropriately and specifically described. If the Department concurs, the Embassy requests that complete information and instructions be forwarded for use by the Attaches in these negotiations indicating the type of access, easements, rights of way, and space that are required for the erection and maintenance of a Loran C station. In addition, Departmental guidance is required concerning the extent to which the Government of Jamaica should be permitted to use lands in the defense area for development purposes.

FOR THE AMBASSADOR:



William B. Grant
Second Secretary of Embassy

Enclosure 1
A-165
Kingston

TEXT OF NOTE NO. 81/019 DATED DECEMBER 10, 1963 FROM THE MINISTRY
OF EXTERNAL AFFAIRS

The Ministry of External Affairs presents its compliments to the Embassy of the United States of America and has the honour to refer to the Agreement concerning the United States Defence Areas in the Federation of the West Indies which was signed in February 1961, between the Government of the Federation of the West Indies and the Government of the United States of America.

Article II of the above Agreement provides as follows:

"The United States Government shall have and enjoy, in accordance with the terms and conditions of this Agreement, the rights, power and authority which are necessary for the development, use, operation and protection for military purposes of the defence areas which are described in the Annexes hereto. The United States Government shall have and enjoy such rights of access, rights of way and easements as may be necessary for these purposes."

As far as can be ascertained, the defence area referred to in the Agreement has never been described and allocated.

The Government of Jamaica at present have under consideration, development programmes involving the permanent use of some of these lands, and are anxious that steps be taken to have the defence area defined, including such rights of access, rights of way and easements as may be necessary for the purpose of development.

The Government of Jamaica would therefore be grateful to know whether it is convenient for the United States to consider this question, and if so, ask that the United States Government name representatives to pursue this matter in consultation with representatives of the Jamaica Government.

The Ministry of External Affairs avails itself of this opportunity to renew to the Embassy of the United States of America the assurances of its highest consideration.

INCOMING TELEGRAM

Department of State

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~~SCHLESINGER~~
~~SMITH, WM. Y.~~

Control: 6842
Rec'd: December 10, 1963
7:57 p.m.

FROM: Kingston
TO: Secretary of State
NO: 217, December 10, 4 p.m.

PRIORITY

ACTION PRIORITY DEPARTMENT 217; INFORMATION LONDON 27, PORT OF SPAIN 34.

Reference: Department's telegram 162, Repeated Port of Spain 171, London 3500.

Following is excerpt Lightbourne reply to letter sent December 7 per reference telegram over signature of Ambassador:

QUOTE

I am grateful for and have accepted the assurance in the spirit of our understanding that the U.S. Government will continue to satisfy itself that U.S. suggestions will not conflict with the interests of the West Indian citrus industry and that if any damage should in fact be done, suitable alternative arrangements would be found to safeguard the West Indian citrus industry.

It is, of course, understood that on our side we would not regard the assurance as coming into force until we have requested the United Kingdom Government to place the importation of frozen orange concentrate into the U.K. on open general license.

UNQUOTE

/Comment:

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-2- 217, December 10, 4 p.m. from: Kingston.

Comment: Believe Lightbourne's addition of words "in the spirit of" and slight change wording regarding suitable arrangements is attempt strengthen future case for claiming breach of faith should future USG moves be considered in anyway unsatisfactory GOJ.

DOHERTY

ba/14.

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INDICATE: COLLECT
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Johnson
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Origin

ACTION: Amembassy KINGSTON 165 IMMEDIATE

SS

Info:

INFO: Amembassy LONDON 3509
Amconsulate GEORGETOWN 165

Dec 7 11 10 AM '63

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London's 25 to Kingston.

Request Ambassador coordinate with British High Commissioner and approach Bustamante on lines suggested reftel. We agree approach would be most effective if based ostensibly on info obtained independently. END

GP-3

- ~~— BUNDY-SMITH~~
- ~~— ALEXANDER~~
- ~~— BELK~~
- ~~— BRUBECK~~
- CHASE
- ~~— DINGEMAN~~
- ~~— DUNCAN~~
- ~~— ECKEL~~
- ~~— FORRESTAL~~
- ~~— JOHNSON~~
- ~~— KILDUFF~~
- ~~— KLEIN~~
- ~~— KOMER~~
- ~~— SAUNDERS~~
- ~~— SCHLESINGER~~
- ~~— SMITH, WM. Y.~~

RUSK

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E.O. 13292, Sec. 3.4

By *kg/ptm* NARA, Date *2-14-06*

Drafted by: EUR:WCBurdett/lm 12-7-63

Telegraphic transmission and classification approved by: EUR - William C. Burdett

Clearances:

ARA - Mr. McCausland

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