

Reid
Tue 7/13/65
1:35 p.m.
MEMORANDUM

60

THE WHITE HOUSE
WASHINGTON

Tuesday, July 13, 1965
1:00 PM

MEMORANDUM FOR THE PRESIDENT

I attach draft letters of thanks to Merchant and Heeney for their report. This is no more than they deserve for completing an assignment which has lasted for nearly a year and a half.

The first news tickers on the report are more helpful to us than to the Canadians. I think Mike Pearson may well give you a phone call, not to complain but simply to put himself in the position of being in close and friendly touch. Diefenbaker will certainly try to use the report for an attack on him. I therefore think it would be sensible to receive his call. We are one up on this one, and we can afford to be nice about it.

h.f.A.

McG. B.

July 13, 1965

Dear Ambassador Heeney:

I write to acknowledge with my warm thanks the report which you and Ambassador Merchant have submitted to me and to Prime Minister Pearson, entitled "Canada and the United States -- Principles for Partnership."

As you know, the Prime Minister and I have already decided to make this important report public, and I on my own side have referred the matter to the Secretary of State for prompt review so that we can make full use of your hard work and your constructive proposals.

The report shows on every page the ability of its authors to combine loyalty to their own country with friendly understanding of its most important neighbor.

Sincerely,

The Honorable Arnold Heeney
428 Buena Vista Drive
Rockliffe Park
Ottawa, Canada

LBJ:McGB:ab

Rec'd
Tue July 13
10:50

J.P.

THE WHITE HOUSE
WASHINGTON

Tuesday, July 13, 1965
10:45 A. M.

MEMORANDUM FOR THE PRESIDENT

Subject: Attached Draft Statement on Disarmament

As I said on the phone, I think it is very important for us to keep in front on the subject of disarmament. I doubt if the Geneva meeting will produce any new agreements, but it is a meeting on our terms and it is one which the Soviets have resisted. Moreover, we are all confident that we can have a sensible and cool-headed set of proposals for this meeting.

We can also fend off Soviet propoganda against the MLF as long as we are smart about it.

It is true that it would be good to have more time, but this kind of last-minute Soviet acceptance is a standard Russian ploy, and it surely would not be smart now for us to back away from our own proposal. And if we are to be in a disarmament meeting at all, surely it should be under your banner and with your leadership.

Right from the beginning of 1964 you have been in a strong position on this subject, and my belief is that you will want to keep the lead. And one really never knows when the Soviets may be about to make a real concession -- in April of 1963 no one would have predicted a test ban treaty.

McG. B.

CC: Mr. Moyers

7/13/65

DRAFT STATEMENT ON DISARMAMENT

Yesterday the Soviet Government notified the United States Government that it is agreeable to the resumption of negotiations of the 18 Nation Disarmament Committee at Geneva. The United States has suggested a date no later than July 27, 1965 for this resumption. Mr. William C. Foster now is in the process of inquiring whether this date is agreeable to the other 16 members of the Disarmament Committee.

At the conclusion of the Geneva Conference last September, it was agreed that the two co-chairmen, the Soviet Union and the United States, would consult and agree on a date for resumption after which the other members of the Committee would be consulted in order to obtain their agreement as well.

Mr. Foster met with Mr. Semyon T. Tsarapkin in New York on June 15 and 16 on my instructions to urge reconvening of the Disarmament Committee as soon as possible.

Yesterday's Soviet response is an encouraging development. As I have stated before, peace is the leading item on the agenda of mankind and every effort should be made to lead us toward that goal.

There are a number of urgent matters to discuss in the field of arms control and disarmament. As I said in San Francisco, we will come to these next negotiations with proposals for effective attack on these deadly dangers to mankind, and we hope others will do the same.

~~CONFIDENTIAL~~

Tuesday, July 13, 1965

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Your Wednesday Lunch for the Japanese Ministers

At Tab A is a background memo from Dean Rusk about the lunch tomorrow with the Japanese. Very briefly:

1. The meetings, which started on Monday morning, have been going well. There has been some straight talk about economic problems. We have complained about wool, and about their restrictions on US direct investment in Japan (-- they prefer 6% money from the banks, rather than equity money which yields us 20%). They, in turn, have complained about a variety of US restrictions against Japanese goods, and about Buy American. On broader issues, especially Southeast Asian development, the talks have been harmonious and should help Sato keep to a forthcoming position on Gene Black's enterprise.

2. In conversation at the lunch, you might wish to:

- Emphasize the importance of Japan pulling its weight in the Southeast Asia development effort, in terms of both money and institution building. Gene hopes that you will give Finance Minister Fukuda a quiet nudge about a substantial Japanese contribution to the Southeast Asia Development Fund and the Nam Gung Dam (on top of a \$200 million capital contribution to the Asian Bank).
- Ask Foreign Minister Shiina to convey to Sato your appreciation for his stand on Vietnam. This is a very touchy issue in Japan, and everything we can do to show Sato that you are pleased will be helpful.
- Make clear to Shiina how tough it has been politically for you to go as far as you did go on aviation, in offering New York and beyond. (This should make clear to them that further baggling, or an end-run to the White House, are a waste of time.)

3. Buzze is working on a draft toast. (The toast will make the Tokyo papers and will be read as an important indicator of US-Japanese relations.)

4. At Tab B is a list of the visiting Japanese Ministers, and some CIA bio information. Foreign Minister Shiina is the senior member of the delegation; Miki, Minister of International Trade and Industry, is politically the most powerful -- a likely future Prime Minister. You met both Shiina and Miki during Sato's visit in January.

FMB;MST

Francis M. Bator

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~~CONFIDENTIAL~~

E.O. 12958, Sec. 3.5

NSC Memo, 1/30/95, State Dept. Guidelines

By pw, NARA, Date 2-6-98

VISITING JAPANESE MINISTERS

Etsusaburo Shiina, Minister for Foreign Affairs

Takeo Fukuda, Minister of Finance

Elichi Sakata, Minister of Agriculture and Forestry

Takeo Miki, Minister of International Trade and Industry

Torata Nakamura, Minister of Transportation

Hisao Kodaira, Minister of Labor

**Aiichiro Fujiyama, Director General of the Economic
Planning Agency**

Tuesday
July 1, 1965
9:30 A. M.

7/13/65

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Mr. President:

This very long cable arrived from Saigon late Sunday. Yesterday I had it typed with the abbreviations spelled out. I think you may want to read the conclusions right away, but the whole message is worth reading.

McG. B.

THE WHITE HOUSE
WASHINGTON

Monday
July 12, 1965
6:45 P. M.

MEMORANDUM FOR THE PRESIDENT

Mr. President:

Attached is a draft message from yourself to Erhard, suggesting that he see Gene Black during Gene's stay in Europe next week. Gene reports that he discussed with you the case for such a message over the weekend. I agree with him that it would help advance matters in Bonn.

m.B.

McG. B.

O.K. to send ✓

Speak to me

*OK
let it go
& send copy
to Black
done
13 July 65*

~~SECRET~~

65a
July 13, 1965

TO EMBASSY BONN

Please deliver immediately the following message from the President to Chancellor Erhard:

Mr. Eugene Black will be in Europe next week to consult with the Development Assistance Committee in Paris, and with European officials in other capitals, about the proposed Asian Development Bank and related activities designed to promote Southeast Asian economic and social development. Mr. Black is my Special Advisor on these matters, and has just returned from an important exploratory journey to Southeast Asia.

I should be most grateful if it were possible for you personally to receive Mr. Black during his stay in Europe to hear his report. I was pleased and encouraged by the results of his trip. As you know, I attach the greatest importance to the promotion of peaceful development in that part of the world. As in other matters, our two countries share a great interest in such development, and I am sure you will be interested to hear his account of where matters stand.

Mr. Black will get in touch with Ambassador McGhee when he arrives in Europe, to see if you can receive him.

~~SECRET~~

Lyndon B. Johnson

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E.O. 12958, Sec. 3.5

NSC Memo, 1/30/95, State Dept. Guidelines

By cb NARA, Date 4-14-99

McGB-43

~~CONFIDENTIAL~~

Monday, July 12, 1965
6:00 p. m.

MEMORANDUM FOR THE PRESIDENT

Subject: Reply to Letter from
President Keita of Mali

A goodwill mission from Mali arrived three weeks ago armed with a letter from President Keita (at Tab).

Mali has been a bitter critic of US foreign policies and perhaps the most pro-Chicom state in Africa. But it is now in such serious economic trouble that it is trying to repair its ties with France and the US. Tubman of Liberia and Houphouet-Boigny of the Ivory Coast have both urged us to encourage this trend. The goodwill mission's purpose is to obtain US help to bail Mali out.

However, we completely agree with the tough conditions which France has laid down before it will help Mali much, and don't favor any substantial US aid either, as yet. Instead we'll respond to Mali's most urgent need (its acute food shortage) by supplying a bit of PL 480 sorghum and wheat flour. At the same time we'll make it very clear that we'll be closely watching their future pronouncements on US foreign policy. Attached reply from you to Keita gently underlines these points, and would be especially useful since we turned down the mission's request to see you.

R. W. Komer

~~CONFIDENTIAL~~

cc: McGB
R. W. Komer

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95; State Dept. Guidelines
By cl, NARA, Date 4-14-99

7-GB
60a

Dear Mr. President:

Thank you for your letter of June 8, 1965 introducing His Excellency Hamacire N'Doure, Minister of Cooperation and Technical Assistance, and the delegation whom you sent to the United States to discuss ways of improving cooperation between our two countries.

Secretary of State Rusk tells me that cordial and frank discussions were held with him and other officials. These should contribute toward eliminating some of the misunderstandings that have existed between us in the past. I was especially encouraged to learn of the importance which you attach to mutual consultation prior to public pronouncements on world issues with which our respective governments are particularly concerned.

Your mission described some of the economic problems which Mali is currently facing, and some of the ways in which we might help you to solve these problems were discussed. I am happy to inform you that the United States is sending 5,000 tons of sorghum as rapidly as possible to help relieve the acute food shortages in Mali. We also expect to sign an agreement shortly for the sale of wheat flour.

The hope expressed by your mission that its visit to the United States will mark a turning point in relations between our two countries is fully shared by us. I would only add my conviction that improved relations must be based on a consistent manifestation of mutual respect and good faith on the part of both our countries.

Sincerely,

His Excellency
Modibo Keita
President, Republic of Mali
Bamako

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By ry, NARA, Date 6-23-99

cc: McGB

Rec'd
Pres 5:00 PM
7-12-65

~~CONFIDENTIAL~~

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MC 7/12

Monday -- July 12, 1965
10:15 a.m.

MEMORANDUM FOR THE PRESIDENT

Tanzania-Zambia Railroad. This is to bring you up to date on a looming problem. We now hear that the Chicoms did make an offer to Nyerere of Tanzania to (a) survey the Tanzania-Zambia rail route, and (b) possibly build the Tanzanian segment. Chicom "surveyors" reportedly will soon arrive in Tanzania for this purpose.

President Kaunda of Zambia was apparently unaware of how deeply Nyerere had become involved with the Chicoms. The British are sore at Nyerere for having brought in the Chicoms while a private railroad survey offer by a British firm is still under consideration. The British are ready to finance half its cost, and a Zambian mission is currently in Tanzania in an attempt to formalize arrangements.

Some experts think the likely cost of a railroad has been grossly inflated, but we still think a road would be cheaper and better. So we've offered a parallel highway study by a US firm. Kaunda seems interested, but Nyerere's determination to construct a rail link for political reasons makes us dubious that he'll accept. At any rate we've probably bought some time.

This whole question arises primarily because of landlocked Zambia's fear of having its main copper export routes cut off following a possible unilateral declaration of independence by Southern Rhodesia and a break in its relations with Zambia. To avoid dire effects on the Zambian economy, we and the UK are developing contingency plans. But an alternate rail route via Tanzania may not be the best solution: (a) it could take ten years or more to complete, by which time the Rhodesian threat might be long past and the railroad a multi-million dollar "white elephant", and (b) the present mutual interdependence of Zambia and Southern Rhodesia through common ownership of the existing rail route is precisely what discourages each from taking precipitous vindictive action against the other.

Also the Chicoms may lack the financial resources for a mammoth railroad construction effort. Although Nyerere says the Chicoms have made a firm offer to survey, he says in the same breath that their agreement to construct is only a "possibility". But this whole problem bears close watching, since a major Chicom bridgehead in East Africa could be highly painful.

R. W. Komer
R. W. Komer

Ulric Haynes, Jr.
Ulric Haynes, Jr.

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E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By cb, NARA, Date 4-14-99

~~CONFIDENTIAL~~

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July 12, 1965

CONFIDENTIAL

FOR THE PRESIDENT FROM McGEORGE BUNDY

Bill Foster has just reported that the Soviet Charge came in earlier this afternoon to say that the Soviet Government would like to join with us in reconvening the Geneva Disarmament Conference on July 20. Foster pointed out that we needed time to call the governments concerned and made a counterproposal of July 27. The Soviets have apparently been on their radio home and have already reported to Foster that the 27th is acceptable.

My own first reaction is that we should go forward firmly to plan the best possible US Disarmament position. We have always been in favor of the Geneva forum, and we do not want to back away from it now.

More affirmatively, I believe that this can be a Johnson success on a Johnson platform. I think we should plan to announce it at the press conference tomorrow and say that we expect to put forward serious proposals at that time. Accordingly I have asked Foster to keep everything very tight until tomorrow morning. If you agree, we might then give our principal allies a few hours' notice and ~~also~~ also tell the Soviets that we plan to announce the matter during your press conference.

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E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By cb, NARA, Date 4-14-99

Sunday, July 11, 1965
12:40 p. m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Press Contacts: July 4 to July 11

I spent a lot of time on Independence Day fighting with the New York Times over an editorial which was critical of purported statements of Dean Rusk and mine. After a prolonged negotiation, they agreed to an editorial which is about as near a retraction as they ever come. The negotiation was a difficult one because the original error had been made by Henry Graff (he persisted even after it was called to his attention by Hayes Redmon for Bill Moyers in plenty of time for a change), but we did not wish to criticize him directly because the main thrust of his article was fair and helpful.

On Tuesday, July 6, I saw Richard Dudman of the St. Louis Post Dispatch and Max Frankel in conversations already reported.

On Wednesday, July 7, I had my picture taken for the "March of Time" at the request of the Press Office, and I talked to Phil Potter very briefly on Vietnam. The Conversation was entirely routine because it came before the Taylor-Lodge news.

On Friday, July 9, I talked to John Hightower at length on Vietnam in order to steer him away from overplaying the meaning of the Lodge-Taylor change. I think he finally agreed that there was nothing under the rug here, but his persistence was a good example of the way the press in general has strained to find a meaning that is not there.

On Friday, I also saw Steve Roberts of the New York Times, who is preparing a retrospective article on President Kennedy for the November issue of Esquire. I talked to him about the Kennedy years.

On Saturday, I saw John Steele of "Time" and Stolley of "Life" on Vietnam. Steele in particular seemed to have a very grownup and realistic view of the situation. He told me that "Time" would continue to support our basic policy there, and he had got a good clear sense of our basic mood and thinking from your press conference of Friday. (Which my brother Bill thinks is the best single statement on the situation anyone has made).

He had reached the conclusion that we were going to put more troops in and while I did not confirm, I did not deny.

Stolley was concerned mostly with the Lodge-Taylor business. Life is apparently going to feature Lodge next week. In the light of his relation to Jim Linen, I doubt if this will be an unfriendly story. I spent my time trying to prevent Stolley from jumping to the conclusion that there was some policy change in the switch. I said Lodge was an outstanding man, but so was Taylor, and the precise reason for the change was in the announcement. I also talked a couple of times this week with Roscoe Drummond about an effort which Freedom House is making and on which I am reporting through Bill Moyers.

McG. B.

THE WHITE HOUSE
WASHINGTON

Saturday, July 10, 1965
2:00 p.m.

MEMORANDUM FOR THE PRESIDENT

The Rand Corporation is doing a continuing study of the Viet Cong captives and defectors. I attach Chet Cooper's good summary of their latest report. It is interesting material and gives some ground for encouragement at a time when we are also getting reports of low morale in the South Vietnamese Army. I am sending a copy of this report to Bill Moyers and if you concur, I think he might usefully give it out on background.

There has been backgrounding by Rand officials in Washington, but if Bill puts it out, I think it will have more impact.

McG. B.

McG. B.

~~SECRET~~ ATTACHMENT

70~

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

~~SECRET~~

July 10, 1965

MEMORANDUM FOR MR. BUNDY

SUBJECT: Summary of Rand's Latest Interrogations of Viet Cong
Captives and Defectors

In what is described as "some select preliminary impressions", Rand analysts have come up with some very interesting, possibly very significant findings on VC vulnerabilities based on its latest interrogations of captives and defectors. The sample covers primarily Viet Cong personnel who were captured or who rallied in the period January 1964 to June 1965. In this batch, numbering 250 altogether, were a random group of VC cadres, VC rank and file Main Force and irregular troops, North Vietnamese soldiers, and civilian defectors including VC party members.

In brief, the interviewers indicate that the intensification of GVN and U.S. military operations during this year has had a major impact on VC activities, operations and morale. The air threat causes the VC most concern and has the greatest effect on VC activities and morale. Two-thirds of those interviewed rated reconnaissance and fighter bombers as the most frightening weapons and the most difficult to **deal with**. Some stated that the VC view air power as primarily responsible for preventing them from capturing and holding major objectives and from meeting and detecting the ARVN in open battle.

Jet aircraft have added to VC fear of air attacks, because their speed decreases the warning time and their noise adds to the psychological effects of the attacks. Above all the VC are afraid of napalm, to a somewhat lesser extent, ~~than~~ of large bombs. Armed helicopters, despite their vulnerability to ground fire, are feared by the VC; their strafing is more accurate and effective than that of the fighter bombers.

Interviews of VC captured after February of this year reveal a greater respect for ARVN morale and effectiveness. But the effectiveness of ARVN operations is reduced by the ability of the VC to obtain early warning of large-scale actions. Main Force VC units are now sufficiently well equipped to feel that they can successfully fight ARVN forces of equal size as long as air and heavy weapons are not used against them.

DECLASSIFIED

Authority NLS 84-19
By is, NARS, Date 8-14-84

~~SECRET~~

Defoliation and crop spraying, when conducted on a large scale, appear to have an important effect on VC operations and morale. Most VC believe the spray to be toxic -- a belief fostered by their own propaganda. Crop spraying seriously complicates VC food supply problems -- difficult under the best of circumstances and apparently a major cause of defection.

A Few Specifics

As a result of our intensified air operations in the South, the VC are spending a greater proportion of their time and effort on survival (digging in, frequent and exhausting night marches) as opposed to actual operations. This seems to be especially the case in the Delta area. Many interviewees report that, following an air or artillery attack in which their unit suffered losses, desertions are common. Many defectors now cite air attacks as a motive for changing sides. Intensified air attacks have raised doubts in the minds of some VC as to the outcome of the war; since February there has been a substantial decline in the numbers of VC who think they will win. Despite these trends, however, Rand does not believe that harassment by air and artillery is as yet sufficiently intensive or widespread to present a major problem for the VC.

The bombing of the North has produced mixed reactions. Some couldn't care less; others were disappointed that Chinese and Soviet air power had not aided Hanoi. In general, the Viet Cong line is to play down the attacks. There was no indication that the attacks had any appreciable effect on VC supplies or reinforcements.

The deployment and expansion of U.S. combat forces produced no significant reaction among those interviewed. Hardly any seemed to feel that this was evidence of American imperialist intent, possibly because the new introduction of troops would add little to impressions already formed. None of those interviewed appeared to have been in contact with American advisers or units, but some said that they would rather fight Americans than other Vietnamese.

Defections among the VC appear to be larger than we (or at least, I) have realized. A growing number seem to fade away to their homes. A growing number, too, seem to take advantage of combat (when control is least effective) to defect by surrender. The Chieu Hoi program seems to be more widely known than it was many months ago, but RAND is convinced that it "falls far short" of what is needed.

Civilians in VC areas appear to be increasingly critical of the VC. High taxation and confiscation of crops, irresponsible terrorism by irregular units, and the likelihood of air attack brought about by the actual or reported presence in a village of VC units appear to be creating frictions between civilians and the Front. Moreover, the VC has apparently shifted from volunteers to conscripts as the primary source of manpower -- with a consequent increase in resentment and decline in motivation.

In Conclusion:

To the extent that these findings can be regarded with confidence (almost certainly) and can be extended to cover VC attitudes generally (possibly), there has been a significant decline in VC morale and increase in vulnerabilities over the past six months. Remember, though, that none of those interviewed had participated in the "monsoon offensive", ~~had~~ experienced the B-52 raids, or ~~had~~ confronted U.S. forces. These new factors would probably net out in favor of a further, albeit localized, effect on VC morale and effectiveness. Whether this will have enough of an effect to substantially blunt VC operations during the next few months is dubious. But, to an optimist at least, it provides hope.

Chester L. Cooper

THE WHITE HOUSE
WASHINGTON

Try to find copy of

Belmont letter

Found
Peace Panel

10
Sunday, July , 1965
10:30 a.m.

72
copy of ltr to
Sec State +
Defense

Mr. President:

The attached letter from Ros Gilpatric gives a very good brief summary of the consensus of thinking on Vietnam in the President's Panel of Consultants on Foreign Affairs, and I think it will interest you.

McG. B.

Attachment

THE WHITE HOUSE
WASHINGTON

Friday, July 9, 1965
5:40 p.m.

MEMORANDUM FOR THE PRESIDENT

Here is Dean Rusk's memorandum on Article 19. I deliberately held it up yesterday because I did not want you to be pinned down before you heard the Panel of Consultants. Rusk's basic recommendation is that we let the Assembly decide whether it will or will not apply Article 19 and then act accordingly with respect to our own position. I think yesterday's advice from the Panel is good: that we should put it more sharply to the Assembly and say that if it doesn't vote to apply Article 19, then we will be guided accordingly.

The rest of the Rusk memorandum seems right to me, and unless you have drastic reservations about it, I will put this matter on the agenda for discussion, and for your guidance to the Secretary during our next Rusk-McNamara meeting.

McG.B.

McG.B.

Attachment

*And do you think it would be good to have
Bill Moyers at these meetings regularly? I do.*

McG.B.

2899

73a

Orig Chas 7/7

THE SECRETARY OF STATE
RECEIVED
MCGEORGE BUNDT'S OFFICE

1965 JUL 7 AM 9 57

July 6, 1965

~~CONFIDENTIAL~~

MEMORANDUM FOR THE PRESIDENT

Subject: US Position on Article 19

Ambassador Stevenson and I have reviewed the Article 19 issue and recommend to you the course of action described below. If you agree, we would discuss it with key members of Congress and subsequently with our allies over the next few weeks. Our allies can in general be expected to react favorably.

Following is the course of action to be discussed with Congressional leaders:

1. Ambassador Stevenson would inform members of the Committee of 33 just before it reconvenes in early August that the US position is as follows:

a. If, when the Assembly reconvenes, the UN membership is not prepared at this stage in the UN's development to require the major powers to pay assessments levied for major activities which they do not wish to support, we would note this conclusion and consider it applicable to the US. On this understanding, we would acquiesce in the Assembly resuming its normal business when it reconvenes in September.

b.

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E.O. 12958, Sec. 3.5
State Dept. Guidelines
By JW, NARA, Date 2-6-98

~~CONFIDENTIAL~~

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b. We would oppose proposals to write off the Soviet and French debts, preferring to leave these on the books even though the GA is unlikely to enforce their collection.

c. The Assembly will still have the problem of restoring UN solvency, and we believe it should make every effort to raise sufficient funds, especially from those who have not contributed to UN peacekeeping operations.

d. We would also state in general terms our willingness to join with the membership in helping to strengthen the UN and to assist in future peacekeeping operations.

e. The integrity of the regular budget should be sustained.

2. We will continue to insist that the amortization of bonds is an obligation of the organization properly funded from the regular budget. Most members will agree with us on this point. But the USSR will probably continue to refuse to pay this portion of their regular budget assessment. As a result, repayment of the bonds may have to be made in part from the UN's miscellaneous income. If this succeeds, it would have the effect of making the Soviets indirectly help pay off the bonds.

3.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-3-

3. The procedural choices are: (a) a vote deciding not to apply Article 19; or (b) letting the GA simply go ahead with its normal business without a vote on the Article 19 issue. We conclude it would be disadvantageous to seek a vote since the more likely result would be a consensus which favored letting the Soviets and the French off the hook; we do not think the Assembly would be willing to say formally that failure to uphold the "loss of vote" sanction and its mandatory taxing power has weakened its Charter powers in this regard for the future. It is therefore preferable for us to draw and state our own conclusion and act accordingly in the future in light of the dictates of our national interests.

The above is recommended in light of some hard, unattractive facts. Both Adlai Stevenson and I are convinced that our position on Articles 17 and 19, which was supported by the World Court and an overwhelming majority, will now not be supported by the Assembly. Lester Pearson recently informed us that Canada can no longer support us on the application of Article 19. The U.K. has urged a course of action which even goes beyond the limited one described above by proposing, in effect, that the GA not apply strictly the past GA resolutions on financing the Congo and UNEF. This could mean Assembly exoneration of the delinquents.

The recommended course of action would help break the deadlock while cutting our losses in that the United States would draw the conclusion that the Assembly's unwillingness to apply Article 19 means that we would not feel bound to pay for any future major activities voted by the UN to which we might have objection. This would make the above package palatable on the Hill and offer further protection for us against a possible ganging up by the Afro-Asian majority in the Assembly. It is also designed to shift the burden from ourselves to the Assembly for failing to apply Article 19, by making it clear that the decision is one for the

membership.

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

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membership at large. It would tend to desensationalize the issue by defusing it in a sub-organ of the UN during the summer doldrums; and would give us a "quid pro quo" by making clear that a double standard cannot be applied for major activities.

Dean Rusk

Dean Rusk

~~CONFIDENTIAL~~

THE WHITE HOUSE
WASHINGTON

*Rec'd
12:40 p.m.
July 9*

Friday, July 9, 1965
12:40 p.m.

Mr. President:

Here is Macapagal's reaction to the telegram which we sent the night before last. I pass it on because he is understandably very eager indeed to have you understand his position.

McG. B.

Att: Manila 66

J 74a

~~SECRET~~ LIMDIS

(Cy of Manila 66, July 9)

From Ambassador Blair

I saw President Macapagal this evening and conveyed to him in detail the contents of Department Telegram 36. I emphasized several times that Washington was both gravely concerned and disappointed that the Vietnam bill had not been pressed. When I had finished, the President said that he had further discussions with party leaders since our earlier talks and they had unanimously agreed that it was best to postpone action until after the elections. He reiterated the reasons he had earlier given and assured me that a minimum of one million pesos would be made available to keep the two medical and civic action teams in Vietnam for another year. I told the President that in all frankness I must tell him that I was not convinced that if a determined and bipartisan effort had been made to pass the Vietnam Bill, it would have passed in close to its present form. The President told me that if the Nacionalistas had been sincere in their desire to support meaningful aid to Vietnam they would have supported the Administration's bill. This bill, he said, provided precisely the kind of aid the Government of Vietnam had requested. The President said, "I think I know the Nacionalistas and their motives. Marcos is no leader and he will do what the Lopezes tell him to do." He continued, "If I win, and I am increasingly certain that I will win, I promise, and you can tell Washington this, that I will call a special session of Congress on November 15. If I win by a large majority, I will ask for more than what the present bill calls for. (i.e., a battalion of engineers plus security forces). I agreed with Senator Manahan that in addition to this we should send more civic action teams. We need the experience, and if trouble develops with Indonesia we will have to fight the kind of war which is now being fought in Vietnam." "I hope Washington will understand," he said, "that I am sincere; that ever since I was first heard of, I have been known as a friend of democracy and particularly of the US. If the bill I presented had been watered down, the image of the Philippines would have been impaired." I interrupted to tell the President that I felt the reputation of the Philippines would be impaired in any event once it became known that the bill which his administration had publicly and enthusiastically proposed was not going to be approved. The President said that he believed that anyone who understood the workings of democratic governments would appreciate that there are many things that can not

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Authority FRUS, 64-68, vol. 26, #309

PK NARA, Date 4-20-12

~~SECRET~~ LIMDIS

be accomplished in the final frenzy of a political campaign. In conclusion, the President said with apparent feeling that he hoped Washington would understand that all that was involved was a temporary delay -- less than four months -- and that he would still fulfill his commitment. I told the President that we had no alternative but to accept his decision but that the next few months might well be the tough and crucial months -- that the US had been carrying a disproportionate share of the burden -- that we had reason to believe we could count on the Philippines for meaningful assistance, but that this help had not materialized.

The President assured me this help would be forthcoming and asked again for understanding of the circumstances which had made impossible at this time passage of the administration's bill.

I would hold everything tight
etc in abeyance - see me for details

~~SECRET~~

July 9, 1965
11:15 am

D

MEMORANDUM FOR THE PRESIDENT

MAP for India and Pakistan. Attached is a longish memo from Secretary McNamara describing our current programs.. It breaks down into three categories: (a) FY 65 and prior programs still undelivered--roughly \$50 million for Pakistan and \$70 million for India; (b) FY 66 programs (roughly \$46 million for Pakistan and \$50 million for India), which have not yet been approved by DOD and passed as firm to the recipients; and (c) various other requests such as Ayub's recent plea for submarines, F-104s, and tanks. There are also certain dollar credit sales, which I presume we would not want to interfere with (e. g. the sale of \$8 million in ammo to the Paks which you recently approved).

There are political risks in holding up MAP. It has traditionally been most sensitive to the Paks; who regard it as essential vis-a-vis India, and whose military are a major political force. As to the Indians, we could spook them to buy more from the USSR. There is also a real question of whether we want or need to hit either Paks or Indians harder than we have already, lest we trigger an open confrontation by pushing too hard.

Thus there is a case for continuing business as usual, except for continuing to hold off on key items such as F-5s for India and F-104s or submarines for the Paks.

A second alternative would be to handle MAP as you have economic aid: (a) continue with deliveries under FY 65 and prior grant programs for which the funds have been appropriated and commitments in effect made; (b) defer telling either we approve the FY 1966 programs, on the grounds that the funds have not yet been appropriated; (c) simply not respond on major additional requests until we have better indications as to the future attitudes of India and Pakistan.

We are not recommending any action till we can get the views of State and Defense. In the meantime, however, DOD will hold off telling the Paks and Indians about any FY 66 program approvals.

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By cb, NARA, Date 4-14-99

~~SECRET~~

R. W. Komer
R. W. Komer

TRANSFERRED TO HANDWRITING FILE

SECRET

2889

1-Komer
2-Riz
75a

THE SECRETARY OF DEFENSE
WASHINGTON
RECEIVED
GEORGE BUNDY'S OFFICE

1965 JUL 6 PM 4 5 JUL 18 1965

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Pakistan and India

Set forth below is a catalogue of actions with respect to the Military Assistance Programs for Pakistan and India which could be suspended or deferred. Where appropriate I have indicated the probable impact of specific actions. This memorandum does not, however, address the political wisdom of undertaking such actions.

I. Pakistan

A. Commitment. Our MAP commitments to Pakistan are basically to meet initial equipment deficiencies in the force base we agreed to support in 1954 and to maintain and assist in modernizing these forces, funds permitting. We do not have a precise dollar commitment to Pakistan, although it costs about \$20-25 million a year to "maintain" Pakistan's armed forces out of a total program of about \$40 million. MAP grant aid for Pakistan has averaged \$52.5 million over the period FY 1960-64 and is programmed at \$38.2 million and \$40 million in FY 65 and FY 66 respectively.

B. Deliveries of FY 1965 and Prior MAP. Undelivered items under grant military assistance for Pakistan totaling about \$50 million are scheduled for delivery over the next twenty-four months. Pakistan is aware of the proposed delivery dates for most of these undelivered items. The Major items scheduled for delivery in FY 1966 are one light liaison-type aircraft, 88 armored personnel carriers, 36 howitzers, and 473 trucks and trailers and a variety of communications equipment. The delivery of any or all of these items could be deferred or cancelled.

Deferral of these items, while slowing down Pakistan's force improvement program, would not have an appreciable impact on their military capabilities (they already have approximately 90% of their required howitzers, 95% of their trucks and trailers, and 80% of their communications equipment). Replacement items could probably be secured from third countries, though it would put a strain on the Pakistan budget and drain foreign exchange.

DECLASSIFIED
DOD DIR 5200.10
By DCM NARS, Date 10-27-82

DOWNGRADED AT 3 YEAR INTERVALS;
DECLASSIFIED AFTER 12 YEARS.
DOD DIR 5200.10

See Def Cont Nr. X- 3657 ~~SECRET~~

JUL 7 1965

~~SECRET~~

There is about \$11 million in undelivered spare parts and support-type items. Since U. S. logistics support is the lifeblood of the Pakistan armed forces, deferral or cancellation of these items would have a very serious impact as Pakistan would find it extremely difficult to locate new suppliers, establish new supply pipelines, etc. It would probably render ineffective the 12 Pakistani F-104s and 6 C-130s in a matter of weeks and the larger F-86 fleet (102 aircraft) in a few months. The Army might be able to maintain its operational capabilities for as long as six months in peace time.

C. FY 1966 MAP. The FY 1966 program has been approved by the Country Team and is currently being reviewed in DOD. It totals \$40 million, of which \$21.5 million is to maintain and operate the MAP-supported forces and \$18.5 million for force improvement. Major items include 2 C-130s, 13 T-33s, 3 T-37s, and 4 ASW aircraft; 152 M-113 APCs, 38 M-48 tanks, and 554 trucks. Most of these items would be delivered after FY 66. We have not revealed the contents of the FY 1966 program to Pakistan, although the GOP will expect such information within a few weeks. We can defer discussions with the Pakistani of all or a portion of the FY 66 program. Cancellation or deferral of major items in the FY 1966 program would in due course have a serious impact on the Pakistan military in that old, obsolete equipment would not be replaced and Pakistan's military capabilities would decline (they presently have a substantial shortfall of tanks and armored personnel carriers). As regards the deferral of spare parts and support-type items, the same comments apply here as in FY 1965 and prior programs.

D. Training. There are 37 Pakistan military students presently undergoing or scheduled for training in the U. S., under the FY 65 MAP, all but six of whom will have completed their training by 1 January 1966. There are 109 students scheduled for FY 1966 MAP training. Here again we can curtail or cancel the training program.

E. Future Aircraft. In April 1964 we told Pakistan that we would provide some additional F-104 A/B aircraft in CY 1966 "if the political climate was right at the time." The possibility of programming F-5 aircraft as future replacement for the F-86s has also been mentioned to the Pakistanis. We can continue to defer discussions of these items which are very important to the future of the Pak Air Force.

F. Other Associated Issues

1. Military Cash Sales. Under the terms of a 1951 agreement,

~~SECRET~~

~~SECRET~~

Pakistan is authorized to make cash purchases of military items. In June 1965 the U. S. agreed to process \$8 million in cash sales requests from Pakistan for ammunition and miscellaneous items. Deliveries of these items could be deferred.

2. Military Credit Sales. The Pakistanis have inquired about a possible credit sales arrangement for military items and the Country Team has been considering a program totalling \$100 million over three years. We could continue to defer any action on this.

3. Recent Pakistan MAP Requests. In May 1965 we received a letter from Admiral Khan requesting three additional submarines (they now have one), and in June Ayub told Ambassador McConaughy that Pakistan had requirements for additional submarines, tanks and aircraft. The Ambassador told Ayub that additional MAP was not an appropriate topic for discussion at this time. We could continue to take this position or even reject these requests outright.

4. Mobility Exercise. The Pakistanis were informed in April that we have a mobility exercise (about division size) scheduled for Pakistan in January - February 1966. We can suspend this exercise at any time between now and the end of the year.

5. Multi-Year Planning. The Pak military have expressed a strong desire for multi-year MAP planning, at least for major end items, to provide a sounder basis for their own military planning. We could continue to refuse to discuss MAP except on a year to year basis.

II. India

A. Commitments. Our MAP commitments to India stem from the decision to assist India against the ChiCom attacks of 1962. A subsequent 1964 Memorandum of Understanding formalized the U. S. intent to continue support of India's efforts to improve its military forces in the face of possible renewed ChiCom aggression. The Memorandum committed the U. S. to provide approximately \$50 million in military grant aid in FY 65 and a credit sales program of \$10 million in FY 64 and \$50 million in FY 65. Without commitment by the U. S., the Memorandum permits India to plan on approximately \$50 million grant aid and \$50 million credit sales annually from the U. S. through FY 69, provided India keeps their foreign exchange defense expenditures within a ceiling of \$1.432 billion in the period through 30 March 1969.

~~SECRET~~

B. FY 1965 and Prior Year Undelivered MAP/Military Credit Sales.

India has undelivered grant military assistance totaling approximately \$70 million, scheduled for delivery over the next twenty-four months. Major items to be delivered in FY 66 are C-119 aircraft spares, army communications equipment, air defense communications equipment and engineer construction equipment. India is aware of the undelivered MAP items and is informed of delivery dates as soon as USMSMI can provide a forecast (usually six months ahead).

The credit sales program undelivered balance (FY 64 and 65) totals approximately \$58.5 million. Projected credit sales delivery dates are known to the Indians and delivery delays would be noticeable.

The general impact of deferring MAP end-item deliveries on India's military capability would be modest, except for the air defense communications system, due to India's foreign procurement source options and the fact that U. S. assistance represents a relatively small portion of their total defense requirements. The suspension of delivery of spares would also be less significant than with Pakistan. For example, the U. S. does not support any tactical aircraft in India. In the air transport field the Indian C-119s are supported by a large stockpile of spares and the Indians also have Russian transports.

Deferrals on the credit sales side would have a more serious impact on Indian military preparedness as plans to develop the Ambajhari Ordnance factory and to modernize eight existing ordnance plants are dependent on U. S. support. Deferral of support of ordnance plant modernization could have a major effect on Indian plans for self-sufficiency by 1969.

Delivery of all or a portion of the MAP grant or sales items could be deferred.

C. FY 1966 MAP/Military Credit Sales. The content of the FY 66 grant aid program has been discussed with the Indian Ministry of Defense and is now in the process of review in Washington. The Indians have expressed a desire to include F-5 aircraft in FY 66 MAP. Although discussions with the Indians have been initiated on the FY 66 credit sales program, they have since withdrawn their proposals for further revision. The subject of aircraft for India (F-5s or support of the locally developed HF-24 aircraft) has not been discussed with the Indians as a U. S. decision on this matter has been deferred. CINCMEAFA has been instructed not to discuss major items of FY 66 MAP or FY 66 credit sales with the GOI until further notice. We can continue to defer discussions of all or a major portion of these items.

~~SECRET~~

D. Training. There are 69 Indian military students programmed for training in the U. S., of which seven will have completed their training by 1 January 1966. Fourteen additional students are programmed for courses subsequent to 1 January 1966. These training programs could be curtailed or cancelled.

III. Initial Funding of FY 66 under Continuing Resolution Authority (CRA)

It is anticipated that FY 66 funding authority for current operating costs for India and Pakistan will be issued about 10 July 1966 under CRA. These operating costs cover: training, requisition authority for spare parts, technical assistance costs, certain overhaul costs, etc. We could defer the funding of any of these items. Withholding of this FY 66 funding would immediately become apparent to the host country.

IV. Other Military Programs

The Advanced Research Projects Agency has proposed a program of mutual cooperation in the military research area between the U. S. and India and also between the U. S. and Pakistan. MAP may fund a part of the cost. Discussions with the Pakistanis and Indians on these programs could be deferred or suspended.

Robert S. Mc Namara

~~SECRET~~

Friday, July 9, 1965
9:00 a. m.

76

MEMORANDUM TO THE PRESIDENT

SUBJECT: Gene Black

Gene Black developed a rotten toothache on the way home and is under doctor's orders to keep quiet for a few days. He will be in Washington on Monday to see his dentist and would be glad to stay over Tuesday if you are going to be here then. He has New York business (SST and COMSAT) the rest of the week.

It occurs to me that you may prefer to keep Tuesday clear and that you might be able to do your business with Gene on the phone from Texas. He tells me that a short press statement is being prepared for possible use after his planned meeting with you. I will get the statement and make sure that Bill Moyers has it with him during the weekend. Then if you want to call Gene and put out the fact that you have done so, there will be a small story in it. Gene has no foolish pride, and will be glad to do the business this way if you wish.

McG. B.

COPY TO: Mr. Moyers

Friday, July 9, 1965

to ranch

77

MEMORANDUM FOR MR. MOYERS

I attach a master copy of the Report to the President of the United States and the Prime Minister of Canada, prepared by Ambassador Merchant and Ambassador Heeney. One hundred additional copies will come down to you by courier Sunday.

By agreement with the Canadian Government, this Report is to be released by the White House and by the Prime Minister's office on Monday, July 12 at 12:00 o'clock Eastern Daylight Time. That is 10 o'clock Texas time, and I understand that this is the regular briefing hour down there.

The highlights of the Report are in Section VII on Guiding Principles and to a lesser degree, in the specific recommendations in Sections V and VI.

The gut point of this Report (in Chapter VII) is that it emphasizes the obligation of Canada to respect the political responsibilities of the United States in the world, and the obligation of the United States to respect the fact that its economic decisions have inevitable and heavy effects in Canada. This is a very good trade from our point of view, especially as the press will take it as an implicit criticism of Pearson's Temple University speech.

This makes it all the more important that we ourselves blandly disavow any such implied criticism.

Specifically, the Canadians hope that we will not praise the Report too highly at this stage. I have worked out with Arnold Heeney the attached draft statement for your possible use. It is not very punchy, but I think the Report itself should be allowed to carry most of the news at this stage.

McG. B.

Attachment: Draft Statement

DRAFT STATEMENT

77a

The President and the Prime Minister of Canada are making public today a Report prepared at their request by Ambassador Livingston Merchant of the United States and Ambassador A. D. P. Heeney of Canada.

In their first working meeting in Washington in January 1964, the President and the Prime Minister agreed on the need for a study of the basic principles of relations between the United States and Canada. Later, they commissioned Ambassador Merchant and Ambassador Heeney to make this study together. The two Ambassadors made their Report on Friday, July 9, and the President and the Prime Minister have agreed that it deserves prompt publication.

The President emphasizes again the extraordinary importance of close and friendly relations between the United States and Canada, which have lived together as the best of neighbors in two centuries. The President believes that this Report is a serious and constructive contribution to still better relations between Canada and the United States. He has asked Secretary of State Rusk to take the lead for the United States in a prompt review of the Report and its recommendations. The Secretary's review will be the basis for further United States' action on this Report.

THE WHITE HOUSE
WASHINGTON

✓ 78
To Mr. Bundy
I brought this up
again, and he still
is disinclined to
do it. Ring

Friday, July 9, 1965

MEMORANDUM FOR MR. MOYERS

I attach a set of papers which I think you will find self-explanatory. In essence, what Nick Katzenbach wants is to get out a brief White House statement which will put us on the right ^{side of the} issue of public disclosure in connection with the Warren Commission Report.

As you will see, the President wants to hold up until he can talk it over. We also agree this is not a major matter and that it is better not to, and that you are the best judge of how far the President can be pressed on it. Nick really has to get his guidelines in the mail Monday night, July 12, so that the time for this low-key release is during the weekend, if at all.

McG. B.
McG. B.

Attachment

78a

20

SEND TO
FOX
TO

THE WHITE HOUSE
WASHINGTON

Wednesday, July 7, 1965
4:55 p.m.

MEMORANDUM TO THE PRESIDENT

SUBJECT: Warren Commission Report

1. I attach a memorandum from Nick Katzenbach proposing a brief White House statement in favor of prompt public disclosure of all possible information relating to the Warren Commission Report. The reason for this proposal is that in fact we are having to circulate guidelines to all those concerned, some of which may be regarded as restrictive. A few of the papers involved relate to procedures of the Secret Service, and others relate to confidential sources of information (on Oswald's Communist connections, for example). Nick thinks that a brief White House statement of this sort would forestall criticism.

2. I agree with him, but I think I would recommend that the statement be impersonal and avoid mentioning the President.

McG. B.
McG. B.

Have Reedy put out the statement as Katzenbach submitted it _____

Revise it without direct reference to the President, and then get it out _____

Let's not have a statement ✓

Mc
Wanted he has a chance to explain this to me
LA

TRANSFERRED TO HANDWRITING FILE



Office of the Attorney General
Washington, D. C.

July 6, 1965

MEMORANDUM FOR THE HONORABLE McGEORGE BUNDY
Special Assistant to the President for
National Security Affairs
The White House

Subject: Guidelines for Review of Warren Commission
Materials

The dissemination of these guidelines to so many offices, including Texas state officials, might well result in a press leak and stories critical of the restrictive nature of the guidelines. Consequently, it might well be wise to anticipate and forestall such potential criticism by announcing the circulation of the guidelines with stories on the underlying policy of fullest possible disclosure. The benefit of such an announcement in itself would be slight; the principal justification for issuing such a release would be the stories it might deter.

A draft of the suggested release is attached.

I will not circulate my letter to the agencies or the guidelines until I hear from you on this.

Attachment

SUGGESTED WHITE HOUSE PRESS STATEMENT

The President today called on federal agencies to clear for prompt public disclosure all possible information they may have supplied to the President's Commission on the Assassination of President Kennedy and which has not yet been made public.

He instructed Attorney General Nicholas Katzenbach to circulate guidelines for the release of such information and asked for a comprehensive report by September 1.

The bulk of the relevant materials already has been published by the Warren Commission, in 26 volumes of hearings and exhibits. The National Archives has now completed its inventory of the remaining materials, consisting largely of investigative reports.

The President said the Administration's over-riding policy favors the fullest possible disclosure of these materials. The guidelines to be circulated by the Department of Justice detail exceptions to this policy, such as documents which are subject to national security classification or which would expose confidential sources of information.

SECRET

Thursday, July 8, 1965
5:45 p. m.

File

79

MEMORANDUM TO THE PRESIDENT

SUBJECT: Agenda for your 6:15 meeting

Present will be: Acheson, Bradley, Cowles, Dean, Lovett, and McCloy.
Also Rusk, McNamara, Fowler, George Ball, and
Tom Mann.

I suggest the following agenda, and I have marked a possible spokesman beside each issue:

1. The balance of payments (Joe Fowler)

This subject has been touched on marginally during the day in connection with the discussion of Europe. And after Joe has stated the U. S. position you might wish to move to item 2.

2. Europe (George Ball)

The discussion here produced an unusually clear consensus on the way we ought to go about this problem, but no precise policy guidelines -- as George will explain.

3. Latin America (Tom Mann)

I have not heard how this came out, but I believe there was the usual difference of emphasis between Tom Mann and Teddy Moscoso. John Cowles was there and can comment separately if you wish.

4. The UN and Article 19 (Dean Rusk)

The Secretary is in a position to state his own current recommendation, on which you have not yet made a formal decision. He will frame this in tentative language so as not to indicate any possible difference between his recommendation and your eventual decision.

5. India and Pakistan (Dean Rusk)

Here again the Secretary will speak in general terms, but I have found in sounding out Lovett and Acheson a considerable degree of sympathy for your basic view of these two countries.

DECLASSIFIED	
NSC letter 6-18-80	
By DCH	NARS, Date 10-27-82

6. Arms Control and Disarmament (McG. Bundy)

I will take about two minutes simply to say that you have directed a new and intensive review of this problem, and that you see it as one of great importance but also great difficulty. I will probably also say that the immediate prospect of serious negotiation is dim because of our difference with the Soviets on Vietnam.

6. Vietnam (Rusk and McNamara)

I put this last because it is the most important, and if we put it early we may not get to the other topics at all. I believe that the discussion has shown a very high degree of resolution and realism and a general readiness to face and endorse a larger level of effort if that is the decision after the McNamara/Lodge visit to Saigon.

We have been very candid with this group all day long, and they in turn have shown a very fine spirit of readiness to help the Administration. I might add that, in different ways, all of them have shown their lack of sympathy with some of the nasty stories written lately by gossip types.

McG. B.

McGeorge Bundy:

The President said, "Whenever."

Marvin Watson
July 8, 1965

80a

THE WHITE HOUSE
WASHINGTON

Wednesday, July 7, 1965
1:00 p.m. - rec'd 1:04 pm

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Your Meeting with the Members of your Foreign
Policy Panel, 6:15, Thursday, July 8

As it now stands, the following will be present: Dean Acheson, General Bradley, John Cowles, Arthur Dean, Bob Lovett, Jack McCloy. It is possible that Gepe Black will also be here, although it is not clear whether he can get to Washington before next week.

These gentlemen will have spent the day on Vietnam and Europe, with a short discussion of the Dominican Republic and Latin America. I think they will have agreed, with the possible exception of Acheson, that there is no immediately urgent problem in Europe, unless the Pound goes to the brink again. I think they will also have agreed that Vietnam is problem number one, and this is probably the subject you will want to focus on.

Dean Rusk and Bob McNamara will have taken part in these discussions all day and will be with us at 6:15. You may wish to ask them to start the discussion, but I think you will probably want to let the panelists have the pleasure of expressing their own views as well.

If there is any other topic on which you would like to have discussion with this group, I will make additional arrangements to alert them. Subjects of this sort -- entirely in your discretion -- are the following:

- ✓ 1. The balance of payments and the Pound. (If you want to discuss this, I think we should get Joe Fowler in).
- ✓ 2. Arms control and nonproliferation. (This is a special interest of Dean and McCloy, and it may be worth a minute or two to emphasize your own continuing interest in the subject. In case you want to do this, I will be prepared to describe our present efforts).

✓ 3. India and Pakistan. (These are hard-headed men, and they would react with immediate interest and sympathy to your effort to get more reality into our relations with these two countries. On the other hand, the process of communication with both Ayub and Shastri is at a very delicate stage and you may prefer not to open the subject, even with a group like this).

If you will check the paragraphs that interest you, I will work out an agenda accordingly, and make sure both Dean Rusk and Bob McNamara are informed.

h.f. s.
McG. B.

W.M. Art 19 etc -

Mr. President,

81

Mr. Bundy asked that we bring this to your attention as soon as we could

because

if you wished something different to be done

a decision would be needed tonight.

mjdr
Jul 7
6:18 p.m.

*No ^{with} decision possible.
OK PWA*

81a

THE WHITE HOUSE
WASHINGTON

~~SECRET~~

Wednesday, July 7, 1965
6:15 PM

MEMORANDUM FOR THE PRESIDENT

Re: Macapagal and the 2,000 troops

Macapagal has not succeeded in passing the aid bill necessary to allow him to send the 2000 troops that have been agreed in principle for so long between us. He has now proposed instead that the Filipinos send volunteers and that we pay for them under the table through CIA. We are convinced that paying for volunteers would be a very messy solution and are unanimously and strongly against it. The Filipinos are quite likely to draft the people they want, and call them volunteers, and this is a lousy precedent in the face of what the Chinese have threatened.

The only way Macapagal could revive his aid bill is ^(A) by what the Filipinos call "recertification." The attached cable shows that he has made a decision against any such course for strong election-year reasons. The only thing that could conceivably move him is a direct personal appeal from you, and on the evidence of the attached cable (A) we are not inclined to suggest that you make this effort right now. Instead, we plan to send the draft telegram attached at B.

incl. B.
McG. B.

↑
President approved - "nothing else he could do"
PWR

Approved _____
Disapproved _____
Speak to me _____

DECLASSIFIED

Authority FRUS, 64-68, vol. 26, #307

JC NARA, Date 4-20-12

81b

A

INCOMING TELEGRAM *Department of State*

81-c

W H 8/5

2

~~TOP SECRET~~

Action

Info

CONTROL: 3919
RECEIVED: JULY 7, 1965, 1:08AM
FROM: SAIGON
ACTION: SECSTATE WASHDC IMMEDIATE 63
DATE: JULY 7,

~~TOP SECRET~~ JULY 07

UNDERLINE LITERALLY EYES ONLY FOR THE SECRETARY FROM AMBASSADOR

N O D I S

DEPTEL 61

WE WILL ADJUST TO NEW SCHEDULE OF REFTEL WHICH I PERSONALLY PREFER TO FORMER ONE. BELIEVE, HOWEVER, THAT WASHINGTON ANNOUNCEMENT SHOULD BE MADE PROMPTLY AFTER RECEIPT OF GVN CONCURRENCE BECAUSE OF DANGE OF LEAK FROM GVN. I SHALL SEEK KY'S AGREEMENT TOMORROW JULY 8(SAIGON TIME) AND WILL INFORM DEPARTMENT AT ONCE. (I CONTEMPLATE HANDLING MATTER ORALLY WITH KY, EXCHANGING NOTES ON AGREEMENT AT TIME OF WASHINGTON ANNOUNCEMENT.)

PROPOSED TEXT OF MY RESIGNATION FOLLOWS. ANY SUGGESTION FOR IMPROVEMENT WELCOME.

DECLASSIFIED

Authority NLS 84-31

By ris, NARS, Date 3-2-84

~~TOP SECRET~~

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~~TOP SECRET~~

-2- 63, Saigon, July 7, 1965 1:08AM

QUOTE DEAR MR. PRESIDENT;

IN CONFIRMATION OF OUR PREVIOUS DISCUSSIONS OF THE MATTER, I WOULD RESPECTFULLY REQUEST YOU TO ACCEPT MY RESIGNATION AS AMBASSADOR TO THE REPUBLIC OF SOUTH VIET-NAM, EFFECTIVE AT YOUR PLEASURE. YOU WILL RECALL THAT AT THE TIME OF MY ACCEPTANCE OF THIS POST, I ASKED THAT, FOR PERSONAL REASONS, THE DURATION OF THE ASSIGNMENT BE LIMITED TO ONE YEAR. THAT YEAR IS NOW PAST AND I FEEL OBLIGED TO REQUEST RELIEF IN ACCORDANCE WITH OUR UNDERSTANDING.

IT IS WITH DEEP REGRET THAT I SHALL LEAVE THE GOVERNMENT SERVICE AFTER HAVING SPENT SOME 45 YEARS THEREIN AND LAY DOWN MY PRESENT RESPONSIBILITIES IN SOUTH VIET-NAM WHERE SO MUCH IS AT STAKE FOR THE UNITED STATES AND THE FREE WORLD. ALTHOUGH MUCH REMAINS TO BE DONE HERE, I SHALL DEPART WITH THE FEELING THAT OUR POLICY IS THE RIGHT ONE AND WILL LEAD TO A SUCCESSFUL CONCLUSION IF WE PERSIST WITH CONFIDENCE AND DETERMINATION. NEEDLESS TO SAY, IF AS A PRIVATE CITIZEN I CAN CONTRIBUTE TO THE FURTHERANCE OF THE CAUSE, I AM ALWAYS AT YOUR DISPOSITION.

IN APPRECIATION OF YOUR CONFIDENCE AND SUPPORT THROUGHOUT MY SERVICE IN SAIGON,

RESPECTFULLY, UNQUOTE

TAYLOR

DDC

~~TOP SECRET~~

DRAFT LETTER ACCEPTING AMBASSADOR TAYLOR'S RESIGNATION

Dear Max:

It is with great regret that I accept your resignation as Ambassador to the Republic of South Vietnam. I do so only because I am bound to honor the understanding we had at the time of your initial appointment.

You have served your country and the cause of freedom with extraordinary courage and skill throughout a long and brilliant career.

There is no prouder page in that record than the one which you have written in the last year. Your determination to resist aggression and your imaginative understanding of the aspirations and the problems of the people and Government of Vietnam have made you an outstanding Ambassador in a critical year.

We shall miss you, but no man has more fully earned the right to meet his personal obligations. I am grateful for your offer of continued help as a private citizen, and you can be sure that I will value your counsel as long as I am President.

Sincerely,

#1
OUTGOING TELEGRAM Department of State

WH 812
02527

INDICATE: COLLECT
 CHARGE TO

~~TOP SECRET~~

Classification

FOR OC/T USE ONLY

Origin
Info

ACTION: Amembassy SAIGON FLASH 61

JUL 6 9 05 PM '65

NODIS

LITERALLY EYES ONLY FOR AMBASSADOR TAYLOR FROM SECRETARY RUSK

We now think it best to combine announcement of McNamara visit with announcement of Lodge appointment. Separating the two seems bound to give rise to questioning in the light of the fact that it will be evident that both facts are known to us now. At the same time we respect your view that the shorter your "lame duck" period the better. Accordingly we now wish to defer combined announcement until Friday, or even Saturday, if security holds.

The combined announcement might read as follows, subject to your comment:

QUOTE:

The President today announced that he has accepted with great regret the resignation of Ambassador Maxwell D. Taylor and intends to nominate the Honorable Henry Cabot Lodge to be Ambassador to the Republic of Vietnam. When Ambassador

7/6/65

Drafted by: Telegraphic transmission and
Text rec'd from White House: amp Classification approved by:

S/S - Mr. Bartley

Clearances:
Approved by The Secretary and DOD-Secretary McNamara per Mr. McGeorge Bundy

~~TOP SECRET~~

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Classification

FORM 8-63 DS-322

DECLASSIFIED

Authority NLJ 84-31

By ica, NARS, Date 7-18-84

~~TOP SECRET~~

Classification

Taylor initially accepted this appointment, it was understood that for personal reasons he was required to limit his service to one year. In his last visit to Washington, he agreed to extend this service pending the designation and qualification of his successor.

The President has asked Secretary of Defense McNamara and Mr. Lodge to proceed next week to Saigon for conferences with the Government of Vietnam and with Ambassador Taylor and General Westmoreland. This visit will allow both Secretary McNamara and Mr. Lodge to inform themselves fully of the current situation, on behalf of the President. Mr. Lodge will then be available to the Senate in connection with his confirmation, and if the President's nomination is approved, it is expected that Mr. Lodge will be able to take up his duties in Saigon in the middle of August. END QUOTE

Announcement would be accompanied by publication of a warm letter of thanks from the President to you, and the President would also like to include your letter of resignation if you wish to provide him with one.

In the light of this new schedule, we hope you will proceed to seek approval of McNamara visit and Lodge agreement not later than Thursday with Thieu or Ky, or both, as you consider desirable.

Finally, the President and I are assuming that Alexis Johnson will

~~TOP SECRET~~

Classification

~~TOP SECRET~~
Classification

be willing to hold the fort after your departure and before Lodge's arrival, and will also be ready to stay on in a certain transition period thereafter. We assume, however, that Alexis will wish a rest and a new assignment after that period, and the President wants him to know that within the limits of the possible, his wishes will be honored. Bill Bundy will discuss this matter with him on my behalf during McNamara visit. Second only to yourself, he commands our gratitude and admiration.

END

GP-3

RUSK

~~TOP SECRET~~

Classification

Wednesday, July 7, 1965
4:55 p. m.

82
2

MEMORANDUM TO THE PRESIDENT

SUBJECT: Warren Commission Report

1. I attach a memorandum from Nick Katzenbach proposing a brief White House statement in favor of prompt public disclosure of all possible information relating to the Warren Commission Report. The reason for this proposal is that in fact we are having to circulate guidelines to all those concerned, some of which may be regarded as restrictive. A few of the papers involved relate to procedures of the Secret Service, and others relate to confidential sources of information (on Oswald's Communist connections, for example). Nick thinks that a brief White House statement of this sort would forestall criticism.

2. I agree with him, but I think I would recommend that the statement be impersonal and avoid mentioning the President.

McG. B.

Have Reedy put out the statement as Katzenbach submitted it _____

Revise it without direct reference to the President, and then get it out _____

Let's not have a statement _____

log 2898 ⁸³

Wednesday, July 7, 1965

4:50 pm

MEMORANDUM FOR THE PRESIDENT

I attach a memorandum from the Secretary of State on the Merchant-Heeney Report on Canada and the US. The Secretary's recommendation is that the Report be made public and that appropriate recommendations be referred to the Joint Committee on Trade and Economic Affairs. This is a Cabinet-level committee in which the appropriate departments are represented on both sides. I agree with the Secretary's recommendation, but I think it may be useful to check it briefly with Mike Mansfield and George Aiken before you act.

I also think that you should read three pages of the Report itself before you make a decision. They are pages 25, 26, and 27 and they contain paragraphs 77 through 86 of the Report. In essence, these paragraphs propose an important trade-off -- Canadian understanding of our international political responsibilities in return for American understanding of the degree to which our economic decisions have repercussions in Canada. I think this is a good trade, and that Merchant has slightly out-traded Heeney, but your opinion is the one that counts.

If you approve of publishing the Report, we should work out an agreed date at which Merchant and Heeney can present it to you and Pearson.
XXXX
time

McG. B.

Publication approved _____ Disapproved _____

Reference of recommendations to Joint Cabinet committee

Approved _____ disapproved _____

Set a time for presentation and publication of Report _____ or speak to me _____

Inform Mansfield and Aiken _____

7 84

Wednesday, July 7, 1965
4:50 p. m.

MEMORANDUM TO THE PRESIDENT

SUBJECT: Ellsworth Bunker

1. You should know that Ellsworth Bunker is tentatively planning to come back to Washington on Saturday for family reasons and for a general base-touching here. He plans to return to Santo Domingo on Tuesday.

2. This suggests that the negotiations are going to take a little longer than he was saying at the end of last week. But my impression is still that he is moving toward a settlement and not away from one.

McG. B.

EX 9/17

THE WHITE HOUSE
WASHINGTON

Wednesday, July 7, 1965
4:50 p. m.

MEMORANDUM TO THE PRESIDENT

SUBJECT: Ellsworth Bunker

1. You should know that Ellsworth Bunker is tentatively planning to come back to Washington on Saturday for family reasons and for a general base-touching here. He plans to return to Santo Domingo on Tuesday.

2. This suggests that the negotiations are going to take a little longer than he was saying at the end of last week. But my impression is still that he is moving toward a settlement and not away from one.

m. B.

McG. B.

86

THE WHITE HOUSE
WASHINGTON

Wednesday, July 7, 1965
4:40 p.m.

MEMORANDUM FOR THE PRESIDENT

I suggest the attached acknowledgement
of Prime Minister Wilson's message
of yesterday.

mpb
McG. B.

Approved ✓
Disapproved _____
Speak to me _____

8a

THE WHITE HOUSE
WASHINGTON

Tuesday
July 6, 1965 ^{8:20}
5:30 PM ^{8:30}

MEMORANDUM FOR THE PRESIDENT

I think you will want to see the attached message from Prime Minister Wilson before you talk to Prime Minister Menzies. The message does not tell you anything new, but it does have a friendly reference to Menzies himself. I will prepare a polite answer for your consideration tomorrow.

incl. A

McG. B.

~~CONFIDENTIAL~~ ATTACHMENT

C O P Y

July 6, 1965

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 12958, Sec. 3.5
State Dept. Guidelines
By fw, NARA, Date 2-6-98

From: The Prime Minister

To: The President

We shall be giving your people here our views of the Commonwealth Prime Ministers' Meeting, but I thought it might be helpful if I were to send you direct my own personal impressions.

It was a good meeting in the sense that we had this large and very varied gathering of Heads of Government discussing a great many contentious issues in an atmosphere which was at times very outspoken but always remained friendly. I hope that it may have done something to widen the horizons of some of our newer colleagues to the broader problems of the world, and to lead and encourage them towards moderate points of view. Bob Menzies was, as ever, a tower of strength.

The main subjects engaging the meeting were of course Vietnam and Rhodesia.

I was glad that you were able to welcome the meeting's decision to set up a mission on Vietnam. Like you, I was not very optimistic about this even when I launched the idea, and the reception it has had in Moscow and Peking has not been encouraging. But I think that whatever the ultimate outcome it was well worth while doing.

Within the Commonwealth, some of the African members have been deflected from extreme ideas. Nkrumah, for example, readily agreed to serve on the mission and has been surprisingly moderate. As a member of the mission he is likely to be careful in his utterances on Vietnam in the future. Abubakar is very sound. Closer contact with the realities of the situation will be valuable for all the members of the Commonwealth who are not already involved in Vietnam. We may benefit later from widening their knowledge of the problems.

Abroad we have managed to demonstrate once again that it is the Communist countries, not the United States and South Vietnam, which are opposed to a peaceful settlement. Your Baltimore speech last April and repeated offers of discussions since then have been crucial in this respect. Moreover we have driven a small wedge between Hanoi and Peking on this issue. Nearly two weeks have passed without the North Vietnamese imitating the Chinese example of final and formal rejection. Hanoi is obviously receiving conflicting advice from Moscow and Peking and is temporizing accordingly. This leaves the door slightly ajar and until it is shut we shall keep the mission in being and be ready to act when possible. You know of our other activities.

The Rhodesian problem continues to cause us great anxiety and is a very difficult one. We came under very heavy pressure, and not only from the Africans, at the Commonwealth Prime Ministers meeting, but I think that there is an increasing realization of the difficulties of the problem. I found it desirable to offer to consider promoting a constitutional conference if our negotiations with Smith do not progress satisfactorily. Fortunately, Smith did not react too badly to this and we shall continue to pursue our negotiations with him. But I cannot pretend that these hold out great hope of success, or that any solution to which he will agree will be likely to be acceptable to the Africans. The situation therefore remains potentially dangerous.

We had some discussion of economic and development matters which I hope may prove helpful. We also set up two new Commonwealth bodies following last year's decision -- the Secretariat and the Foundation, the first a governmental and the latter an autonomous body to promote unofficial professional contacts, especially with the new ^{er} countries. I hope that these will, in their different ways, help to promote the development of the modern Commonwealth.

We also managed to deal with the Rann of Kutch and to get more general support for Malaysia than at one time looked possible.

A subsidiary bonus was having no fewer than 13 Afro-Asian Heads of Government present in London when the news from Algiers came through. The news made a tremendous impact and the unanimous decision of all 13 not to go to Algiers must have played its part in getting the whole thing called off to the discomfort of the Chinese who were lobbying at Marlborough House like mad. We played it very cool and let them make up their own minds. I think this helped us in what was one of the major underlying issues of the Conference -- our struggle with China for the soul of Africa.

Altogether I think, as I told the House of Commons, the meeting has given the Commonwealth a new sense of direction, a new sense of purpose and a new sense of unity in diversity. I believe that the Commonwealth -- the world in microcosm -- has a great role to play in taking the sting out of the major problems that lie ahead of us in international life: the terrible problems of race and poverty. Certainly we in Britain intend to do all we can to enable it to play that role modestly but effectively.

Wednesday, July 7, 1965
4:40 p.m.

86-c

86-c

MEMORANDUM FOR THE PRESIDENT

I suggest the attached acknowledgement
of Prime Minister Wilson's message
of yesterday.

McG. B.

860

DRAFT ACKNOWLEDGMENT

I want to thank you for your helpful message about the Commonwealth Prime Ministers Meeting. I am glad to know that it was a good meeting, and I agree with you that the proposal for a mission on Vietnam has demonstrated once again that it is the Communist countries that are not interested in a peaceful settlement at present.

I am sorry that you are having continuing troubles with Rhodesia, but I share your view that the Algiers postponement is useful to us all.

In addition to your message, I have had a good talk with Bob Menzies, and I am grateful to you both for keeping us so fully informed about the work of the Meeting.

Lyndon B. Johnson

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By Ag, NARA, Date 6-23-99

PAUX 03176
2100 ZULU JULY 6, 1965
PRIME MINISTER
TO PRESIDENT
CONFIDENTIAL
T.250/65

TUESDAY

RECEIVED
W/CA

CONFIDENTIAL

JUL 6 PM 5:03

MESSAGE BEGINS

JUL 6 20 51

WE SHALL BE GIVING YOUR PEOPLE HERE OUR VIEWS OF THE COMMONWEALTH PRIME MINISTERS MEETING, BUT I THOUGHT IT MIGHT BE HELPFUL IF I WERE TO SEND YOU DIRECT MY OWN PERSONAL IMPRESSIONS.

IT WAS A GOOD MEETING IN THE SENSE THAT WE HAD THIS LARGE AND VERY VARIED GATHERING OF HEADS OF GOVERNMENT DISCUSSING A GREAT MANY CONTENTIOUS ISSUES IN AN ATMOSPHERE WHICH WAS AT TIMES VERY OUTSPOKEN BUT ALWAYS REMAINED FRIENDLY. I HOPE THAT IT MAY HAVE DONE SOMETHING TO WIDEN THE HORIZONS OF SOME OF OUR NEWER COLLEAGUES TO THE BROADER PROBLEMS OF THE WORLD, AND TO LEAD AND ENCOURAGE THEM TOWARDS MODERATE POINTS OF VIEW. BOB MENZIES WAS, AS EVER, A TOWER OF STRENGTH.

THE MAIN SUBJECTS ENGAGING THE MEETING WERE OF COURSE VIETNAM AND RHODESIA.

I WAS GLAD THAT YOU WERE ABLE TO WELCOME THE MEETING'S DECISION TO SET UP A MISSION ON VIETNAM. LIKE YOU, I WAS NOT VERY OPTIMISTIC ABOUT THIS EVEN WHEN I LAUNCHED THE IDEA, AND THE RECEPTION IT HAS HAD IN MOSCOW AND PEKING HAS NOT BEEN ENCOURAGING. BUT I THINK THAT WHATEVER THE ULTIMATE OUTCOME IT WAS WELL WORTH WHILE DOING.

WITHIN THE COMMONWEALTH, SOME OF THE AFRICAN MEMBERS HAVE BEEN DEFLECTED FROM EXTREME IDEAS. NKURUMAH, FOR EXAMPLE, READILY AGREED TO SERVE ON THE MISSION AND HAS BEEN SURPRISINGLY MODERATE. AS A MEMBER OF THE MISSION HE IS LIKELY TO BE CAREFUL IN HIS UTTERANCES ON VIETNAM IN THE FUTURE. ABUBAKAR IS VERY SOUND. CLOSER CONTACT WITH THE REALITIES OF THE SITUATION WILL BE VALUABLE FOR ALL THE MEMBERS OF THE COMMONWEALTH WHO ARE NOT ALREADY INVOLVED IN VIETNAM. WE MAY BENEFIT LATER FROM WIDENING THEIR KNOWLEDGE OF THE PROBLEMS.

ABROAD WE HAVE MANAGED TO DEMONSTRATE ONCE AGAIN THAT IT IS THE COMMUNIST COUNTRIES, NOT THE UNITED STATES AND SOUTH VIETNAM, WHICH ARE OPPOSED TO A PEACEFUL SETTLEMENT. YOUR BALTIMORE SPEECH LAST APRIL AND REPEATED OFFERS OF DISCUSSIONS SINCE THEN HAVE BEEN CRUCIAL IN THIS RESPECT. MOREOVER WE HAVE DRIVEN A SMALL WEDGE BETWEEN HANOI AND PEKING ON THIS ISSUE. NEARLY TWO WEEKS HAVE PASSED WITHOUT THE NORTH VIETNAMESE IMITATING THE CHINESE EXAMPLE OF FINAL AND FORMAL REJECTION. HANOI IS OBVIOUSLY RECEIVING CONFLICTING ADVICE FROM MOSCOW AND PEKING AND IS TEMPORISING ACCORDINGLY. THIS LEAVES THE DOOR SLIGHTLY AJAR AND UNTIL IT IS SHUT WE SHALL KEEP THE MISSION IN BEING AND BE READY TO ACT WHEN POSSIBLE. YOU GO ON WITH YOUR OTHER ACTIVITIES.

DECLASSIFIED
Authority: UK Declassification
By: SP-10/1000 NASA Date 6-23-79

THE RHODESIAN PROBLEM CONTINUES TO CAUSE US GREAT ANXIETY AND IS A VERY DIFFICULT ONE. WE CAME UNDER VERY HEAVY PRESSURE, AND NOT ONLY FROM THE AFRICANS, AT THE COMMONWEALTH PRIME MINISTERS MEETING, BUT I THINK THAT THERE IS AN INCREASING REALISATION OF THE DIFFICULTIES OF THE PROBLEM. I FOUND IT DESIRABLE TO OFFER TO CONSIDER PROMOTING A CONSTITUTIONAL CONFERENCE IF OUR NEGOTIATIONS WITH SMITH DO NOT PROGRESS SATISFACTORILY. FORTUNATELY SMITH DID NOT REACT TOO BADLY TO THIS AND WE SHALL CONTINUE TO PURSUE OUR NEGOTIATIONS WITH HIM. BUT I CANNOT PRETEND THAT THESE HOLD OUT GREAT HOPE OF SUCCESS, OR THAT ANY SOLUTION TO WHICH HE WILL AGREE WILL BE LIKELY TO BE ACCEPTABLE TO THE AFRICANS. THE SITUATION THEREFORE REMAINS POTENTIALLY DANGEROUS.

WE HAD SOME DISCUSSION OF ECONOMIC AND DEVELOPMENT MATTERS WHICH I HOPE MAY PROVE HELPFUL. WE ALSO SET UP TWO NEW COMMONWEALTH BODIES FOLLOWING LAST YEARS DECISION - THE SECRETARIAT AND THE FOUNDATION, THE FIRST A GOVERNMENTAL AND THE LATTER AN AUTONOMOUS BODY TO PROMOTE UNOFFICIAL PROFESSIONAL CONTACTS ESPECIALLY WITH THE NEWER COUNTRIES. I HOPE THAT THESE WILL, IN THEIR DIFFERENT WAYS, HELP TO PROMOTE THE DEVELOPMENT OF THE MODERN COMMONWEALTH.

WE ALSO MANAGED TO DEAL WITH THE RANN OF KUTCH AND TO GET MORE GENERAL SUPPORT FOR MALAYSIA THAN AT ONE TIME LOOKED POSSIBLE.

A SUBSIDIARY BONUS WAS HAVING NO FEWER THAN THIRTEEN AFRO-ASIAN HEADS OF GOVERNMENT PRESENT IN LONDON WHEN THE NEWS FROM ALGIERS CAME THROUGH. THE NEWS MADE A TREMENDOUS IMPACT AND THE UNANIMOUS DECISION OF ALL 13 NOT TO GO TO ALGIERS MUST HAVE PLAYED ITS PART IN GETTING THE WHOLE THING CALLED OFF TO THE DISCOMFORT OF THE CHINESE WHO WERE LOBBYING AT MARLBOROUGH HOUSE LIKE MADE. WE PLAYED IT VERY COOL AND LET THEM MAKE UP THEIR OWN MINDS. I THINK THIS HELPED US IN WHAT WAS ONE OF THE MAJOR UNDERLYING ISSUES OF THE CONFERENCE - OUR STRUGGLE WITH CHINA FOR THE SOUL OF AFRICA.

ALTOGETHER I THINK, AS I TOLD THE HOUSE OF COMMONS, THE MEETING HAS GIVEN THE COMMONWEALTH A NEW SENSE OF DIRECTION, A NEW SENSE OF PURPOSE AND A NEW SENSE OF UNITY IN DIVERSITY. I BELIEVE THAT THE COMMONWEALTH - THE WORLD IN MICROCOSM - HAS A GREAT ROLE TO PLAY IN TAKING THE STING OUT OF THE MAJOR PROBLEMS THAT LIE AHEAD OF US IN INTERNATIONAL LIFE: THE TERRIBLE PROBLEMS OF RACE AND POVERTY. CERTAINLY WE IN BRITAIN INTEND TO DO ALL WE CAN TO ENABLE IT TO PLAY THAT ROLE MODESTLY BUT EFFECTIVELY.

END OF MESSAGE

~~CONFIDENTIAL~~

K. d
Wed. 7/7/65
4:55 p.m.

THE WHITE HOUSE
WASHINGTON

Wednesday, July 7, 1965
3:10 p. m.

MEMORANDUM TO THE PRESIDENT

SUBJECT: Press contacts, July 6

1. Yesterday I saw Max Frankel of the Times about Dean Rusk, and Richard Dudman of the St. Louis Post Dispatch on a story that he claims to be writing on me for a fall issue of Esquire. The Dudman conversation was routine (I spent most of my time telling him that writing about staff personalities is a poor way of studying the White House). The conversation with Frankel was more interesting.

2. I found Frankel genuinely interested in the strengths of the Secretary of State. We talked at length about his courage and his deep-seated patriotism. Frankel was already familiar with the Secretary's gift for exposition and his very unusual diplomatic skill. He knew and appreciated the Secretary's enormous regard for George Marshall and his determination not to blow his own horn.

3. I tried to emphasize that the Secretary's modesty should not be confused with weakness. I pointed out also that it is quite wrong to suggest that he has not had strong opinions, clearly expressed, at moments of decision in the last four years. The point is that he gives his advice to the President and not to the Deputy Assistant Secretary of State. Moreover, when he has a difference with the Defense Department, he prefers to take it direct to Bob McNamara, rather than to let his subordinates start wrangling with the lower echelons of the Pentagon. The result is that relations between the two departments have never been more harmonious.

4. I took occasion to deal sharply with Rowlie Evans' article and another in Harpers by Joe Kraft. I pointed out that both Joe Kraft and Rowlie Evans have values and attitudes which are the opposite of those of the Secretary of State, and that their evidence should be evaluated accordingly.

5. Frankel's piece will be in the New York Times Sunday Magazine and will have considerable importance. I continue to think that 10 minutes of witness from you would be worth hours by any of the rest of us. Are you willing to talk to Frankel about it?

Yes

No

I will be glad to see him contact Manning
McG. B.

TRANSFERRED TO HANDWRITING FILE

88

THE WHITE HOUSE
WASHINGTON

DECLASSIFIED

Wednesday, July 7, 1965
1:35 p.m.

~~TOP SECRET~~

MEMORANDUM FOR THE PRESIDENT

I attach copies of the outgoing and the incoming which show that we are all aboard with Maxwell Taylor for an early announcement of McNamara's trip and Lodge's appointment, both at the same time. Max prefers Friday, or even Thursday, to guard against the danger of a leak, and I think he is right.

I have brought Cabot Lodge up-to-date, and told him that it is time to inform General Eisenhower and his employer at Time. He is doing so today, and this sets us free to act whenever you choose.

Max's cable shows a draft of his letter of resignation, and I attach at Tab A a draft answer.

*incl. B,
McG. B.*

Draft approved ✓

Approved as revised

Speak to me

Let's arrange announcement
Thursday

Let's arrange announcement
Friday

Just if possible for same papers

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 86-72
By ing, NARA, Date 4-14-87

REFERRED TO HANDWRITING FILE

L 89

THE WHITE HOUSE
WASHINGTON

Wednesday, July 7, 1965
1:30 p. m.

MR. PRESIDENT:

This memorandum from Dean Rusk is self-explanatory. I think the Secretary's plan of action in the UN is excellent. He recommends only an oral answer to Morse, and my own uneducated guess is that a confidential letter might have more effect in keeping Morse quiet. Which do you prefer?

McG. B.
McG. B.

An oral answer _____ ✓

A private written answer _____

Rec'd
Wed. 7/7/65
12:00 Noon

THE WHITE HOUSE
WASHINGTON

Wednesday, July 7, 1965
11 A. M.

~~TOP SECRET~~

MEMORANDUM TO THE PRESIDENT

Subject: Telegrams on Negotiations with Viet Cong and Hanoi

1. I attach outgoing and incoming telegrams to Saigon on the subject of negotiations with the Viet Cong and with Hanoi. The sum of their meaning is that Taylor and Johnson vigorously oppose any informal approach to either the Viet Cong or Hanoi at this time. They believe that such approaches are premature because of the tough summer ahead. They think they are dangerous because of the effect of a leak on the Saigon government. They think that overeagerness to negotiate "will nullify our past and present efforts to convince the Communists that we have the will and determination to turn the tide against them sooner or later."

2. This reaction was largely predictable, but its strength is somewhat surprising. Moreover, conversations with Lodge indicate to me that he has exactly the same view.

3. But the very same day we have a further message from Saigon reporting a contact made by a southern Catholic priest, Father Vui. Father Vui asserts that there is a whole wing of the Liberation Front that is against Hanoi and in favor of some compromise solution. Since he is an influential and respected Catholic, the Embassy takes his view more seriously than other earlier reports of division in the Viet Cong. Vui is exploring these divisions on his own, and the Embassy appears to be quite willing to keep in touch with him. This may mark the bare beginning of contacts among Vietnamese in the South that could be helpful.

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 99-134
By is, NARA Date 12-3-99

McG. B.

~~TOP SECRET~~

Saigon 42 (TO) - July 3
41 (TO) July 3
2784 July 5

~~TOP SECRET~~

Copy of SAIGON 41, July 5, 1965

The following are Alex Johnson's and my comments on plans for approach to National Liberation Front and North Vietnam contained in reference telegrams (attached).

In a sentence, we are vigorously opposed to these proposed approaches because (1) they are premature now or in any short-term future; (2) they are highly dangerous because of the effect of a leak on the Saigon government, either fortuitous or deliberate on the part of Communists; and (3) by our overeagerness to negotiate, they will nullify our past and present efforts to convince the Viet Cong/ North Vietnamese that we have the will and determination to turn the tide against them sooner or later -- so that they had better come to terms sooner rather than later.

We are convinced that we are on a sound course now and should stay on it without letting ourselves be diverted to untimely actions on either the political or the military front. We are now engaged in the early phases of the ascending military confrontation of the monsoon season. We are taking losses and will take more; the same goes for the Viet Cong. At the end of this season, it should be our purpose to have so blunted and bloodied the monsoon offensive and to have so punished the approved targets of our bombing in North Vietnam that the Viet Cong/North Vietnamese can no longer hope for a military victory and must admit it to themselves. If we can create that picture and, in addition, one of readiness for a counter-offensive in 1966, we would then think Hanoi might be ready for useful contacts. But it appears highly risky to seek shortcuts such as the reference telegrams propose, as they will encourage and stiffen the resistance of the enemy and, if known, will be disastrous to our relations with the South Vietnamese. Apart from all the foregoing considerations, this evidence of over-eagerness to negotiate will tend to defeat our purpose of leading Hanoi to the conference table if only because the Communist leaders must necessarily oppose anything that we are seeking.

With regard to specifics within the two proposals, we have further comments which we would like to make if, in spite of the reasons set forth above, it is decided to pursue one or both of these proposals.

DECLASSIFIED

TAYLOR

Authority NLS 84-31
By ris, NARS, Date 2-2-84 ~~TOP SECRET~~

*Alice - for yr files
The President. M.B.B.
PAK -
by to des?
I don't think
mkt
Amen
PAK*

SECRET

July 7, 1965

MEMORANDUM FOR
THE PRESIDENT

Attached is a letter from Don Cook regretfully declining a Pak/Indian assignment on what seem quite legitimate grounds. In passing he offers some tentative reactions on aid to India and Pakistan. He sees a "humanitarian" need to help feed India's masses, but seems rather defeatist about our ability to achieve "political" aims with US aid.

He's probably right that partition was a great mistake in the first place. He's also dead right that serving our "political" aims should be the ultimate test of US aid. But he seems to give up too easily when he ends up suggesting that unless Pakistan and India pull together against Russia and China we might as well not compete. One flaw in our past policy is precisely that we geared it too much to getting India and Pakistan together over Kashmir (I recall your remark to McConaughy last July that you didn't think either country would settle this ancient feud). Our effort to do so gave the Paks an inflated idea that we'd get Kashmir for them, and convinced the Indians that we were Pak-lovers at heart. Since Pak-Indian animosity will last a long time, we can't afford to make eliminating it the immediate goal of our policy. On the other hand, we needn't despair of promoting eventual rapprochement. Over time, their growing awareness of the external Communist threat is going to thrust India and Pakistan together, just as it has France and Germany.

But the more important problem is to prevent trouble in South Asia of the sort we have in Southeast Asia right now. Buying insurance against this risk seems to be worth the price. And the price is less than that we are already paying in Southeast Asia, whereas South Asia is ten times more important. We lost China by failing to engage, and now look at the trouble Peiping is causing us. If we leave a similar vacuum in India the Communists will flow in there too (note that the USSR is greatly increasing its aid to India).

I suspect that Mr. Cook would grant that he neglected this key argument. We're playing for much larger stakes than settling Pak/Indian differences, important as this would be. If we withdrew from every ballgame where we didn't like the playing field, we could save a lot of money and lose a lot of games.

DECLASSIFIED

Authority ML 89-05

By ip/ly, NARA, Date 8-25-72

R. W. Komer
R. W. Komer

SECRET

Respon

July 7, 1965

Dear Mr. O'Donovan:

David Astor has written to the President telling of his plan to send his deputy, Michael Davie, to Washington, and the President has indicated to me that if his schedule permits, he will be glad to see Mr. Davie during his visit. My suggestion is that you should call Mr. Jack Valenti here at the White House after Mr. Davie's arrival to see whether an appointment can, in fact, be arranged at that time.

Sincerely,

McGeorge Bundy

Mr. Patrick O'Donovan
THE OBSERVER
811 Florida Avenue, N. W.
Washington, D. C.

CC: Mr. Jack Valenti
Mr. George Reedy

92a

8

THE WHITE HOUSE
WASHINGTON

July 5, 1965, Monday, 12:10 P. M.

MEMORANDUM FOR THE PRESIDENT

This letter from David Astor was enclosed in one for me. It needs no acknowledgment. You made a great impression on Astor, and unless you think it unwise, we will be helpful to Michael Davie. Do you want to see him yourself?

Yes _____

No _____

Check later _____

McG. B.

McG. B.

THE OBSERVER

The Observer Limited, 160 Queen Victoria Street, London EC4. Telephone FLEet Street 0202. Telegrams Observer London EC4
from The Editor

30th June, 1965

Dear Mr. President,

You may already have forgotten giving two hours of your time to a couple of English journalists. I greatly appreciated the opportunity of meeting you and gaining an impression of your intentions from you yourself.

I believe it is of the highest importance that our readers should be given a true impression of yourself and your policies and I am, therefore, sending my deputy, Michael Davie, to Washington to work with our resident correspondent, Patrick O'Donovan, on a set of articles that will attempt to convey a true picture of yourself, as a man and as President. Any facilities that they can be given in gaining this impression will be much appreciated.

With many thanks.

*Yours sincerely
David Butler.*

The President of the United States,
The White House,
Washington, D.C.

60

THE WHITE HOUSE
WASHINGTON

Tuesday, July 6, 1965
7:25 pm

MR. PRESIDENT:

Because of the sensitivity of this in relation to Vietnam, Secretary Rusk has sent it through me for your night reading, and John Macy has not seen it. From earlier discussions, I believe ^{JOHN} he has a high opinion of Leonhart, but I can check that again with him tomorrow if you wish. I think I can do it without giving away anything on Saigon.

McG. B.

Jim needs to
Check with Macy _____
Leave it alone _____
Speak to me _____

✓ 93a

THE SECRETARY OF STATE
WASHINGTON

JUL 6 - 1965

~~CONFIDENTIAL~~

MEMORANDUM FOR THE PRESIDENT

Last Friday, we discussed the need to move William Sullivan, currently serving as our Ambassador to Laos, to Saigon to serve as the new Deputy Ambassador. To replace Mr. Sullivan in Laos, I should like to propose William K. Leonhart, FSO-1.

Although Bill Leonhart is presently serving in Africa, he is an experienced Far Eastern diplomat. As our Ambassador in Tanzania, he has amply proved his ability to handle fast-moving and tricky situations. Young and able, he is one of our best Ambassadors; he is well qualified to be our next Chief of Mission in Laos.

Dean Rusk
Dean Rusk

Approve _____

Disapprove _____

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 12958, Sec. 3.5
State Dept. Guidelines
By *ju*, NARA, Date 2-6-98

William K. Leonhart

Biographic Data:

Mr. Leonhart was born August 1, 1919, in Parkersburg, West Virginia. Married, he is the father of two daughters, ages 13 and 11. After graduating from the University of West Virginia in 1939, he obtained an M.A. (1941) and a Ph.D. (1943) from Princeton. His major field of study was political science. He is a member of Phi Beta Kappa.

Experience:

- Princeton University faculty, 1939-40;
- Economist, Office of Coordinator of Inter-American Affairs, 1941-43;
- Economic Section, Buenos Aires, 1944-46;
- Economic Section then Chief, Political Section, Belgrade, 1946-48;
- Political Section, Rome, 1949-50;
- Chief, Political Section, Saigon, 1950-51;
- Political Section, Tokyo, 1951-54;
- Member, Policy Planning Staff, Department of State, 1955-56;
- Alternate State Member, National Security Council Planning Board, 1957-58;
- Imperial Defense College, London, 1958;
- Deputy Chief of Mission, Tokyo, 1959-62;
- Ambassador to Tanzania (formerly Tanganyika), 1962 to present.

~~CONFIDENTIAL~~

LAOS

The Candidate

William K. Leonhart

Bill Leonhart is one of the youngest and most dynamic of our present American Ambassadors. A demanding taskmaster, he sets an awe-inspiring example for his staff. He works with seemingly tireless energy (usually seven days a week), unceasing devotion to duty, and a complete subordination of personal considerations. As our first Ambassador in Tanzania, he has performed in an outstanding manner during three difficult and eventful years. The Embassy in Dar-es-Salaam, under his leadership, was given the Department's Superior Honor Award in 1964.

Ambassador Leonhart, during the past few years, has acquired the reputation as a brilliant, hard-driving officer. He demands a high standard of performance. He has a broad-gauged intellect, a phenomenal memory, and a large store of imagination. Of average height, Mr. Leonhart presents a studious appearance that is accentuated by heavy dark-rimmed glasses. He has a friendly personality and an alert, tactful manner. He is a good public speaker. In representational matters, he is ably assisted by Mrs. Leonhart.

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 12958, Sec. 3.5
State Dept. Guidelines
By ly, NARA, Date 6-23-99

93d

DEPARTMENT OF STATE
DEPUTY UNDER SECRETARY FOR ADMINISTRATION

June 11, 1965

~~CONFIDENTIAL~~

MEMORANDUM FOR: The Secretary

FROM: O - William J. Crockett *WJC*

SUBJECT: Security Summary - William K. Leonhart, FSO-1

- A. 1. Date of last FBI investigation: 1955
2. Date of last SY investigation; 1954
3. Date of last clearance: 1962

B. Summary of Information:

Investigations have disclosed only favorable information regarding Mr. Leonhart's loyalty, character, and reputation.

~~CONFIDENTIAL~~

DATE REPRODUCED TO BE AN
APPROPRIATE MARKING
FOR THE SECURITY
INFORMATION, E. O. 12356,
SEC. 1.1(a)

BY cb ON 5-6-99

Tuesday
July 6, 1965
5:30 PM

MEMORANDUM FOR THE PRESIDENT

I think you will want to see the attached message from Prime Minister Wilson before you talk to Prime Minister Menzies. The message does not tell you anything new, but it does have a friendly reference to Menzies himself. I will prepare a polite answer for your consideration tomorrow.

McG. B.

~~CONFIDENTIAL~~ ATTACHMENT

July 6, 1969

94a

~~CONFIDENTIAL~~

From: The Prime Minister

To: The President

DECLASSIFIED
E.O. 12958, Sec. 3.5
State Dept. Guidelines
By jm, NARA, Date 2-6-98

We shall be giving your people here our views of the Commonwealth Prime Ministers' Meeting, but I thought it might be helpful if I were to send you direct my own personal impressions.

It was a good meeting in the sense that we had this large and very varied gathering of Heads of Government discussing a great many contentious issues in an atmosphere which was at times very outspoken but always remained friendly. I hope that it may have done something to widen the horizons of some of our newer colleagues to the broader problems of the world, and to lead and encourage them towards moderate points of view. Bob Menzies was, as ever, a tower of strength.

The main subjects engaging the meeting were of course Vietnam and Rhodesia.

I was glad that you were able to welcome the meeting's decision to set up a mission on Vietnam. Like you, I was not very optimistic about this even when I launched the idea, and the reception it has had in Moscow and Peking has not been encouraging. But I think that whatever the ultimate outcome it was well worth while doing.

Within the Commonwealth, some of the African members have been deflected from extreme ideas. Nkrumah, for example, readily agreed to serve on the mission and has been surprisingly moderate. As a member of the mission he is likely to be careful in his utterances on Vietnam in the future. Abubakar is very sound. Closer contact with the realities of the situation will be valuable for all the members of the Commonwealth who are not already involved in Vietnam. We may benefit later from widening their knowledge of the problems.

Abroad we have managed to demonstrate once again that it is the Communist countries, not the United States and South Vietnam, which are opposed to a peaceful settlement. Your Baltimore speech last April and repeated offers of discussions since then have been crucial in this respect. Moreover we have driven a small wedge between Hanoi and Peking on this issue. Nearly two weeks have passed without the North Vietnamese imitating the Chinese example of final and formal rejection. Hanoi is obviously receiving conflicting advice from Moscow and Peking and is temporizing accordingly. This leaves the door slightly ajar and until it is shut we shall keep the mission in being and be ready to act when possible. You know of our other activities.

The Rhodesian problem continues to cause us great anxiety and is a very difficult one. We came under very heavy pressure, and not only from the Africans, at the Commonwealth Prime Ministers meeting, but I think that there is an increasing realization of the difficulties of the problem. I found it desirable to offer to consider promoting a constitutional conference if our negotiations with Smith do not progress satisfactorily. Fortunately, Smith did not react too badly to this and we shall continue to pursue our negotiations with him. But I cannot pretend that these hold out great hope of success, or that any solution to which he will agree will be likely to be acceptable to the Africans. The situation therefore remains potentially dangerous.

We had some discussion of economic and development matters which I hope may prove helpful. We also set up two new Commonwealth bodies following last year's decision -- the Secretariat and the Foundation, the first a governmental and the latter an autonomous body to promote unofficial professional contacts, especially with the new countries. I hope that these will, in their different ways, help to promote the development of the modern Commonwealth.

We also managed to deal with the Fann of Kutch and to get more general support for Malaysia than at one time looked possible.

A subsidiary bonus was having no fewer than 13 Afro-Asian Heads of Government present in London when the news from Algiers came through. The news made a tremendous impact and the unanimous decision of all 13 not to go to Algiers must have played its part in getting the whole thing called off the the discomfort of the Chinese who were lobbying at Marlborough House like mad. We played it very cool and let them make up their own minds. I think this helped us in what was one of the major underlying issues of the Conference -- our struggle with China for the soul of Africa.

Altogether I think, as I told the House of Commons, the meeting has given the Commonwealth a new sense of direction, a new sense of purpose and a new sense of unity in diversity. I believe that the Commonwealth -- the world in microcosm -- has a great role to play in taking the sting out of the major problems that lie ahead of us in international life: the terrible problems of race and poverty. Certainly we in Britain intend to do all we can to enable it to play that role modestly but effectively.

Ret to Mails Office for file

DECLASSIFIED

EO: 12958, Sec. 3.5

NSC Memo, 1966, State Dept. Guidelines

By CB NARA, Date 4-14-99

Tuesday
July 6, 1965
5:10 P. M.

~~CONFIDENTIAL~~

MEMORANDUM FOR THE PRESIDENT

We've held up attached Rusk request till now as hardly urgent. The Near East Foundation is not a terribly high-powered outfit, despite its distinguished sponsorship.

I'd suggest you agree to a brief 16 September White House ceremony or to send a message. There seems no point in responding on the April 1966 dinner till next year. On either occasion there may (or may not) be virtue in a statement on Middle East policy, but no way of telling yet.

*John Walsh
State 9/5
notified
7 July
LWS*
*Pass to Komer
for report to
Dept*

R. W. Komer
R. W. Komer
mfs

1943
95a

THE SECRETARY OF STATE
WASHINGTON

May 10, 1965

MEMORANDUM FOR THE PRESIDENT

Subject: Recognition for the Near East Foundation

Recommendation:

That you receive representatives of the Near East Foundation on or about September 16, 1965 in a brief ceremony at the White House commemorating the Foundation's 50th Anniversary.

Approve _____ Disapprove

That you accept an invitation to speak or to send your personal representative to speak to the Foundation's Golden Anniversary dinner sometime in April 1966 in New York City.

Approve _____ Disapprove

Background:

The Near East Foundation will celebrate its 50th Anniversary during its Golden Anniversary Year beginning September 16, 1965. The Foundation has asked and I recommend that you give public recognition to this outstanding example of American philanthropic zeal in the service of less fortunate peoples.

The group was founded in 1915 by American citizens under the encouragement of our Ambassador to Turkey, Henry Morgenthau, and chartered by Congress in 1919 as Near East Relief to administer post-war relief in the Near East. Its staff was directly responsible for saving the lives of thousands of war orphans and refugees. By the end of the 1920's with the need for basic relief having largely been met, Near East Relief became the Near East Foundation and the pioneer of technical training projects for needy countries.



Dean Rusk

Enclosure:

Foundation's Program and Support.

Foundation's Program and Support

A number of distinguished Americans and foreign leaders have already agreed to sponsor this non-political body's 50th Anniversary observances. Among them are:

His Imperial Majesty The Shah of Iran
Richard M. Nixon
Dr. Grayson Kirk, President, Columbia University
Henry R. Luce, Editor, "Time", Inc.
Dr. Mason Gross, President, Rutgers University
James A. Farley
Allen W. Dulles
General Lucius D. Clay
Former American Ambassadors George V. Allen, John S. Badeau,
Ellsworth Bunker, Sheldon T. Mills, Harold B. Minor

The Foundation assists governments to start programs of rural and community improvement. It has worked in Afghanistan, Albania, Bulgaria, Cyprus, Egypt, Ghana, Greece, Iran, Iraq, Jordan, Korea, Lebanon, Syria, and Turkey. Its service presents the United States in its best light in some countries where our political relationships are shaky. The Foundation has provided the initiative for communities abroad to carry on themselves in programs involving:

Sewing lessons to young girls in villages.
Clean water for a village bath house.
Youth vocational and recreational centers.
Agricultural technicians.
Improved poultry for peasant families.
Literacy.
Healthy seeds to replace unproductive crops.
Protective measures against livestock diseases.
Child care for peasant mothers.
Home gardens for an improved diet.
Sanitation as a measure in preventive medicine.
Elementary education in rural areas.

Tuesday July 6, 1965
5:00 p.m.

96'

MR. PRESIDENT:

The attached message from Prime
Minister Wilson I think needs no further
action, since it is in reply to one of
ours.

McG. B.

96a

... have been asked to...
Minister to pass...
message.

The President
of the United States.

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By CB, NARA, Date 4-14-99

XEROX FROM QUICK COPY

July 5, 1965.

TEXT OF MESSAGE

Thank you for your message about the Rann of Kutch. We have all been most grateful for the helpful understanding your people have shown throughout these prolonged negotiations. We look forward to working out in close co-operation with them further steps to encourage India and Pakistan towards a settlement of other outstanding problems.

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By cb, NARA, Date 4-14-99

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MEMORANDUM FOR THE PRESIDENT

July 6, 1965

Postponement on Pak Consortium, which McConaughy personally told Ayub about on 3 July, was quite a shock. Ayub apparently took the Congressional argument quite well but asked about the "other problems" mentioned. McConaughy mentioned the general foreign policy area, at which Ayub launched into a defense of Pakistan's "independent" foreign policy. His Chicom policy was aimed solely at avoiding provocation of China. As for Vietnam, Ayub looked on this as essentially an example of "big-power rivalries." He said that the US wanted its associates to be "only satellites--non-thinking followers who blindly acquiesce to US policy." Ayub opined that the postponement clearly represented the beginning of a new US policy toward Pakistan. He said that anyone could see that this amounted to more than a mere delay. His immediate reaction was that Pakistan would have to look elsewhere for development aid; if this proved impossible the Paks would simply have to retrench. He did not register any interest in sending someone to the US.

Ayub's foreign policy explanations were so thin that even McConaughy went back at him sharply. To characterize Vietnam as "big power rivalry" was far from the mark. The issue was the freedom of Asian countries to exist free from Communist intrusion. This was more important to the free Asian countries than it was to the US. He made a strong plea for Pakistan to declare itself on Vietnam. As to the allegation that we were only looking for satellites, McConaughy invited Ayub to look at some of the Asian countries that were standing four-square behind us--such as Turkey, Iran, Thailand or the Philippines. Would he brand these countries as satellites?

McConaughy's judgment is that Ayub considers the US is taking a fundamental decision to force him to make a clear-cut choice between the US and an "independent" policy. Ayub almost certainly sees our position as creating a tough problem for him either way he turns, succumbing to US pressure or sustaining loss of US aid. Either could undermine confidence in his leadership and provide a major issue for his opponents. As McConaughy points out, Ayub has been riding high and undoubtedly considers consortium postponement as a US effort to whittle him down. So "a fundamental showdown with Pakistan is thus abruptly looming for us."

DECLASSIFIED

E.O. 12958, Sec. 3.5

NSC Memo, 1/30/95, State Dept. Guidelines

By CB, NARA, Date 4-14-99

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- 2 -

McConaughy comments that he noted a distressing contrast to Ayub's previous line of thinking; Ayub sounded at some points like an appeaser, an opportunist, an Afro-Asian extremist, and an advocate of full non-alignment. Our Ambassador sees this change as in part a result of Ayub's adverse reactions to our policy, but notes that the "malign and near-hypnotic influence of Bhutto is probably the chief contributing factor."

McConaughy's best guess is that Ayub will make a cautious probe to explore our position more fully, but may not be disposed to send any emissary lest this be interpreted as a first step in surrendering to US pressures. He sees the most dangerous risk as a public crisis, which could be precipitated quickly by premature leaks leading to an outraged emotional reaction against US attachment of political strings to aid. He pleads that we avoid any Washington leaks suggesting pressure tactics, since the Paks would then feel compelled to come back with anti-US blasts.

Our best bet is to sit tight and wait for Ayub's next move. Meanwhile we are working up contingency guidance to forestall any public spat. When the consortium postponement gets out, we can simply say that we want to wait until Congress appropriates the money and certain technical issues are resolved. All this will take delicate handling, but my hunch is that Ayub is too smart to jeopardize his meal ticket by lashing back too hard just yet.


R. W. Komer

M. S.

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**POUCH TO PRESIDENT
JULY 8, 1965**

Komer memo re \$37 million food for the UAR

**Komer memo re binational foundations, and
Covering McGB memo**

Bundy memo on NSAM 335

**Bundy memo re Ike-Churchill cable, and Graham
Martin NODIS cable.**

**Memo to the President from Adm Raborn 7/1/65
Report on Agency briefings of Congress.**

July 5, 1965, Monday, 12:10 P. M.

MEMORANDUM FOR THE PRESIDENT

This letter from David Astor was enclosed in one for me. It needs no acknowledgment. You made a great impression on Astor, and unless you think it unwise, we will be helpful to Michael Davie. Do you want to see him yourself?

Yes _____

No _____

Check later _____

McG. B.

Gilpatric Committee

Arthur H. Dean *****

Allen W. Dulles

Alfred M. Gruenther

George B. Kistiakowsky

John J. McCloy *****

James A. Perkins

Arthur K. Watson

William Webster

Herbert F. York

Roswell L. Gilpatric

Memorandum of Conversation

DATE: July 3, 1965
Place: Secretary's office
Time: 11:00 a. m.

SUBJECT: Miscellaneous Matters

PARTICIPANTS: Ambassador Anatoliy F. Dobrynin, USSR

The Secretary
Llewellyn E. Thompson, Ambassador-at-Large
Department of State

COPIES TO:

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-301
By isa, NARA Date 6-10-97

S/AL (3)

In reply to a question from the Secretary, the Ambassador said that he was sailing from New York early Thursday morning, July eighth and planned to leave Washington Tuesday evening. If necessary, he could stay over until Wednesday.

The Secretary said that the President might wish to see the Ambassador before he departed, but this would only be known after the President returned to Washington. The Secretary said he would let Dobrynin know as soon as he found out anything.

The Secretary inquired what questions about the United States the Ambassador thought he would get when he returned home.

Dobrynin said that he was sure he would be asked what the plans of the American Administration were, particularly with respect to Viet-Nam. The United States talked of its readiness to settle the conflict but its actions took the ground out from under such declarations. Until the bombing of North Viet-Nam stopped, it was difficult to imagine how one could even approach negotiations for a settlement.

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- 2 -

The Secretary said that as a matter of broad Government policy, the United States would like to see improved relations with the Soviet Union. There had been no change in this policy. He said this was why in their last talk he had mentioned the personal attacks on President Johnson. The President has tried to keep from arousing feeling in the United States against the Soviet Union. These attacks on him, however, aroused feelings among the American people against the Soviet Union. If we were not careful, opportunities to improve relations would be closed because of the aroused feelings of our people. The Secretary pointed out that his own language was always moderate on such issues.

The Secretary continued that in the broadest sense, the key problem between us at the present time was that of Southeast Asia. We have conflicting impressions with regard to the Soviet attitude toward discussing these issues. Mr. Gromyko in Vienna had indicated he had no desire to discuss these in any formal way and the Secretary had the same impression with respect to Ambassador Dobrynin. On the other hand, the Secretary was aware that the Ambassador had discussed these issues with many others.

Dobrynin intervened to say that he had only done so in response to questions.

The Secretary continued that in other capitals the Soviets have taken initiative to discuss these matters with private Americans and others. The Secretary then recounted the various steps that had been taken to deal with the problem. Moscow's response to the Commonwealth approach had been "wrong address." Earlier Moscow seemed to approve of a conference on Cambodia and Laos. Now Moscow had informed the British that they were not prepared to convene a conference on Cambodia. The Secretary said he understood the difficulties for the Soviet Union in our discussing the Viet-Nameese problem with them. It was not clear whether Moscow thinks informal channels could be used. Governor Harriman's visit might be an opportunity to find out. He suggested that perhaps we should follow up these informal contacts in order to test them. If Moscow was concerned with respect to possible disclosure, perhaps we could find a private way to have talks. Without regard to ideology on either side,

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- 3 -

our view is that there is no objective reason for the Soviet Union and the United States to quarrel over Southeast Asia. He referred to the 1954 Agreements which we supported, although we had not signed them. Then, in 1962, there was the Accord on Laos. We were deeply disappointed with the results of the Laos Agreement. From the date of the signature of that Agreement, Hanoi had been guilty of gross violations. Thousands of North Viet-Nameese military forces had been left in Laos and Laos had been used to infiltrate personnel into South Viet-Nam. The North Viet-Nameese and the Pathet Lao had refused to let the ICC function. We believe that we have a major agreement with the Soviet Union in regard to Laos. We do not charge the Soviets with specific violations in Laos but we do believe that as a Co-Chairman and as a country that could influence the Polish member of the ICC and could exercise influence on Hanoi that they had not done their best to bring about compliance with that Agreement. The Secretary said that the United States would welcome full compliance on both sides. If it were demonstrated that an important Agreement such as this reached by the highest authorities of our two Governments does not mean anything, then this was very discouraging for the future. He realized that the Soviet Ambassador in Vientiane had on occasion tried to be helpful but the power of a great country like the Soviet Union had not been exhausted in this affair.

With regard to Viet-Nam, the Secretary said that unless the Soviets can discuss the matter in the light of the facts as to what was happening on the ground, then it was difficult to deal with the matter on the basis of reality. North Viet-Nam has not admitted its intervention in the South. We know that the 325th North Viet-Nameese Division and other regular forces are in the South. We do not expect the Soviet Union to admit this publicly, but unless we can privately discuss this matter on the basis of facts, it will be very difficult to find a solution. The Secretary said he knew that at a luncheon for George Kennan in Moscow, Mr. Gromyko had said that nothing could be done. When he was asked what would happen if the bombing stopped, he had replied, "Stop and see." The Secretary said that this was not good enough in view of what the North was doing and he mentioned the Division in the South and the infiltration of men and materiel, as well as the fact that Americans were

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- 4 -

being killed every day. He pointed out that we had waited four and a half years after the infiltration began and that we had waited six months after the incident in the Gulf of Tonkin before beginning the bombing campaign. We had instituted a pause in the bombing but this had been called an insult. He pointed out that we had acted with restraint.

Dobrynin interjected that we were doing more and more and more in Viet-Nam. The Secretary said the problem was that the North was doing more and more to take over the South in the face of a firm United States commitment that was ten years old. In view of these facts, the Secretary said we were interested in knowing what else would happen if the bombing stopped. This did not have to be public. He pointed out that we had no designs on the North Viet-Nameese regime but we were not going to be driven out of South Viet-Nam. If there were peace, our forces could come home. They were there solely because of what the North was doing. He suggested that Dobrynin report that we have in mind the fact that the channels and procedures to peaceful settlement seem to be blocked by Hanoi. With regard to bilateral approaches, there was no progress. With respect to the Geneva machinery and with international institutions such as the United Nations, there was no progress. Narasimhan tried to visit Hanoi and Peking but had received harsh rejections. With respect to the seventeen-nation approach, there had been no result. The Indian President's proposal had been rejected. President Johnson's offer of unconditional discussions had been turned down. The Commonwealth effort had led to no result. Our support of these various approaches had not been undertaken as a political demonstration. They had represented a serious intent to explore the possibilities of peaceful settlement. The Secretary said he realized the difficulties but thought we should start from the 1954 and 1962 Agreements. He thought it incredible that great powers got tangled up over the desire of Hanoi to take over one of its neighbors. The Secretary said he wished to make clear that he was not suggesting that Governor Harriman intended to get into formal negotiations on these matters. The official United States position was as he was stating it now. He said that Governor Harriman was, of course, aware of the United States position and familiar with our bilateral relations and would be glad to discuss them with the Soviet authorities.

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- 5 -

The Secretary said he wished to turn to certain matters of detail. He was aware that Senator Morse had raised with the Ambassador the question of taking the issue to the United Nations. He pointed out that this had not been done at the initiative of the Administration. He understood that the Senator had asked what would happen if the Security Council called for a meeting of the Geneva Powers and that the Ambassador had replied that this would depend upon prior talks of the United States with the Soviet Union.

The Ambassador said this was not an accurate report. He pointed out that Hanoi was not a member of the United Nations and that it would be difficult to find a solution in this way.

The Secretary said that we had concluded that Hanoi was not interested in discussions. If we are wrong about this, we would be glad to know it. Our impression was that Hanoi and perhaps others had misinterpreted the debate between President Johnson and Mr. Goldwater. We had said we wanted no larger war nor any base in Viet-Nam. This may have led Hanoi to conclude that they could succeed by increasing their effort and could do so without any risk to themselves. If so, this was a basic error. The 325th Division had moved from the North to the South after our election as though they had concluded that President Johnson was soft. This was a wrong judgment of the American President. We understand that it is difficult for Moscow to bring this matter to its peaceful conclusion. There are also difficulties on our side. However, despite the existence of millions of Chinese, there are only two countries, the Soviet Union and the United States, that can keep the peace. We are puzzled as to how to proceed, assuming that both of us really want peace. The Secretary asked Mr. Thompson if he had anything to add.

Mr. Thompson said that with reference to bilateral relations which the Ambassador had mentioned, he thought he might like to know that Senator Fulbright was initiating closed hearings on the Consular Convention in order to ascertain whether we could move on this matter. He said, also, that the President and Senator Fulbright were actively considering the possibilities of trade with the Soviet Union.

Ambassador Dobrynin said that he had reported his last talk with the Secretary in which the Secretary had said he had the

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- 6 -

impression that Moscow thought our policy had changed. He said frankly that Moscow did think there had been a change of policy from that of President Kennedy and from the position taken in the election period as well as from the talks that he had had with the Secretary. By way of example, he cited the ever increasing United States involvement in Viet-Nam, the bombing of a socialist state, the United States intervention in the Dominican Republic, and in the Congo. He also referred to the financial question in the United Nations and the different plans that had been developed for an MLF or similar arrangement. He also cited the President's statement of May seventh, which Moscow had considered was hostile to the Soviet Union. He pointed out that all of this had affected our relations. He said that Moscow still supported the policy of peaceful coexistence and thought that the deterioration in relations was not the fault of the Soviet Union. He pointed out, however, that one could not look at bilateral relations in a vacuum. The United States Government must have known that its decision to bomb North Viet-Nam would result in a worsening of relations with the Soviet Union. The United States action against North Viet-Nam had no perspective and was very dangerous. The Viet-Nameese people were determined to fight for their freedom and the socialist countries were determined to help and to oppose aggression.

The Secretary interrupted to ask if the first step was not to pull North and South Viet-Nam apart militarily.

Dobrynin repeated that the United States bombing and the increase in our troops in South Viet-Nam pulled the ground out from under our peaceful statements. The Soviet Union thought that the four-point proposal of North Viet-Nam was a good basis for solution. He added, however, that the Soviet Union does not represent North Viet-Nam nor the National Liberation Front. They had not asked the Soviet Union to represent them.

The Secretary said it would be a mistake for the Soviet Union to conclude that there had been a change in the United States policy since the Kennedy days. In those days we had had

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- 7 -

serious crises and he mentioned tension over Berlin initiated at the Vienna discussions. He said that our attitude in the United Nations was based upon our interpretation of the Charter. We hoped the matter could be settled. We had led no crusade during the two years that the Soviet Union was behind in paying its assessments but when Article 19 came into operation, we had serious problems. Even if the Soviet Union had paid, we would have had a serious problem with France. It was not only a question of Charter interpretation, but a question of our relations with the Congress because of the legal differences between voluntary and compulsory payments. We had encountered difficulty this year with regard to the appropriation for the regular United Nations budget because of this matter. The Secretary also pointed out that this question of United Nations dues was not a recent development but was due to the fact that the Soviets had let their arrears go beyond the two year rule. The Secretary also pointed out that the MLF had been initiated under President Kennedy. It would not be correct for Moscow to conclude that because we do not abandon the MLF that we are following a policy hostile to the Soviet Union. We know that the MLF does not represent a proliferation of nuclear weapons. The Soviet Government takes a different view. It would be a great tragedy if we can't find some way to move ahead on the question of proliferation.

Dobrynin inquired how this could be done and asked if the United States position was basically the same.

The Secretary replied that the question would be reviewed after the German elections, but without an international understanding, many nations could move in this direction. Nuclear weapons were becoming easier and cheaper to make. Perhaps nothing could be done for the time being, but it would be tragic if we could not halt the spread of nuclear weapons, and, in any event, there was no basis for concluding that there was a change in United States policy.

With respect to the Dominican Republic, the Secretary said we were fully informed on the activities of the two Communist parties in that country. Both were in touch with Castro, and this constituted a problem. We would not permit them to arm civilian bands to take over the country by force. There would be elections there and a constitutional government would be formed.

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- 8 -

With respect to the Congo, the Secretary said that the upper circles in the Soviet Union know that we are aware that Soviet arms were sent to the Congo rebels through Egypt, Algeria, and other countries. We concluded that this was a change in the policy of the Soviet Government. The Soviet leaders should know that we are not naive in this matter.

The Secretary said, as he had indicated in the previous conversation with respect to the President's speech on May seventh, that we were well aware of the plans of the Soviet Union to use this occasion for sharp attacks on the German Federal Republic. This got in the way of any joint commemoration of the day we should have celebrated together.

Dobrynin pointed out that the Soviet Union had particularly resented the references in the speech to liberation, presumably of Eastern Europe. He pointed out that this harkened back to a policy of one of the Secretary's predecessors. The Soviet Union had given us no grounds to reopen this question.

The Secretary observed that when we talked of building bridges, we had in mind improved relations with the countries of Eastern Europe, including the Soviet Union. He reminded the Ambassador that there was a flood and torrent of talk constantly coming out of the socialist countries with respect to Wars of Liberation. These ideological differences between us exist, but the Soviet Union devoted much more propaganda and activity to these differences than we do.

In reply to a question, the Secretary said that our recent talk with the Chinese Communists in Warsaw had taken the usual course. He said, however, that some messages we had received from the Chinese seemed to mean that they wanted to get the Soviet Union and the United States into major conflict with each other. This should not be allowed to happen. When Dobrynin asked what these messages were, the Secretary said he was not at liberty to go into details.

Dobrynin asked whether the Secretary believed that our bombing of North Viet-Nam would lead somewhere. He referred to the wartime experiences with bombing and said that the Soviets did not think that this activity could lead to a settlement.

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- 9 -

The Secretary said the Ambassador must realize that the 325th Division in South Viet-Nam was killing South Viet-Nameese and Americans. We were not going to allow them to do this and to bomb our Embassy and people in restaurants, and then sit in a safe haven and be secure in carrying out such operations.

Dobrynin pointed out that the Secretary seemed to consider that everything was the fault of the North. He did not appear to recognize that there were forces in the South opposed to the Government. He cited an article by Gordon Walker to the effect that the Viet Cong enjoyed considerable support of the people of South Viet-Nam.

The Secretary said that the United States forces were in South Viet-Nam only because of what the North was doing against the South. He said that when the sects in the South were opposing the Government as well as some other elements there, we did not put in United States forces -- nor, for that matter, did we do so as a result of the activities of the indigenous Viet Cong.

Dobrynin said that we were fighting the Viet Cong now.

The Secretary said that we were also fighting the North Viet-Nameese and fighting Viet Cong, supplied with arms and direction from the North. Why should we talk to the NLF in regard to the North Viet-Nameese Division in the South? We did not go into Viet-Nam until the North intervened.

The Secretary said that we had many prisoners that came from the North. He asked whether the 325th Division would go home if we stopped bombing.

Dobrynin noted that the Secretary said "if."

The Secretary asked if we should leave those who are supplying the arms and materiel and directing the operations in the South to sit safely in the North. That was why he had asked the Ambassador some time ago what else would happen if the bombing stopped. Referring to Dobrynin's remark that we should stop and see, the Secretary inquired how long does one have to stop. He repeated that both countries must be interested in better relations. This was an imperative of history.

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- 10 -

He observed, however, that some Soviets seemed to follow the line that "what is mine is mine, and what is yours must be discussed and divided up again." Gromyko had told him that North Viet-Nam was socialist and would remain so, and that he would talk only about South Viet-Nam. The agreement we had reached about Laos had not proved to be worth anything. When Dobrynin said that we had violated the agreement, the Secretary replied we had not done so until we had found out that it was being violated by North Viet-Nam. He said we could accept full compliance with the agreement on both sides and would be very glad to know how to get to that position.

On the question of safe haven, Mr. Thompson pointed out that we had thought it important that Peking take note of the fact that this kind of activity could not be carried on without any reaction.

In concluding the interview, the Secretary wished the Ambassador a good journey and said that he would be in touch with him about the possibility of his seeing the President.

~~SECRET~~

101
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THE WHITE HOUSE
WASHINGTON

Sunday, July 4, 1965, 10 A. M.

MEMORANDUM FOR THE PRESIDENT

The enclosed memorandum of conversation shows the Secretary of State dealing brilliantly with Dobrynin. Unfortunately, it does not show progress on the Soviet side.

We still think it makes sense for you to see Dobrynin. The Secretary has hit him hard on the business of personal attacks on you, and I think if you give him a solid dose of your basic view of the situation, it can only be helpful. I think of three basic propositions that could be strengthened in his mind by such a meeting:

1. That we are not going to be flimflammed off course by Communist propaganda;
2. That we have not moved a fraction of an inch from our determination to have good relations with those who deal reasonably with us;
3. That we are ready for serious talk with Moscow, and also with Hanoi, whenever they are ready to talk with us.

Dobrynin will necessarily give you a lot of talk about stopping the bombing and dealing with the Liberation Front, but I think it will be good for us in Moscow if he takes back an authoritative picture of firmness, good sense, and continued readiness for good relations.

McG. B.

McG. B.

I want to talk to Tom Mann about
that today.

102

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LBJ/mf
9:30a
7-4-65

Bundy

2

Rec'd
7-4-65
9:00a

102a

THE WHITE HOUSE
WASHINGTON

Saturday, July 3, 1965
12:45 PM

MEMORANDUM FOR THE PRESIDENT

Tom Mann has asked that you see the record of his first conversation with Nehru (attached).

In the light of our conversation in the Cabinet Room yesterday, Mann has now talked again to Nehru and has made it very clear that if the Indians want a new PL-480 agreement anytime soon, the level of communication should be lifted so that Shastri appeals directly to you. Nehru apparently took the point and is making this proposal urgently to New Delhi. We cannot predict the form a message from Shastri will take, but we are beginning to get it through to the Indians that if they want to do business with the U.S., they should raise their problems with you. But Komer and I continue to think the Indians will be very slow to take in the basic signal we are trying to communicate.

McG. B.

McG. B.

DEPARTMENT OF STATE
UNDER SECRETARY FOR ECONOMIC AFFAIRS

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1 cy Komur

CONFIDENTIAL

July 2, 1965

MEMORANDUM FOR MR. MCGEORGE BUNDY
THE WHITE HOUSE

I think the President should see the attached memo of my conversation with Ambassador Nehru of India. I hope to see Ambassador Nehru again tomorrow following up on the decision taken today.

TCM
Thomas C. Mann

Attachment

CONFIDENTIAL

DETERMINED TO BE AN
ADMINISTRATIVE MARKING

BY *DCH* ON *10-27-82*

DEPARTMENT OF STATE

Memorandum of Conversation

DATE: July 1, 1965
1:00 p.m.

SUBJECT: India

PARTICIPANTS: Ambassador B. K. Nehru
Thomas C. Mann - M

COPIES TO: EXDIS

Mr. Nehru came to lunch. After the usual pleasantries, I said that I wanted to talk with him about a growing sentiment in the Congress and among the people concerning the aid program. I said there is increased pressure for self-help and there is increasing resentment over public attacks on the United States by aid recipients. Such phrases as "drink the Red Sea", "poisoned wheat", no longer go unnoticed. It would be worthwhile to look, for example, at the amendments which are currently being "tacked" on to the AID bill.

We are aware that since Krishna Menon's departure there is a closer identity of views between the United States and India regarding Communist China and other matters. The Indians played a constructive role concerning the recent conference in Algiers. We have, however, noticed public statements by Indian officials critical of the United States role in Viet-Nam.

Statements of this kind have an impact in this country comparable to the impact on public opinion in India if U.S. officials were to make similar statements about the Kashmir.

~~CONFIDENTIAL~~

-2-

I wondered whether it would not be better for countries such as the United States and India, which have important bilateral relations, to discuss their differences in quiet, diplomatic channels rather than through the press. And where, because of the democratic and parliamentary character of our governments, it is occasionally necessary to make a public statement concerning the other's relations with a third country, this should at least be talked over first and carefully weighed before a public statement is made.

The Ambassador referred to what he considered to be the predominant position of the United States in the world and repeated the familiar line that great powers have throughout history been criticized and must expect this to continue. He thought the important thing from the point of view of the United States was to have stability and strength in the developing part of the world. At the same time, he acknowledged that the United States had been subjected to "abuse" by extremist governments.

I said that the question was not what the United States' reaction should be, but what it is. I acknowledged that India's official statements had not been as extreme as others but said nevertheless India was caught up in the general problem. The United States was reviewing its aid policies worldwide from a number of points of view and I thought it was no longer safe to assume that aid would automatically flow to friendly and hostile developing countries alike.

I referred to the figure of eight billion dollars in aid of all kinds which India had received from the United States, which is about half of the U.S. contribution to the Marshall Plan. The magnitude of our contribution was a good indication of the importance which we attach to India and of our sincere desire for the friendliest relations with India in pursuit of important common goals. It seemed to me our common goals could be pursued in a way entirely compatible with the dignity and self-respect of both countries.

The Ambassador reacted to the eight billion figure. Aid

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

-3-

is separate from India's national convictions and principles. I agreed. The United States has learned long since that aid programs do not earn for us feelings of love or affection or gratitude. We do not think of economic and military aid as a means of changing the principles or convictions of others. We are well aware of India's difficulties with the Chinese communists and accept that India considers good Indo-Russian relations are needed to counterbalance the Chinese. We also understood India has a role to play in the Afro-Asian group of developing nations. It is not realistic to expect that India and the United States will have identical views on all problems. Each has a domestic public opinion to take into account. What concerns us is the reaction which we had from time to time encountered that countries which are large aid recipients believe they must make unfriendly statements about the United States in order to prove to themselves that they are still independent. We neither want nor expect conformity. But we do not think we should have to pay a political as well as an economic price for our economic cooperation.

I referred to the proposed visit of Shastri to the United States and said that it was our sincere conclusion at the time that it was in India's as well as our own interest to postpone the visit until Congress had completed its action on the aid program. I regretted that this decision had been leaked to the press and thought that perhaps we should have come to the conclusion earlier. Nevertheless, our position was taken in good faith and in an effort to enable us to be helpful to India. We were disappointed that the Indians "cancelled" the visit. This is not currently an issue. But the whole episode nevertheless left a residue of misunderstanding here.

Toward the end of the conversation the question of the proposed new PL-480 arrangement came up. The Ambassador said that he had received some time ago instructions to expedite

~~CONFIDENTIAL~~

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-4-

an agreement concerning this problem. He had not been very active on the assumption that we needed more time to get ready. He had not realized that the United States was concerned about the subjects we had discussed. He agreed that a continuing dialogue is desirable. I said that I thought it was particularly important for him or some person such as L.K. Jha, who understands the United States, to look into the way we felt here and to make sure that the Indian Government, at the highest levels, was aware of our feelings. Bridge building and accurate interpretations of the feelings of other countries were the main responsibility of the people who worked in the foreign affairs field. I had no additional concrete suggestions to offer at the moment, but I would be in touch with him soon after consulting with my colleagues.

The entire conversation was friendly. We had agreed in the beginning that we would both treat it as a frank and informal exchange of views between personal friends rather than as a formal demarche.

~~CONFIDENTIAL~~

Sat., July 3, 1965
3:30 PM

103

MR. PRESIDENT:

This report of a conversation
between de Gaulle and Cy
Sulzberger is interesting.

McG. B.

Paris 51
EKDIS

Reid
7-4-65
11:36a

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✓ 104

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THE WHITE HOUSE
WASHINGTON

~~SECRET~~

Saturday, July 3, 1965
3:15 P. M.

MEMORANDUM FOR THE PRESIDENT

Since one of the critical variables in Vietnam is the attitude of the Vietnamese toward U. S. troops, we have asked the Embassy in Saigon for a careful review of the evidence on this point to date. That review is coming next week, but in the meantime the mission has sent us a quick assessment whose summary judgment is interesting, as follows:

1. U. S. forces have drawn a variety of local reactions which, overall, are moderate in tone and mildly favorable in content. Criticism expressed so far deals with specific localized incidents rather than broader questions of sovereignty.
2. There is general recognition of the military need for U. S. forces and respect for their effectiveness and fire power. There is some psychological letdown because U. S. forces have not quickly ended the war, and on the other hand where U. S. forces are solidly emplaced, the residents appear to be pleased with their improved physical security. There have been local episodes, but there have also been reports of village opinion that U. S. troop behavior is better than that of Vietnamese. Intensive Viet Cong propaganda against U. S. presence has not been effective in secure areas, nor has there been any incident of a situation which constitutes a significant hazard to U. S. - Vietnamese cooperation or to effective prosecution of U. S. force missions.
3. The respect of one service for another probably makes this summary slightly optimistic, but it remains important and encouraging.

DECLASSIFIED

Authority NLS 84-19
By is, NARS, Date 8-14-84

McG. B.

McG. B.

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EXDIS

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105
105
Saturday, July 3, 1965
3:15 P. M.

MEMORANDUM FOR THE PRESIDENT

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McG. B.

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EXDIS

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By CB, NARA, Date 4-14-99

7-4-65
9:00 a

106

THE WHITE HOUSE
WASHINGTON

Saturday, July 3, 1965
11:30 A. M.

MEMORANDUM FOR THE PRESIDENT

Bob Komer feels that we owe you one more chance to comment on the problem of using excess U. S. local currencies for binational foundations. This is a matter which you approved in principle in January when we thought it might be done by executive waiver. But Ellender blocked this route, and now Fulbright, on his own initiative, has introduced a bill for the same purpose. The Administration has already been asked for its views, and must answer next week.

I think these foundations would be a good idea, and I do not see any harm in our saying so, although I doubt if there is any need to make this an Administration bill at this time. So I recommend Option C in the Komer memorandum.

The main thing to remember about the Fulbright bill is that it does not tell the Administration to do anything. It simply authorizes a course of action which we are quite free to reject if we choose. As I understand it, these binational foundations will not be particularly popular in the receiving countries -- at least to start with -- because they will be subject to our standards of operation.

to Komer for information
↓
mfb

mfb
McG. B.

I have told budget to make further study on what we can purchase and bring home from countries concerned

TRANSFERRED TO HANDWRITING FILE

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-299
By is, NARA Date 9-14-97

106a

~~SECRET~~

MEMORANDUM FOR THE PRESIDENT

July 2, 1965

I feel badly that I failed to provide you with a decent brief last weekend on the binational foundation matter. Since we thought we already had your approval in principle last January (Tab A), I skimmed on the facts.

In most countries, we use to the hilt our available foreign currencies to promote US interests and replace dollar outlays as much as possible. Such use has averaged around \$280-\$300 million per year for the last decade (\$2.8 billion 1955-64). We pay local embassy expenses (including building or renting); buy goods for our aid programs in third countries; develop markets for our products; lend to US businessmen expanding overseas (to keep their dollars home); sell currency to US tourists; further economic development through a wide range of grants and loans; finance educational exchanges; translate, publish and distribute general and technical books and periodicals; translate for our own use foreign technical works; help US-sponsored schools, libraries and community centers; sponsor medical and nutritional research; promote vocational rehabilitation; acquire foreign publications for the Library of Congress; establish US studies programs.

But the "excess" currencies (so declared by Treasury when they exceed all foreseeable US uses for 2-3 years ahead) create a special headache. The bulk comes from countries so poor we provide vast PL 480 even to feed them, and whose local currency is of the least use. As you wrote Harry Byrd on 6 March (Tab B), "When we demand payment . . . in dollars, or spend our holdings in currency in lieu of dollars, we take away with one hand resources we give them with the other . . ."

We've been trying hard to spend more. At your direction BOB recently mounted a government-wide campaign for new uses, but turned up less than \$50 million worth. Then Rooney turned down our plan to put 5% of our excess holdings in a pot for you to use for such purposes.

India is the worst case. We now hold about \$500 million in rupees, but have been able to spend them only at the rate of \$20 million per annum. So we have at least a 20-year supply. Even if we never gave India another bushel of wheat, the rupees from old loans and interest will keep increasing our hoard at a staggering \$90 million per annum.

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- 2 -

Chet Bowles (I'll give him credit here) has worked hard to find imaginative ways of using this surplus to serve US interests--precisely what I gather you want us to do. He wants to print books, teach English, provide research grants, promote travel, etc.

His best idea was a binational foundation which we'd endow with only a fraction of our rupees. It wouldn't be a free gift but a way to help the Indians help themselves. The Indians were not enthusiastic, but he brought them around. We got your approval (12 January) to set this up via executive waiver, but Ellender balked.

What's left is the legislative route, via a Farbstein-Fulbright bill (S. 1057). It puts full control in your hands. You can authorize foundations or not as you please. And only "excess" currencies could be used, not those we can spend to save dollars. The bill gives you another string to your bow in the effort to use our excess holdings wisely in the national interest--including a lot of things we'd love to do without spending dollars (a) developing universities and research institutes; (b) scholarships; (c) teacher training; (d) research; (e) literacy projects; (f) English language training; (g) translation of US books; (h) libraries; and (i) mass communications. In India at least, even if we set up a foundation, we'd still have left (and be accumulating) far more rupees than we see any way of using. So we can't lose on this proposition.

Action. Fulbright's bill has been submitted and hearings scheduled for 7 July (he asked Rusk to lead off). On the basis of your OK last January, and since we have already negotiated with the Indian government, all concerned have been planning to testify in favor. Shall we:

- (a) Oppose the bill _____
- (b) Take no position _____
- (c) Testify in favor _____


R. W. Komer

~~SECRET~~

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON

106b 222

✓ 1. Bundy
→ 2. Komer

January 15, 1965

OFFICE OF
THE ADMINISTRATOR

MEMORANDUM FOR: The Honorable McGeorge Bundy
The White House

Mr. Bell has seen the memorandum of January 12 to the President from you and Mr. Komer regarding the proposed India Binational Foundation, and has noted the President's approval. We have also informed interested agencies of the President's decision.

The memorandum is returned herewith.

FS

Frederick F. Simmons
Executive Secretary

Attachment

JAN 18 1965

1/12/65
1:30 P.M.

106-2



~~SECRET~~

January 12, 1965

MEMORANDUM FOR

THE PRESIDENT

Dave Bell wants your OK to discuss with key Congressmen the proposal for a binational Indian foundation, to be financed out of our huge surplus of Indian rupees. You'll recall this as Bowles' pet idea, but it makes sense to all the rest of us too as the best way to get some mileage out of our growing stockpile of otherwise useless Indian paper money.

In fact the chief problem is the Hill's reluctance to free up such surpluses, because of the continuing misconception that somehow we could use them to save dollars. We only wish we could.

Bell and Freeman want to take the road of getting informal Hill approval of an executive waiver for the use of PL 480 rupees (less than half the total we hold), instead of asking for new legislation. State and Budget agree. What's involved is feeling out the key members of the Appropriations and Agricultural Committees (especially Ellender, who said last year he opposed endowing such foundations with surplus rupees), since they must be consulted under the new PL 480 law.

Bundy and I suggest that you authorize Bell and Freeman to try out a low key approach, saying you're favorably disposed. If this fails, we can always fall back and regroup.

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-299
By is, NARA Date 9-19-97

R. W. Komer
R. W. Komer

M. G. Bundy
McGeorge Bundy

Approve ✓

See me _____

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~~CONFIDENTIAL~~

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DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON

OFFICE OF
THE ADMINISTRATOR

JAN 9 1965

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Proposed India Binational Foundation

In recent months, we have been discussing with the Government of India the establishment of a foundation - roughly equivalent to the Ford or Rockefeller foundations - which would be endowed with a substantial part of the excess accumulation of U.S.-owned Indian rupees.

Such a foundation makes a great deal of sense. It would open up opportunities for major improvements in Indian education and science under non-governmental auspices. Simultaneously, it would put to good use large idle balances of U.S.-owned rupees which are increasingly embarrassing and subject to political attack in India.

We believe we are nearing agreement with the Government of India that the foundation should be:

- organized as a private entity, independent of the Government of India;
- governed by a board of distinguished citizens, Indians and Americans in equal number;
- endowed initially with \$150 to \$300 million worth of U.S.-owned rupees, which would be invested in a special issue of Government of India bonds bearing interest at $3\frac{1}{2}\%$;
- authorized to use its income (plus some part of its capital) for the purpose of strengthening Indian science and education.

Assuming we reach agreement with the Indian Government, we will need to obtain appropriate approval from the Congress. Two alternatives are open:

1. To proceed by executive waiver, without new legislation. This could apply only to PL 480 rupees, (less than half of the total accumulation in India), and would require consultation with the Agriculture Committees of both Houses under the procedures established in last summer's extension of PL 480.

DECLASSIFIED

E.O. 12958, Sec. 3.5

State Dept. Guidelines + USAID

By Ct, NARA, Date 4-14-99

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7/11/65

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- 2 -

2. To request new legislation. Senator Fulbright has been considering introducing a bill to authorize the establishment of foundations not only in India, but in other countries as well, which would be one way to proceed, although it risks consolidating various potential sources of opposition.

Secretary Freeman and I are inclined to prefer the waiver course, if we can obtain the support of key members of the Agriculture and Appropriations Committees, particularly that of Senator Ellender, who has indicated some doubts about the foundation idea.

I recommend that you authorize us to explore the matter with key Senators and Congressmen.

Secretary Rusk, the Department of Agriculture and the Bureau of the Budget concur in this memorandum.

The attachment sets forth in more detail the nature of the proposed foundation and the legislative alternatives open to us.

David E. Bell
David E. Bell

Attachment:

~~CONFIDENTIAL~~

106-e

Attachment

~~CONFIDENTIAL~~

Attachment to the Memorandum to the President from the Administrator of the Agency for International Development, Dated January 9, 1965; Subject Proposed India Binational Foundation

Within the next few weeks general agreement may be reached with the Government of India for the establishment of an important new foundation which could make a substantial contribution to Indian education and science as well as to Indian-American relations. This foundation would receive and put to constructive use a major portion of the U.S.-owned Indian rupees that have accumulated greatly in excess of projected U.S. Government needs.* These currency accumulations derive in the main from PL 480 programs and from payments against foreign currency repayable loans. They are not convertible to hard currency, and cannot be used by us except to a very small extent outside the countries of origin. While we have no intention of using the currencies irresponsibly, nevertheless the existence of these holdings may cause us a political problem in answering charges of potential U. S. interference in basic internal policy through the manipulation of our vast foreign currency holdings.

Specifically, with respect to India, the foundation plan would employ a large part of our rupee balances to strike at a key bottleneck to India's continuing development, i.e. the absence of an educated citizenry and of sufficient trained personnel. During the past decade India has achieved a massive expansion of its educational plant at all levels.

* Current and prospective very large accumulations of excess U.S.-owned currencies now exist in three countries as follows: (Figures are in millions of dollars, equivalent)

	Non-Restricted Balances as of June 30, 1964			Projected Net Annual Accumulations					
	PL 480	Other	Total	PL 480		Other		Total	
				FY65	FY66	FY65	FY66	FY65	FY66
INDIA	148.0	208.5	356.5	38.0	35.0	83.3	125.4	121.3	160.4
PAKISTAN	31.4	74.5	105.9	-	-	8.7	6.6	8.7	6.6
U.A.R.	62.1	-	62.1	15.0	15.0	-	-	15.0	15.0

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 12958, Sec. 3.5
State Dept. Guidelines + USAID
By cl, NARA, Date 4-14-99

This expansion was accomplished, however, to a considerable extent, at the cost of maintenance of desirable standards of quality. The Indian Government's efforts to deal effectively with this serious problem have been persistently impeded by internal political pressures and by rigidities of the administrative system.

The proposed binational foundation could make a significant and sustained contribution of ideas and funds, derived from its rupee endowment, toward achievement of the breakthroughs necessary to develop an effective educational system. To this end, the foundation would undertake a continuing, objective and systematic study of Indian educational and scientific needs, based upon which, it would launch and support a wide range of initiatives. This would include programs such as:

- Development of centers of academic excellence;
- Scholarships for higher education and advanced study;
- Teacher training schools;
- Support for individual and institutional research;
- Pilot and other projects in literacy and adult education, particularly technical education;
- Special-skill training for the "educated unemployed";
- Provisions of incentives to encourage trained, expatriate Indians to return with their skills to India;
- Enlarged opportunities for American and other area studies and research in India and for Indian studies and research by American students and scholars;
- Curriculum improvement in the sciences, humanities and social sciences;
- Program testing and evaluation;
- English language and other linguistic training;
- Book and library programs; and
- Improvement of mass communications, including journalism and educational radio and television.

The foundation would be organized as a separate and autonomous entity. It would be governed by a board of distinguished citizens, Indians and Americans in equal number. Its principal offices would be in India. Its initial endowment, if an Administration decision is reached to seek an appropriation or equivalent Congressional action, would be \$300,000,000 rupee equivalent. Alternatively, an initial capitalization of \$186 million, rupee equivalent, would be provided by executive action under existing PL 480 authorities. The endowment would be invested in a special issue of Government of India bonds, to bear interest at $3\frac{1}{2}\%$. The foundation's grants would be made primarily from this income, some portion of which would

~~CONFIDENTIAL~~

- 3 -

be converted to dollars by the Indian Government for the foundation's foreign exchange costs. Capital funds would be available, subject to limitations to be agreed upon, for the support of special projects.

Our primary immediate concern is to achieve agreement with the Indian Government with respect to several issues not yet resolved and to obtain Indian cabinet level endorsement in principle. When such endorsement is received, it will be necessary to seek appropriate approval from the U. S. Congress. The broad alternatives in this regard appear to be:

1. To proceed, without new legislation, by executive waiver of the appropriations requirement with respect to PL 480 grants to promote economic development. Under recent amendment this would require prior consultation on policy with the new joint Advisory Committee established by the Act and, subsequently, submission of the proposal to the Agriculture Committees of both Houses; or
2. To request a special appropriation, in dollars or foreign currencies, either under existing authority or preferably under special authorizing legislation or, alternatively, new legislation setting aside the appropriation requirement. It would be desirable, in this event, for the Presidential foreign aid message to urge adoption of such legislation separate from the regular foreign aid authorization and appropriation bills. Indications are that Senator Fulbright, with whom Ambassador Bowles has discussed the proposal, would be interested in introducing a bill at an early date. A draft bill, which would authorize establishment of a binational foundation in any excess currency country and would waive the appropriations requirements, has been prepared by the Foreign Relations Committee staff.

As between these general alternatives, the principal consideration would seem to be whether it may be advisable to seek broad Congressional support this year for major new programs designed to achieve constructive utilization of excess foreign currencies. There continues to be widespread misunderstanding as to the value of these foreign currency balances to the U. S. and a persistent belief that their use could offset the need for foreign assistance dollar appropriations. Sooner or later, these misconceptions must be cleared up. Skillfully presented, the binational foundation proposal, coupled perhaps with a plan presently under consideration to utilize excess currencies for assistance to private enterprise, could generate considerable popular and congressional support and could provide the vehicle for a broad attack on this problem.

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- 4 -

The executive waiver course, because it involves no new authorization or appropriation, has the important advantage of presenting the minimum risk of an offsetting reduction in foreign aid dollars. Such a course would permit a relatively low key approach to be made. Its apparent disadvantages are that:

- (1) It would involve exercise of the executive waiver authority with respect to an unprecedented large amount of foreign currency;
- (2) It would not provide the legal authority necessary for a similar binational foundation in Pakistan where, because the bulk of the currency accumulated or projected will not derive from PL 480 programs, the executive waiver course is not available. (For the U.A.R., in the present political climate, no prospect for a foundation exists);
- (3) Its success would depend upon our ability to obtain the support of key members of the Agriculture and Appropriations Committees, particularly that of Senator Ellender who stated last year that he does not favor use of the excess foreign currencies for endowment of binational foundations.

~~CONFIDENTIAL~~

March 6, 1965

Dear Senator:

This is a further answer to your good letter of March 1 about foreign currencies. I want you to know that I have personally ordered an intensive re-examination of the agreements under which we carry out the PL 480 program, the source of most of the money. I am determined that we shall make the best possible use of these funds.

We have already made some progress. The agreements negotiated during the past year, mostly involving currencies not in excess supply, provide for a general increase in the share reserved for U.S. use. Further, some of the money will be available for sale to American tourists and non-profit institutions. Since 1960, annual U.S. expenditure of local currency has risen by \$100 million, to \$333 million in FY 1964.

As you know, however, a good part of this money consists of the currency of poor countries, desperately short of the resources they need to get their own economies growing. India and Pakistan are the most important examples. We have an important stake in their security and development. When we demand payment from them in dollars, or spend our holdings of their currency in lieu of dollars, we take away with one hand resources we give them with the other, through our assistance programs.

By selling developing countries our farm products for local currency, we provide essential support for their development efforts. They simply could not afford to buy these goods on commercial terms without stunting their growth.



- 2 -

Another significant part of our balances is in Polish currency. All of this is already subject to conversion and repayment in dollars on a fixed time schedule.

On the other hand, and as suggested in your letter, there may well be situations where it would be possible to improve our arrangements. I intend to find those situations and act accordingly.

In sum, we must continue both to make dollar savings and to use our agricultural abundance to advance our interests in the developing world.

During the early part of next week you will be receiving a more detailed report about the overall foreign currency situation from the Secretary of State and the Secretary of the Treasury.

Sincerely,

/s/ Lyndon B. Johnson

Honorable Harry F. Byrd
United States Senate
Washington, D. C.

Rec'd
7-4-65
9:00 a

107
✓

THE WHITE HOUSE
WASHINGTON

Saturday, July 3, 1965
11:15 A. M.

MEMORANDUM FOR THE PRESIDENT

Secretary Rusk has asked me to send you the attached two cables.

At A is the full text of a message from Eisenhower to Churchill in 1954. This is the one of which a shortened version appeared in Ike's memoirs and was reprinted last week by Maggie Higgins. Bracketed portions were not printed by Ike, and the Secretary thinks they are so near the heart of the matter still that they may be interesting to you.

At B is a recent telegram from Graham Martin in Bangkok in which he takes issue with my brother Bill on the degree of pessimism with which we should observe current events in Southeast Asia. I do not have Bill's original letter, but the flavor of his worry is in his memorandum on the middle course, which you have already seen.

McG. B.

McG. B.

TOP SECRET ATTACHMENT

107a

10
A

1076

B

INCOMING TELEGRAM *Department of State*

WH 107c
✓ 107c
#5

RECEIVED
MCGEORGE BUNDY'S OFFICE

~~TOP SECRET~~

Bundy

Action CONTROL: 27355
RECEIVED: JUNE 30, 1965, 2:18 P.M. 1965 JUN 30 PM 5 44

Info FROM: BANGKOK
ACTION: SECSTATE 2158 IMMEDIATE
SECTION ONE OF THREE

~~TOP SECRET~~ JUNE 30

FOR BUNDY

NODIS

DEPTTEL 2201

I HAVE DELAYED ANSWERING YOUR LETTER UNTIL EUGENE BLACK'S VISIT BECAUSE I THOUGHT THE RESULTS MIGHT BEAR ON MY ANSWER. THEY DO, AS I WILL POINT OUT LATER ON.

I WELCOME THE OPPORTUNITY TO COMMENT ON YOUR LETTER. I MUST CONFESS THAT I AM RATHER STARTLED BY ITS EXTREME PESSIMISM, WHICH I PERSONALLY BELIEVE TO BE UNWARRANTED. BUT HAVING ONLY RECENTLY RETURNED FROM WASHINGTON, I AM ALL TOO FAMILIAR WITH THE ENORMOUS PRESSURES WITH WHICH YOU ARE CONTENDING.

I WOULD MILDLY DISAGREE THAT THE CURRENT SITUATION IS GREATLY DIFFERENT THAN THAT WHICH WAS RATHER CLEARLY IN FRONT OF US IN BAGUIO. AS I SAID LAST SEPTEMBER, IT SEEMED INEVITABLE THAT AFTER THE LONG REPRESSION OF ALL POLITICAL DISSENT UNDER DIEM, THE DEPARTURE OF HIS REGIME WOULD AUTOMATICALLY RELEASE PREVIOUSLY RESTRAINED ANTAGONISMS ON SO VAST A SCALE THAT WE WOULD UNDOUBTEDLY GO THROUGH SEVERAL INSTITUTIONAL FORMS AND DIFFERENT CASTS OF CHARACTERS BEFORE ARRIVING AT A REGIME THAT MIGHT HAVE A REASONABLE RUN.

SIMILARLY, ON THE MILITARY SIDE, IT SEEMED QUITE CLEAR THAT WITH THE COMMENCEMENT OF SUSTAINED U.S. AIR PRESSURE ON THE NORTH, HANOI WOULD MAKE A MASSIVE EFFORT IN THE MONSOON SEASON TO INFLECT SUCH SEVERE MILITARY MAULING ON ARVN AND U.S. FORCES THAT BOTH SVN AND U.S. WILL TO RESIST WOULD BE ERODED, AT LEAST TO THE POINT WHERE WE MIGHT ACCEPT A COALITION REGIME. THIS, OF COURSE, THEY KNEW WOULD BE A BRIEF PRELIMINARY TO THEIR ASSUMPTION OF COMPLETE CONTROL. IT WAS ALSO AXIOMATIC THAT ANY - REPEAT ANY-

DECLASSIFIED
E.O. 12958, Sec. 3.5
State Dept. Guidelines

~~TOP SECRET~~

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By cb, NARA, Date 4-14-99

~~TOP SECRET~~ NODIS

-2- 2158 Fm Bangkok, CN 27355, 1 of 3

MILITARY COMMANDER WOULD DO HIS UTMOST TO PERSUADE HIS SUPERIORS TO MAKE AVAILABLE MORE THAN SUFFICIENT FORCE TO INSURE THAT HE COULD HANDLE THE MAXIMUM - REPEAT MAXIMUM - CAPABILITY THE ENEMY COULD BRING TO BEAR AGAINST HIM.

AS IT LOOKS FROM HERE, IT DOES NOT SEEM THAT THE SITUATION IN SVN IS GOING ALL THAT BADLY. ON THE SVN INTERNAL POLITICAL SCENE, WE HAVE LOST A GOOD MAN IN QUAT. HIS INSISTENCE ON REFUSING TO BRING APPARENTLY AVAILABLE MILITARY PRESSURE TO BEAR IN HIS DISPUTE WITH SUU SEEMS, UNDER THE CIRCUMSTANCES AND IN VIEW OF THE ONLY OTHER ALTERNATIVE, TO HAVE BEEN A RATHER QUIXOTIC APPLICATION OF A SOMEWHAT ELEMENTARY CONCEPT OF A PROPER DIVISION BETWEEN CIVIL AND MILITARY POWER. SO NOW WE HAVE KY - TOO YOUNG, TOO RASH, TOO IMPETUOUS - WHERE QUAT WAS TOO CAUTIOUS. BUT I DON'T REALLY FEEL DISCOURAGED THAT WE HAVE BEEN UNABLE TO ACHIEVE PERFECTION. AND THE ENORMOUSLY ENCOURAGING THING IS THAT THIS TRANSITION WAS NOT A COUP - IT WAS A RATHER MATURE, NEGOTIATED TRANSITION. AND WE JUST MIGHT HAVE FOUND THAT "GOVERNMENT WITH A NEW AND INDEED REVOLUTIONARY SPIRIT AND APPEARANCE." AND WE JUST MAY HAVE FOUND THE TOUGHNESS AND THE CHARISMATIC QUALITIES NEEDED TO SUBDUCE THE BUDDHIST-CATHOLIC AND THE "NORTHERNER-SOUTHERNER" DIVISIONS. THIS WE WILL FIND OUT, BUT THE FACT REMAINS THAT IT WAS A NEGOTIATED TRANSITION, AND IT IS NOT APPARENT HERE THAT IT HAS LESSENED THE WILL TO RESIST THE VC. THEREFORE WHILE IN APPLICATION OF PURELY WESTERN LOGIC, ONE MIGHT WELL CONCLUDE THAT "THERE MUST BE UNDERNEITH IT ALL A GROWING SPIRIT OF DISCOURAGEMENT AND OF SAUVE QUI PEUT..." I DO NOT THINK THIS NECESSARILY FOLLOWS IN A VIETNAMESE CONTEXT.

AGAIN ON THE MILITARY SIDE, INFORMATION AVAILABLE FROM THE CONSTANT STREAM OF VISITORS FROM SAIGON SIMPLY DOES NOT BEAR OUT THE CONCLUSIONS THAT THE VIETNAMESE MILITARY PERFORMANCE HAS BEEN AS POOR AS PORTRAYED. OBVIOUSLY, WITH AN APPLICATION OF MAXIMUM EFFORT ON THE PART OF THE VC, WHOLE BATTALIONS HAVE BEEN CHEWED UP AND WEAK COMMANDERS AND "SEVERAL INSTANCES" OF COMPLETE FAILURE OF JUNIOR OFFICERS, HAVE UNDOUBTEDLY OCCURRED. UNDER THE SAME CIRCUMSTANCES, I RECALL WE HAD A FEW TROUBLES OF THIS SORT IN KOREA, BUT IT DID NOT IRRETRIEVABLY SHATTER OUR MORALE. MY IMPRESSION IS THAT THEY HAVE IN FACT DONE SOMEWHAT BETTER THAN ONE MIGHT HAVE EXPECTED. AND THE INCONTROVERTIBLE ESSENTIAL FACT IS THAT THE ARVN IS STILL THERE AND IS STILL FIGHTING. AGAIN ON THE VC SIDE, I HAVE ASSIDUOUSLY FOLLOWED EVERY REPORT FROM EVERY AVAILABLE SOURCE ON THE QUESTION OF VC MORALE. OUR BASIC INABILITY TO GET VERY MUCH INFORMATION AT ALL WOULD LEAD ME TO BE RATHER WARY OF ASSUMING THAT SINCE WE HAVE ONLY THESE "SCATTERED SIGNS", THIS COULD JUSTIFY THE CONCLUSION THAT VC MORALE IS HIGH. ONE WOULD ASSUME VC LEADERS HAVE USED EVERY DEVICE IN THE BOOK TO INDUCE CLIMATE OF INEVITABLE VICTORY FOR THIS MAJOR SUMMER PUSH, BUT THESE REPORTS OF INCREASING SHORTAGES OF RATIONS AND MUNITIONS WOULD SEEM TO INDICATE THAT WE ARE SERIOUSLY INTERFERING WITH REPLENISHMENT OF STOCKPILES PAINFULLY BUILT UP OVER LONG PERIOD.

MARTIN

~~TOP SECRET~~ NODIS

INCOMING TELEGRAM *Department of State*

5

~~TOP SECRET~~

Action CONTROL: 27367
RECEIVED: JUNE 30, 1965, 2:41 P.M.

Info FROM: BANGKOK
ACTION: SECSTATE 2158 IMMEDIATE

SECTION TWO OF THREE

~~TOP SECRET~~ JUNE 30

FOR BUNDY

NODIS

DEPTEL 2201

IN COMMENTING ON YOUR POLICY POSSIBILITIES, I PERSONALLY SEE NO UTILITY AT ALL IN BROADENING AIR STRIKES NOW TO INCLUDE TARGETS IN HANOI AND HAIPHONG. THIS IS NOT BECAUSE OF POSSIBLE REPERCUSSIONS IN THE UK, JAPAN OR KOREA. PRESENCE OR ABSENCE OF UK BACKING IS REALLY NOT THAT IMPORTANT. ANY NATION WHOSE INTIMATE, CLOSE AND SPECIAL RELATIONSHIP COULD SURVIVE U.S. INTERVENTION IN THE SUEZ CRISIS WILL QUICKLY ADJUST. I WOULD BE VERY MUCH MORE CONCERNED OVER REACTION IN KOREA AND JAPAN WERE IT NOT FOR THE FACT THAT ONE HAS ONLY TO ASSESS WHAT THEIR REACTION WOULD BE IF WE PERMIT OURSELVES TO BE DRIVEN OUT OF SOUTHEAST ASIA TO CONCLUDE THEIR REACTION TO THE BOMBING OF HANOI AND HAIPHONG WOULD BE ANNOYING BUT IRRELEVANT IN COMPARISON. I JUST SEE NO NECESSITY WHATEVER FROM MILITARY, POLITICAL OR PSYCHOLOGICAL VIEWPOINTS FOR THIS NOW. WE SHOULD BE CONCENTRATING ON THE CORRIDOR WHERE WE ARE NOT EVEN BEGINNING TO ACCOMPLISH WHAT WE ARE CAPABLE OF ACCOMPLISHING.

NOR DO I SEE ANY PRACTICAL ADVANTAGE TO MINING THE HAIPHONG CHANNEL AND/OR BLOCKADING DRVN. THESE, AS ALSO WITH BOMBING HANOI AND HAIPHONG, SHOULD BE HOSTAGES FOR FUTURE. SINCE WE DO NOT KNOW THE EXACT INTENTIONS OF THE VC, IT IS DIFFICULT TO COMMENT ON THE NECESSITY FOR INCREASES IN U.S. FORCES IN SVN. IF WE CONTINUE TO HOLD, AS WELL AS WE SO FAR HAVE, I WOULD DOUBT WE NEED TO ACTUALLY DEPLOY THESE TROOPS NOW. WHAT WE DO NEED IS A FAR MORE VIGOROUS UTILIZATION OF ALL THE RESOURCES WE NOW HAVE AVAILABLE, A FAR MORE IMAGINATIVE APPRAISAL OF CONTRIBUTIONS THAT COULD BE OBTAINED IN THE AREA, AND SOMEHOW A CORRECTION OF PRESENT COURSES OF ACTION WHICH SIGNAL THAT WE WANT TO DO THE JOB OURSELVES AND NEITHER WANT NOR NEED HELP.

~~TOP SECRET~~

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I WONDER IF IN OUR PREOCCUPATIONS WITH THE DETAILS IN SVN AND WITH THE RAUCOUS DISTORTIONS OF OUR DOMESTIC AND FOREIGN CRITICS AND ADVISERS, WE SOMETIMES TEND TO OVERLOOK WHAT HAS HAPPENED IN THE REST OF THE WORLD IN THE LAST TWELVE MONTHS. DESPITE THE DETONATION OF TWO ATOMIC DEVICES, IT SEEMS THAT CHICOM INFLUENCE AND PRESTIGE IN SOUTH ASIA, AFRICA AND LATIN AMERICAN IS DEFINITELY ON THE WANE. THE INCREASING COURAGEOUS LEADERSHIP DISPLAYED BY "MODERATE" STATESMEN SEEMS TO GIVE A CHANCE OF AT LEAST CONTAINMENT OF THE MORE RADICAL STATES. THE ATTRACTIVENESS OF THE THEORY OF THE INEVITABILITY OF THE SUCCESS OF "WARS OF LIBERATION" SEEMS QUITE EVIDENTLY NO LONGER AS ALL-PERVASIVE AS A YEAR AGO. I WOULD NOT ATTEMPT TO APPLY EXACT PERCENTAGE POINTS TO PRECISE CAUSE AND EFFECT RELATIONSHIPS TO ALL ACTIONS IN SOUTH VIETNAM, BUT IT SEEMS TO ME THAT IT WOULD BE IMPOSSIBLE FOR ANY PERCEPTIVE OBSERVER TO DENY A VERY STRONG RELATIONSHIP INDEED.

I MENTIONED EUGENE BLACK'S VISIT. I WOULD ESTIMATE THAT THE CAPITAL OF THE ASIAN DEVELOPMENT BANK MAY BE OVERSUBSCRIBED BY AS MUCH AS 100 PERCENT BEFORE HE FINISHES HIS CURRENT SCHEDULE OF VISITS IN ASIA AND EUROPE. HIS ESTIMATE WOULD PROBABLY BE MORE MODEST. EVEN THE BURMESE, THE CAMBODIANS, AND THE AFGHANS CAME IN. NO ONE ANTICIPATED THAT BURMA AND CAMBODIA WOULD JOIN. AGAIN I WOULD SUGGEST THIS IS A SIGNIFICANT BIT OF EVIDENCE THAT THE GENERAL EXPECTATION IS THAT WE WILL WIN IN THE END. I THINK THE CUMULATIVE EFFECTS OF THE ENTIRE BLACK OPERATION WILL SHOW AN ASCENDING SCALE OF PARTICIPATION AND COMMITMENT WITH ALL THAT THIS IMPLIES.

I HAVE JUST NOTICED THE ARTICLE BY KIYOAKI MURATA IN THE JUNE 26 ISSUE OF THE JAPAN TIMES WEEKLY ENTITLED "THE DISSENTING VIEW." I WOULD SUGGEST THAT THIS MARKS THE BEGINNING AT LEAST OF A MORE ADEQUATE PORTRAYAL OF THE FACTS AS THEY ARE. I WOULD ALSO SUGGEST THAT THE DEPARTMENT'S ACTIVITY IN AFRO-ASIAN CAPITALS ON THE QUESTION OF SVN ADMISSION TO ALGIERS HAS ALSO BEGUN TO PAY DIVIDENDS. I ALSO BELIEVE THAT THE CONSTANT REITERATION BY THE PRESIDENT, BY YOURSELF, THE SECRETARY AND OTHERS OF THE FACTS AS THEY EXIST HAS BEGUN TO HAVE ITS EFFECT. THE TRUE STORY, FAVORABLE TO US, IS BEING PUBLISHED WITH INCREASING FREQUENCY THROUGHOUT THE WORLD.

I THINK WE ALSO TEND TO OVERLOOK OR MINIMIZE THE CUMULATIVE EFFECT OF THE DEGREE OF ACTUAL FREE WORLD PARTICIPATION WITH US IN SVN. I THINK WE TEND TO CONCENTRATE ON THE MINIMAL ASSISTANCE OTHER COUNTRIES ACTUALLY FURNISH IN COMPARISON WITH THE MAGNITUDE OF OUR OWN EFFORT AND FAIL TO RECOGNIZE THE INCREASING PSYCHOLOGICAL CHANGE THIS INVOLVEMENT WILL INEVITABLY BRING ABOUT.

MARTIN

INCOMING TELEGRAM *Department of State*

5

~~TOP SECRET~~

Action

CONTROL: 27391
RECEIVED: JUNE 30, 1965, 3:07 P.M.

Info

FROM: BANGKOK
ACTION: SECSTATE 2158 IMMEDIATE

SECTION THREE OF THREE

~~TOP SECRET~~ JUNE 30

FOR BUNDY

NODIS

DEPTEL 2201

I WOULD THEREFORE CONCLUDE THAT ON THE BROADER FRONT OUR POLICIES ARE ALREADY SHOWING THEIR EFFECT, AND THIS IN SPITE OF THE FACT THAT OUR OWN EFFORTS HAVE BEEN LARGELY THOSE OF REACTION RATHER THAN AN AGGRESSIVE, CONFIDENT ATTEMPT TO MARSHAL WORLD PUBLIC OPINION ON OUR SIDE. I PERSONALLY THINK THERE ARE GREAT IMPROVEMENTS THAT COULD BE MADE IN THIS FIELD.

IN SUMMARY, I WOULD SUGGEST THAT WITHOUT IN ANY WAY MINIMIZING THE DIFFICULTIES OF THE ACTIONS AHEAD OF US, THAT WE MIGHT BEGIN TO TURN OUR THOUGHTS TO SET UP AN "IF WE ARE SUCCESSFUL" CASE WITH ITS POSSIBLE VARIATIONS DEPENDING ON WHAT WE DO IN THE MEANTIME.

I DESCRIBED THAI REACTIONS RATHER COMPLETELY IN BANGKOK'S 294 OF 6 SEPTEMBER 1964. THEY ARE LARGELY ACCURATE TODAY WITH THE OBVIOUS DIFFERENCE EXEMPLIFIED BY THANAT'S CHANGE OF ATTITUDE AND WITH THE EXCEPTION OF THE DETERIORATION IN THE ATTITUDE OF THE MILITARY BUREAUCRACY AS OUR CONTEMPT FOR ANY ASSISTANCE THEY MIGHT GIVE US, OTHER THAN THEIR GEOGRAPHY, BECOMES INCREASINGLY EVIDENT. I CAN CATEGORICALLY REPEAT THAT, IF SVN COMES UNDER THE CONTROL OF HANOI, YOU WILL SEE A PROCESS OF GRADUAL BUT RAPID DISENGAGEMENT FROM THE THAI COMMITMENT TO THE UNITED STATES. FOR, AS I SAID IN THAT SAME MESSAGE, THE THAI ARE PERFECTLY AWARE THAT IN THE CONTEXT OF OUR ACTUAL AVAILABLE POWER, THE RETENTION OF SEA FREE FROM CHINESE DOMINATION IS A PERFECTLY FEASIBLE OPERATION FOR THE

~~TOP SECRET~~

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~~TOP SECRET~~

-2- 2158, June 30, From Bangkok

UNITED STATES AND THEY FURTHER BELIEVE THAT THIS CAN BE DONE WITH MINIMAL RISK OF ESCALATION INTO A MAJOR WAR. IF, THEREFORE, WE DO NOT DISPLAY THE WILL, THE IMAGINATION AND THE INGENUITY TO ACCOMPLISH THIS IN THE CONTEXT OF SVN, IT WOULD BE EXTRAORDINARILY DIFFICULT TO CONVINCING THEM THAT IT COULD BE DONE IN THAILAND.

WE REALLY FACED FAR GREATER RISKS IN EUROPE AND IN KOREA. WE FACED FAR GREATER CRITICISM FROM OUR FRIENDS BOTH AT HOME AND ABROAD. AS A STUDENT FOR A QUARTER CENTURY OF THE LIMITED APPLICATION OF MILITARY FORCE TO ACHIEVE FULFILLMENT OF NATIONAL POLICY, I STILL INSIST THAT ACHIEVEMENT OF OUR OBJECTIVES IN SEA IS A PERFECTLY FEASIBLE OPERATION. BUT THE APPLICATION OF MILITARY FORCE MUST BE KEPT LIMITED, AND TACTICAL MILITARY ADVANTAGES OF INCREASING THE FORCE MUST ALWAYS BE WEIGHED IN VIEW OF THE FACT THAT MILITARY FORCE HERE, WHILE VITAL AND ESSENTIAL, IS NEVERTHELESS A SMALL ELEMENT IN A MUCH MORE COMPLEX POLITICAL AND PSYCHOLOGICAL OPERATION.

IF WE FAIL TO ACHIEVE OUR OBJECTIVE IN SOUTH VIET NAM, I AM RATHER CERTAIN THAT FUTURE HISTORIANS WILL RECORD THAT IT WAS ONLY BECAUSE WE REFUSED TO USE INTELLIGENTLY THE RESOURCES AVAILABLE TO US.

MARTIN

~~TOP SECRET~~

Rec'd
7-4-65
9:00 a

✓

THE WHITE HOUSE
WASHINGTON

Saturday, July 3, 1965 - 11 AM

MEMORANDUM FOR THE PRESIDENT

Re: More on Disarmament

In the light of the fact that the Gilpatric Panel has not worked out to your satisfaction, I want to be quite sure that our next efforts in this critically important field are along lines you approve.

I therefore attach the NSAM which I sent out last week in accordance with what I understood to be your desires. It is intended to make sure we carry through on your assurance in San Francisco that the United States will have "proposals" at the next international meeting on disarmament. It is also designed to bring the issues up clear and clean where you can see them and hear the arguments of the different parties at interest.

Approved _____ ✓

Disapproved _____

Simply because the subject may come up on Thursday, and because a number of members of your Foreign Affairs Panel are also members of the Gilpatric Committee, I attach a list of the members of the Gilpatric group. I have starred the names of those who will be meeting with you on Thursday at 6:15.

McG. B.
McG. B.

108a

THE WHITE HOUSE
WASHINGTON

~~CONFIDENTIAL~~

June 28, 1965

NATIONAL SECURITY ACTION MEMORANDUM NO. 335

TO: Secretary of State
Secretary of Defense
Director, U. S. Arms Control and Disarmament Agency
Chairman, Joint Chiefs of Staff
Chairman, U. S. Atomic Energy Commission
Director of Central Intelligence
Director, United States Information Agency
Administrator, National Aeronautics and Space Agency
Special Assistant to the President for Science and Technology

SUBJECT: Preparation of Arms Control Program

In his speech at the Twentieth Anniversary of the United Nations, President Johnson stated:

"We of the United States would hope that others will join with us in coming to our next negotiations with proposals for effective attack upon these deadly dangers to mankind."

The President has directed the U. S. Arms Control and Disarmament Agency to prepare for submission to him a proposed new program of arms control and disarmament, including a proposed program for preventing the further spread of nuclear weapons. The initiative in preparing this program should be with the U. S. Arms Control and Disarmament Agency. Its proposals should be presented to the President together with preliminary comments from other interested agencies of government. The purpose of this procedure is to assure that the issues and the points of view of the interested agencies of the Government are brought to the attention of the President in a timely and orderly manner in order to permit a decision by him at the appropriate time.

The timing of this procedure will be determined by this office, in consultation with the U. S. Arms Control and Disarmament Agency, in the light of the prospects for international negotiations.

McGeorge Bundy
McGeorge Bundy

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 86-171
By *ijg*, NARA, Date *6-17-87*

~~CONFIDENTIAL~~

Gilpatric Committee

Arthur H. Dean *****

Allen W. Dulles ^{also} member of President's Panel - but absent in Europe

Alfred M. Gruenther

George B. Kistiakowsky ^{also} member of President's Panel - but not coming to 6¹⁵ mtg with President

John J. McCloy *****

James A. Perkins ^{also} - member of President's Panel - but absent

Arthur K. Watson

William Webster

Herbert F. York

Roswell L. Gilpatric ^{also} - member of President's Panel, but not coming to 6¹⁵ mtg.

Rec'd
7-14-65
9:00am

109

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By CG, NARA, Date 4-14-99

~~CONFIDENTIAL~~

MEMORANDUM FOR THE PRESIDENT

Friday, 3:30 PM
July 2, 1965

Despite the Javits speech, Congress and the press reacted with restraint on the whole to the \$37 million food for the UAR. There was relatively little other adverse comment, though Gruening, Farbstain, Pelly, Michaels and Horton said the expected. The returns aren't all in, and we hear that Michaels may try to amend the appropriation to block all aid to the UAR. But the telling argument was willingness to honor a commitment, not sympathy for Nasser.

We moved just in time to spoil partly a big Soviet propaganda coup. In desperation Nasser got Moscow to divert 300,000 tons of its own purchases from Canada and Australia, which he doubtless planned to announce with fanfare once he decided there was no hope from us. Nasser also apparently got some wheat on credit from Mexico and Argentina. All this, plus the UAR's own crop, will fill Egyptian needs through the winter. So it relieves pressure on us, and gives us time to sort out our relations with Nasser.

There's a rumor that you feel we led you astray on the UAR by painting a grim picture of its inability to get food. I don't believe this, because we put the case on straight political grounds of preventing a real bust-up between the US and UAR. Our chief hope was to forestall total UAR dependence on the Soviets for wheat as well as arms. We're still in this ballgame if we choose.

New Problem. Releasing the \$37 million has led to growing pressure on Agriculture from the trade and its Hill friends to resume CCC credit sales. We've been sitting on about \$30 million worth of applications for wheat, tobacco, barley, etc. Agriculture is pressing to release these because they earn dollars and help meet PL 480 usual marketings. It's also odd that we would give wheat under Title I but not sell it for dollars.

In fact, however, the UAR is so low on foreign exchange and its credit so poor that it cannot get the needed US bank guarantees to permit many (if any) dollar sales unless the EXIM Bank will reinsure these guarantees. Thus by authorizing CCC sales, but not allowing EXIM reinsurance, we can have our cake and eat it too--avoid trade and Hill criticism but still keep the UAR on a short rein. I'd add that these small dollar sales generate no adverse publicity. Is this OK?

Approve _____

Disapprove _____

See me -

R. W. Komer
R. W. Komer

mf. B.

Bob: I think you should do this

~~CONFIDENTIAL~~

TRANSFERRED TO HANDWRITING FILE

~~TOP SECRET~~

Saturday, July 3, 1965
12:05 PM

MESSAGE TO THE PRESIDENT

From McGeorge Bundy

Westmoreland has requested B-52 bombing raids on two Viet Cong communications areas in South Vietnam. McNamara, Rusk and I have approved these missions, knowing that you believe in giving this method a full trial. If for any reason you wish to reverse this decision, you can do so any time before midnight tonight. These strikes will occur on Sunday, July 4, and Tuesday, July 5, U. S. time.

~~TOP SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 86-72
By ijg, NARA, Date 4-14-87

111a

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON

OFFICE OF
THE ADMINISTRATOR

JUN 29 1965

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Major action by U.K. to soften aid terms

On June 21, the British Minister of Overseas Development, Mrs. Barbara Castle, informed the House of Commons of a decision by the Government to make development loans completely free of interest charges to selected developing countries.

This means that the British terms for development loans will be softer than those of any other country, including the U.S., and softer than those of the World Bank. Coupled with last year's action by the Canadians in establishing a loan program on IDA terms, this means there are now two countries - Canada and the U.K. - able to make development loans on terms softer than the minimum U.S. terms.

The British action is the more impressive in that it was taken despite their domestic economic and balance of payments problems - although it will not add to those problems since the British were already making development loans with interest waivers for up to seven years.

The new U.K. policy will undoubtedly assist us in discussions with the Congress on our own program, and in urging softer terms by other donor nations.

I am sending letters to the Chairmen of the House Committee on Foreign Affairs and the Senate Committee on Foreign Relations informing them of the action taken by the British Government.

David E. Bell
David E. Bell

THE WHITE HOUSE
WASHINGTON

2841 112

*Tabs to Ed
for file.*

Thursday, July 1, 1965
8:20 p.m.

TOP SECRET

MEMORANDUM FOR THE PRESIDENT

I attach four documents which are for consideration at the 11:00 o'clock meeting tomorrow.

At Tab 1 is Dean Rusk's four-page statement of the basic issues.

At Tab 2 is George Ball's paper on a compromise solution.

At Tab 3 is Bob McNamara's recommendation for expanded military action.

At Tab 4 is my brother Bill's program offering a middle course for the next two months.

The positions within the government are roughly as follows: McNamara and Ball honestly believe in their own recommendations, though Bob would readily accept advice to tone down those of his recommendations which move rapidly against Hanoi by bombing and blockade.

Dean Rusk leans toward the McNamara program, adjusted downward in this same way.

The second-level men in both State and Defense are not optimistic about the future prospects in Vietnam and are therefore very reluctant to see us move to a 44 battalion force with a call-up of reserves. So they would tend to cluster around the middle course suggested by my brother. They would like to see what happens this summer before getting much deeper in.

The Joint Chiefs are strongly in favor of going in even further than McNamara. Specifically they want now to take out the SAM site, the IL-28s, and the MIGs in the Hanoi area.

My hunch is that you will want to listen hard to George Ball and then reject his proposal. Discussion could then move to the narrow choice between my brother's course and McNamara's. The decision between them should be made in about ten days, which is the point at which

DECLASSIFIED	
NSC 6-18-80 letter	
By DCA	NARS, Date 10-27-82

TOP SECRET

McNamara would like a final go-ahead on the air mobile division. I think you may want to have pretty tight and hard analyses of some disputed questions like the following:

1. What are the chances of our getting into a white man's war with all the brown men against us or apathetic?
2. How much of the McNamara planning would be on a contingency basis with no decision until August or September?
3. What would a really full political and public relations campaign look like in both the Bundy option and the McNamara option?
4. What is the upper limit of our liability if we now go to 44 battalions?
5. Can we frame this program in such a way as to keep very clear our own determination to keep the war limited? (This is another way of stating question 4).
6. Can we get a cold, hard look at the question whether the current economic and military situation in Vietnam is so very bad that it may come apart even before this program gets into action? (I don't believe that it is that bad, but no one seems to be really sure of the facts today).

Friday's meeting is not, repeat not, for decisions, but for sharpening of the issues that you want studied.

McG. B.

McG. B.

113
L. J.

Thursday, July 1, 1965
8:10 pm

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Follow-up on the Miller Report on East-West Trade

At Tab A is Tom Mann's recommendations for the State Department that we should now follow-up strongly on the East-West trade approach recommended by Irwin Miller and his Committee. At Tab B is a memorandum in which Jack Connor takes a somewhat different position. Both memoranda are important, although the passages on the Export Control Act are out of date now that it has been passed.

State, Commerce, and Defense agree that the Miller approach to bridge building is sound. That it is in our interest to strike trade bargains with individual Bloc countries using trade as a carrot, and trading like good Yankees (or Texans).

It is also agreed that the important new tool that we need is authority to offer most favored nation treatment. Except for Poland and Yugoslavia, Eastern European countries now pay Smoot-Hawley Tariff rates.

It was agreed that the best way to get this bargaining authority is to have a new, separate East-West Trade Act which would spell out the means of using such authority in bilateral bargaining.

The difference between Commerce and the rest of us is on timing and on the relation of this issue to Vietnam. The matter of timing is minor -- Jack Connor would like to have further "public education" before we begin Congressional consultation and develop a plan for a bill for the Hill. ^{Other than} The best way to get this education is to make a proposal and follow it up on the Hill.

The Vietnamese issue is more important and presents a basic policy issue. Rusk, Mann, and especially Tommy Thomson all think that it is precisely because of Vietnam that we should be keeping a clear signal of our interest in improved peaceful relations with the Soviet Union and the European Bloc countries. Connor's question is whether we can get

this point across with the Congress and the public at a time when we are having a tough contest in Vietnam.

It is a fair question.

On foreign policy grounds, I believe very strongly indeed that we should make this signal on peaceful trade both to the Russians and to the world. I think it is useful to make it even if the legislative road proves to be slow and tough. But I also think the final judgment on this peculiarly and necessarily Presidential.

On the Congressional front, I am sure that Fulbright would love to receive a bill and begin hearings and manage the timing of the whole exercise, in close consultation with us. Mansfield would be equally favorable. On the basis of preliminary consultation with Irwin Miller, I think Dirksen and Hickenlooper will be reasonable. The matter should not go beyond Senate hearings in this session in any case.

Tom Mann's immediate proposal is that you should discuss this matter briefly with the Leadership on Tuesday and then authorize him to begin intensive Congressional consultations aimed at the early introduction of an East-West trade bill. In spite of Jack Connor's reservations, I think this is the preferred course, but you may wish to hear further argument.

McG.B.

Have O'Brien put this on the agenda for the next Leadership Meeting _____

Get Connor and Mann in for a talk with me _____

Speak to me _____

THE WHITE HOUSE
WASHINGTON

July 1, 1965 Thursday
7:00 P.M.

Mr. President:

General Bradley as President of the George C. Marshall Research Foundation, is asking you to confirm the existing cooperative arrangements between the Foundation and the Executive which were set up by President Truman and continued by President Eisenhower and President Kennedy.

These arrangements have worked well over the years and are entirely acceptable to the Government Departments concerned.

I recommend that you sign the letter to General Bradley and the attached memorandum.

McG. B.

McG. B.

114a

THE WHITE HOUSE

WASHINGTON

July 2, 1965

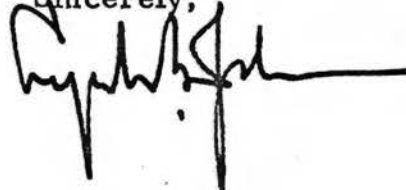
Dear General Bradley:

I fully endorse, as did Presidents Truman, Eisenhower, and Kennedy, the work of the George C. Marshall Research Foundation in gathering and assembling General Marshall's papers and records.

Attached is a copy of my memorandum to the Secretary of State, the Secretary of Defense, and the Administrator of General Services which authorizes them to continue the arrangements between the Foundation and the Federal Government which were initiated by President Truman.

I vividly recall my trip to Lexington in 1964 to participate in the dedication of the Marshall Library Building. I am delighted to learn of the progress being made in this important undertaking.

Sincerely,



General of the Army Omar Bradley
President, George C. Marshall Research Foundation
Virginia Military Institute
Lexington, Virginia

114-6

THE WHITE HOUSE
WASHINGTON

July 2, 1965

MEMORANDUM FOR: Secretary of State
Secretary of Defense
Administrator of General
Services

The existing arrangements which each of you have with the George C. Marshall Research Foundation should be continued. Originally authorized by President Truman and endorsed by President Eisenhower and President Kennedy, these cooperative arrangements are aimed at facilitating the acquisition by the Foundation of U.S. Government documentary material concerning the activities of General Marshall as soldier, Secretary of State and Secretary of Defense.

Consistent with the requirements of law, Executive Orders and existing regulations covering the protection of classified defense security information, the Foundation should continue to have access to such material.



7/2/65

Bundy

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I vividly recall my trip to Lexington in 1964 to participate in the dedication of the Marshall Library Building. I am delighted to learn of the progress being made in this important undertaking.

Sincerely,

/s/

General of the Army Omar Bradley
President, George C. Marshall Research Foundation
Virginia Military Institute
Lexington, Virginia

LBJ:BKS:jg: 1 July 1965

114d

7/2/65

Bundy

MEMORANDUM FOR: Secretary of State
Secretary of Defense
Administrator of General
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The existing arrangements which each of you have with the George C. Marshall Research Foundation should be continued. Originally authorized by President Truman and endorsed by President Eisenhower and President Kennedy, these cooperative arrangements are aimed at facilitating the acquisition by the Foundation of U.S. Government documentary material concerning the activities of General Marshall as soldier, Secretary of State and Secretary of Defense.

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5/

LBJ:BKS:jg: 1 July 1965

Thursday, July 1, 1965
6:00 p. m.

cl
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MEMORANDUM TO THE PRESIDENT

SUBJECT: Press contacts

1. At our Tuesday lunch you mentioned reports on talks with newspapermen and my conscience pricked me hard. I find that I have not really kept you up to date since my return from Santo Domingo. Moreover, my calendar shows a number of appointments about whose meaning my memory is not now very good. Let me go back from the present to tell you as much as I can remember.

2. This morning I saw Chuck Roberts and I have already reported that conversation.

3. I have also had a chat with Jim Greenfield who tells me that he had lunch with Rowland Evans, who has just done a disagreeable piece on Dean Rusk for tomorrow. *This is past repair, and typical of Evans.*

4. Yesterday I saw Fred Friendly of CBS and passed him on to Jack Valenti and Bill Moyers. I don't think they have yet been able to see him. What is on his mind is a desire to be responsive and imaginative if at any time you do want to use some informal television format. He also wants to do a series of non-debating informative programs on Vietnam in August, and I told him to try that idea on Jack or Bill.

5. On June 25 I talked on the phone with Henry Brandon in an unsuccessful effort to prevent him from writing a cool account of the San Francisco speech.

6. I also talked that day to Warren Rogers, who is doing a story on the way foreign policy is made, and who seemed essentially friendly. He may come back as he goes along.

7. I talked to Morgan Beatty, who had some rather fixed ideas about the nature of the Chinese Communists, and I passed him on to the experts for tender care. His problem was a long way from our affairs.

8. On June 24 I had lunch at the Washington Post. As I think I have told you, the lunch was friendly and I could see that the editorial staff was bearing down on Murrey Marder to keep his Dominican Republic story from getting out of hand. While the summary was unhelpful, the story as a whole was no blockbuster. The Post people, particularly Wiggins, were friendly

and helpful, and I think it would be worth your while to see Rus Wiggins sometime. They were pleased to have been accused in Moscow of subservience to the Administration.

9. On June 23 I had dinner with Joseph Alsop and stayed away from hard news altogether. This is the condition on which we have the quiet dinners which Mary and I both value as close friends of both Alsops.

10. On June 23 I also talked on the phone with John Hightower and Max Frankel to emphasize the importance of Dean Rusk's speech that day. I also complained to Scotty Reston on the 24th at the failure of the Times to print the full text. I had a certain ghostwriter's pride in that speech, but even so I continue to feel that it was not given as much attention as it deserved. The newspaper people have gotten into the bad habit of discounting the Secretary's speeches.

11. On June 22 I saw David Astor and his editor, O'Donovan, just after they had seen you. They were both greatly impressed, but I had to lean on Astor to prevent him from reaching the conclusion that you were ready for a Titoist solution in South Vietnam. David is a man who thinks other people agree with him unless they disagree very sharply and directly.

12. On June 19 I saw Philip Geyelin for a preliminary discussion of the book on foreign policy which he is planning. Some months ago you gave an informal O. K. for us to cooperate with him, and you said that you would be willing to talk with him. I continue to think that this is a good idea. Geyelin has done a very fair and careful job on the Dominican Republic, for example (he actually went to Santo Domingo and got a clear picture of the real problem there). He has no demands on us right now but he will be asking for time later, and I hope you will still want to see him.

13. On June 18 I saw Joe Alsop in the office and listened to his weeping and wailing about the terrible decisions that we ought to be making, and our unwillingness to discuss them with him. But I told him for the 33rd time that I will not talk about pending decisions with him or any other reporter, and we parted in a bad humor. An occasional fight is the price of friendship with Joe.

14. I also talked on the phone that day with Bob Kleiman of the New York Times, and with Rowland Evans. As I recall it, Evans was interested in the number of my vacations (a subject on which he later wrote), and Kleiman was probing on the UN speech. I told Evans about my vacations, and I told Kleiman that there was nothing to be added to what you yourself had said about your plans for San Francisco.

15. On June 17 I saw Hugh Sidey, who had been in and out earlier in the week on the TIME cover story on me. (I didn't report this unwelcome episode to you because Sidey told me he had already done so through George Reedy). Very little of what I told Sidey got into the story, and quite a lot of what never happened did get in (Lodge told me today that he could swear you never threw me out of the office when he was in there -- and I told him that obviously you had a right to anyway -- although I agreed that you never had).

16. On this day I also talked to Scotty Reston on the telephone but I no longer remember what was on his mind.

17. On June 16 I saw Richard Dudman of the St. Louis Post Dispatch. He was probing on the Dominican Republic and had some standard liberal views which I did my best to discourage. In particular he was under the illusion that the Guzman solution failed because of Imbert's opposition. I told him what I have told others -- that it failed because the rebels themselves were not willing to give reasonable assurances on a number of basic matters.

18. On June 8 I talked to Norman Cousins. I had sought this interview because of a couple of very harsh editorials in which he seemed to have a wholly erroneous notion of what our policy really was. I found that he had taken as gospel the casual comment of a member of the White House staff who is wholly unconnected with these problems, and I urged him to come back any time if he wanted to get the truth. The Saturday Review is very influential with the peace people, and Cousins is the sort of man who wants to be a friend of the Administration if he possibly can. So unless you object, I will try to water that lawn more regularly.

19. The week of June 1 - 7 I had additional interviews with Bruce Blossat who was doing a Bundy brothers story (which came out harmlessly). I also saw Melvin Lasky of Encounter, who does more talking than listening, and he was good and firm on both Vietnam and the Dominican Republic.

20. I saw Reston on a matter which I had reported in an earlier memorandum, and I saw Joe Alsop to hear his Johnny-one-note song about Vietnam from which he had just returned.

21. In the last days of May I had a number of calls from people trying to learn more about my Dominican Republic trip, and I referred all of them to my press backgrounder of May 27.

22. This completes a very incomplete report, and from now on I will try to keep up to date. As a matter of fact, my own sense of these matters is that they are so perishable that it is probably best to get the word in on the same day if possible, and I will try to stick to this good resolution.

McG. B.

Reid
Thurs. 7/1/65
5:50 p.m.

✓
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THE WHITE HOUSE
WASHINGTON

DECLASSIFIED

Authority NLJ 84-19
By is, NARS, Date 8-14-84

Thursday
July 1, 1965
5:50 p.m.

~~SECRET~~

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Meeting Friday Morning on Vietnam

I have just come from another long session in the State Department on the draft papers for discussion tomorrow. These papers will offer two main alternatives: George Ball's preference for a negotiated withdrawal, and Bob McNamara's recommendation of a substantial increase of military strength, with a call-up of reserves during this summer.

I find that both Rusk and McNamara feel strongly that the George Ball paper should not be argued with you in front of any audience larger than yourself, Rusk, McNamara, Ball, and me. They feel that it is exceedingly dangerous to have this possibility reported in a wider circle. Moreover, both of them feel great reticence about expressing their own innermost thoughts to you in front of any larger group. So they both would prefer a meeting limited to the five of us in the morning.

The disadvantage of this is that it cuts you off from a chance to talk freely with some other men who have expert opinions -- like Thompson and General Wheeler and Lodge (whom I can easily take care of in another way by having him read the papers and get ready to report separately to you at another time).

In the light of Bob's and Dean's feeling, however, I now recommend we keep this meeting small. After you have had a chance to get your own thinking clear on the broad outlines of the problem, we can bring in Raborn, Wheeler, Thompson, and others in a later meeting for more intense discussion of a specific set of recommendations. My personal, private opinion is that both Rusk and McNamara are too diffident and that it would help you to have a few more people in the meeting. But it is a fact that they feel as they do, and this feeling will govern their effectiveness in a meeting.

McG.B.
McG. B.

OK, Keep the meeting small Speak to me _____

Rec'd
Thurs. 7/1/65
2:15 p.m.

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THE WHITE HOUSE
WASHINGTON

Thursday, July 1, 1965
2:00 p. m.

MEMORANDUM FOR THE PRESIDENT

I called Ros Gilpatric and told him that we were considering whether the Gilpatric Report could be released. He at once told me that he strongly opposed any such release. He said that the Report was designed and written as private advice to the President and that there was no way in the world in which it could be put out without real damage to our interests. He noted that the Times story this morning is wrong on the one hard fact it asserts (the Gilpatric Report does not give nonproliferation a priority over the MLE/ANF.)

Gilpatric assured me that all his panel members agreed with this view, and that we could count on them to keep their mouths shut.

I then told him that my own rereading of the Report had led me to the same conclusion and that I would report this joint recommendation to you.

McG. B.
McG. B.

Did they tell
the Times this?

I think not.

TRANSFERRED TO HANDWRITING FILE

July 1, 1965

TO MR. BUSBY

Buz, any improvement you can
make on this will be a help.

McG. B.

Thursday, July 1, 1965

MEMORANDUM FOR THE PRESIDENT

I have read the attached memoranda from Jack Connor and his man, Jim Morton. I have also talked with Cabot Lodge about his feeling that we need a more strenuous effort to rally support for the hard work ahead in Vietnam. I agree broadly with both Lodge and Morton.

To take the Morton suggestion first, I do agree that someone in the White House should coordinate a fairly general effort to keep our case in front of the public by all appropriate means: by government officials, the members of Congress, and by private groups and individuals. I do not think that there should be a committee or a confidential task force because such a committee or task force would not stay confidential, and we would be accused in short order of brainwashing the American people. This would give the Times a real field day.

Instead, what we need is one bright guy who makes this his main business and who has enough standing to make things happen both in the Government and outside. In the present staff, I think Doug Cater is the best man for the job, but you would have to tell him that it was even more important than education, which is where his heart is today.

Lodge's proposal is a little different. It is that you should lay a public base for an enlarged effort, ~~that is hard~~ and that then all your own people should keep up a drum-fire of definition both in the Administration and on the Hill. I agree with this point too, but I think action on it should await the decisions you are now deliberating between possible courses of action.

I have talked about this briefly with Buz and I think he is in general agreement, but I am sending this back through him in case he wants to comment further.

McG. B.

✓ 119

THE WHITE HOUSE
WASHINGTON

June 30, 1965

TO: Mr. McGeorge Bundy

I happened to be in the President's office, and he handed me the attached with the observation, "I don't know why this guy always wants to travel."

It seemed to me this ought to be routed through you.



Lee C. White

Encl.

Rec'd
Thurs 7/1/65
10:00 am.

179

✓ stuff mtg
Plus
my D

11

THE WHITE HOUSE
WASHINGTON

Thursday, July 1, 1965
9:45 a. m.

MEMORANDUM TO THE PRESIDENT

SUBJECT: Carl Rowan and the million-watt radio station in Bangkok

1. Lee White has passed me Carl Rowan's memorandum which you gave him. I know how you feel about traveling agency heads, (and staff and it is certainly true that Carl Rowan gets around a lot. As an example, he is off in Boston today and not able to plead his own case. members)

2. At the same time I do urge reconsideration on this particular Bangkok trip. Thanat himself is very eager to have Rowan and has made his desires clear not only to Rowan himself but to Graham Martin, our good tough Ambassador there.

3. I have also checked with Dean Rusk, and he joins me in thinking that we ought to do whatever Thanat and Martin want to get this radio station, which has been held up for nearly three years, and which will give us access, especially in Vietnam, that we very much need.

4. Would it meet your desires if we were to authorize this particular trip for Rowan, and at the same time give him a very firm clamp-down on other kinds of travel? The point here is simply that Thanat is doing us a great service, and it seems unreasonable not to send him the negotiator he asks for.

McG. B.
McG. B.

Let him go on this one _____

The trip to Thailand is still disapproved _____ ✓

As is the Boston one made today - - L

TRANSFERRED TO HANDWRITING FILE