9/23 Mr Bundy said he had already done this -- and to remind Wm Bundy to talk to Dodd on the Singapore problem, with I will.

THE WHITE HOUSE

WASHINGTON

Wednesday, September 15, 1965 7:30 p.m.

I want to was

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Tom Dodd and the Congo again

- 1. I told you ten days ago that I thought Tom Dodd was cooling off on this issue. Just after this, he wrote you another letter (Tab A) showing that he has really not cooled off at all. He sent me a copy of his letter to you, so I talked to him to see if I had misunderstood him. He was embarrassed and said that he understood our problem very well.
- 2. The fact is that Tom Dodd is of two minds about the Congo. On the one hand, he really does think we are doing our best, but on the other hand he thinks Godley is hampered by a real prejudice against Tshombe. (What I think is more nearly accurate is that Tshombe has a real prejudice against Godley, and Godley undoubtedly knows it.)
- 3. In any event, Tom's suggestion is that he should go to the Congo, and I am sorry to say that Bob Komer and I think this would be a real mistake. Dodd is known as a fervent supporter of Tshombe, and his coming could only stir up feeling on the Kasavubu side, just after Kasavubu has given Tshombe a very fair deal on their latest squabble.
- 4. Tom makes the additional suggestion that he might go through Singapore. He had a very friendly conversation with Prime Minister Lee some weeks ago, and he would like to talk in a friendly way with him. This one I think would do no harm, and conceivably might do some good. So if you agree I would like to call him and say (1) that you are grateful for his letter, and (2) that our best advice is that he should stay out of the Congo but that we can see real value in a Dodd trip to Singapore. I would also plan to say that of course we would hope the Senator would avoid giving anyone anywhere the impression that he was acting for the White House. This is important because he has an ambitious and somewhat indiscreet assistant named Martin who would be glad to give the impression that he is working for you. For this reason also I do not think you ought to answer Dodd's letter directly.
- 5. Dodd has been a real help on a lot of matters, as you know. So he is worth all this work. Tomorrow he will do a major answer to Fulbright.

JOHN SPARKMAN, ALA.
MIKE MANSFIELD, MONT.
WÄYNE MORSE, ORGO.
RUSSELL S. LONG, LA.
ALBERT GORE, TENN.
FRANK J. LAUSCHE, ONIO
FRANK CHURCH, IDAHO
STUART SYMINGTON, MO.
THOMAS J. DODD. CONN.
JOSEPH S. CLARK, FA.
CLAISONER PELL, R.).
EUGENE J. MC CARTHY, MINN.

J. W. FULSHIGHT, ARK., CHAIRMAN HT. ARK., CHAIRMAN
BOURKE S. HICKENLOOPER, IOWA
GEORGE D. AIKEN, YT.
FRANK CARLSON, KANB.
JOHN J. WILLIAMS. DEL.
KARL E. MUNDT. S. DAK.
CLIFFORD F. CABE, N.J.

United States Senate

COMMITTEE ON FOREIGN RELATIONS

CONFIDENTIAL

CARL MARCY, CHIEF OF STAFF DARRELL ST. CLAIRE, CLERK Carino

September 7, 1965

The President The White House Washington, D. C.

> RE: (1) Conversations with Godley and (2) Proposed visit to the Congo and Singapore.

1	Dear Mr. President:
EO 12958 3.3	As you have no doubt heard from Mr. Bundy, I have had long conversations concerning the situation in the Congo with hambassador Godley and Secretary Williams. and with
EO 12958 3.3(informed me, however, that he would consider the loss of Tsnombe a terrible disaster for the entire Congo,
L	
EO 12958 3.3(C)	mercenaries would quit and many of the Belgiums would pack up and go home, and the Congo would be back in the mess it was in when Tshombe first took over.
EO 12958 3.3 (C)	(b) (1) >25Yrs I was very well impressed by replies to my questions and by his general demeanor. I agreed to write to Tshombe telling him that I had had a long conversation with
EO 12958 3.3(In the case of Ambassador Godley, however, I must state b) frankly, that our conversation failed to soften the misgivings which

I expressed to you in my previous communications. (C)

> SANITIZED E.O. 13292, Sec. 3.5 NLJ/RAC 03-67
> By www., NARA, Date 11-5-03

SEP 9 1985



The President page -2-September 7, 1965

Godley was somewhat less than categorical in denying the several reports that have come to me that he had made derogatory remarks about Tshombe and his ministers in small social gatherings. He admitted that the Embassy attache plane had twice transported Tshombe's political opponent, Justin Bomboko; but he sought to justify this on the grounds that the attache plane had also provided transportation for Tshombe's assistants. This answer appalled me, because I would have thought that any Ambassador would recognize the difference between providing transportation for the assistants of a Prime Minister and providing transportation for his political opponents.

Godley is a decent fellow and I am honestly fond of him. But I think it was unfair to him and unwise from the standpoint of our own interests to continue him as Ambassador to the Congo after Tshombe became Prime Minister. I am certain that there are any number of countries where Godley would make a competent Ambassador. But in the case of the Congo under Tshombe, Godley was so emotionally involved in the prolonged and disastrous anti-Tshombe policy of the previous years that it was bound to be difficult to liberate himself from his own prejudices. Moreover, Tshombe was bound to regard him with great suspicion, if not with bitterness. In such a situation, I still believe that it would have been the better part of wisdom if Godley had been shifted elsewhere--after a decent interval of time had elapsed--and if someone else whom Tshombe was disposed to trust, or who was more capable of winning his trust, had been assigned to represent us in Leopoldville.

This brings me to my second point.

While it would be improper for us to intervene openly in the internal political situation in the Congo, I believe that it would be proper to take certain steps to allay Tshombe's suspicions regarding our intentions, and to assure him that our attitude is basically friendly.

It is my belief that if I were to visit the Congo, informally and without fanfare, it would help to establish the relationship of mutual confidence, which I know we have been seeking but which unfortunately does not now exist. If you think that such a visit might prove useful, I would count on making the trip shortly after the close of the session.

The President page -3-September 7, 1965

I would also like to suggest that, instead of returning directly from the Congo, I proceed to Singapore to see Lee Kuan Yew. During my recent tour of the Far East, I had dinner with Lee Kuan Yew at the residence of the Consul-General. The Consul told me that he had never known Lee to open up so much to any American, official or unofficial. Perhaps it was just a matter of having complementary chemical makeups—but, whatever it was, we hit it off completely from the moment we met. We talked and argued and bantered for more than four hours, in so cordial an atmosphere that strangers might have thought that we were lifetime friends instead of brand new acquaintances.

I am disturbed, as I know everyone is, by some of Lee Kuan Yew's recent statements. But I am convinced that the man is basically on our side, and that he is not a neutralist. And I think there is at least a chance that it may be possible to use the cordial relationship I established with Lee Kuan Yew to sound him out, to reassure him of our friendly intentions, and to soften his future statements about America and the West.

There may be reasons why it would be inadvisable for me to visit the Congo and Singapore at this juncture. However, if you believe that I can contribute in any way to the support of our foreign policy in these areas, I hope you will consider me at your complete disposal.

With all best wishes.

Sincerely,

THOMAS J. DODD

Per 5.05
91.30 P



Wed. September 15, 1965 - 6 pm

MEMORANDUM FOR THE PRESIDENT

You'll be seeing the Iranian Ambassador tomorrow to present gifts for the Shah commemorating the 25th Anniversary of his coming to the throne. In addition to sending the attached message, Moyers would release it in connection with the ceremony.

The Shah has had a light case of the dumps lately. Knowing you've made a big splash in his honor will be worth \$millions in aid.

R. W. Komer

mors

Approve _

Disapprove

cc: Mr. Moyers

P. S. The State Department would like you to hand the signed original to the Ambassador tomorrow, and if you approve this plan, a signature at Tab A will put us in position to have it ready for you tomorrow.

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THE WHITE HOUSE

WASHINGTON

Wednesday, September 15, 1965 5:35 p.m.

MEMORANDUM TO THE PRESIDENT

SUBJECT: Mennen Williams and the Canadian Joint Board

- 1. I talked to Mennen Williams and told him that this appointment would need to be made soon, and that my impression was that he could have it if he wanted it. He told me that he had thought it over carefully and was enormously grateful to you for having kept it open so long, but that his own judgment now was that he could go back to Michigan just as well from his present job and would prefer to stay in that until the time came to resign. If at that time he could leave with a clear feeling that you were his friend and that you were going to use him from time to time as a consultant on African affairs, he felt that he could land running in Michigan, and that this would be better both for you and for him than to have him take a Joint Board job and begin campaigning in Michigan after a relatively few months.
- 2. Mennen wants very much to run for the Senate if McNamara does not run again. He does not want to run for Governor one little bit, at this time. I do not think his decision on either of these matters will be affected by whether he takes the Joint Board job or not, and I told him that I was of course not involved in Michigan politics, but my impression was that every Democrat in Michigan wanted him to run for everything.
- 3. He told me that he expected to be seeing you tomorrow and that he would try then to express his very warm thanks to you for having kept the Canadian job open so long. But what he really wants is to go on in his current job until he gets a chance to run for the Senate.

McG. B.

Mr. President:

Another extraordinarily optimistic report from Lodge. I missed this when it first came in, but I am sure you will want to see it.

McG. B.

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THE WHITE HOUSE

WASHINGTON

SECRET

September 15, 1965

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Developments in Latin America

This is the third of a series of reports on developments in different areas of the world which you asked that I submit to you on a weekly basis. It covers Latin America. Bracketted portions are those too sensitive for even background use.

On the whole, things are going well for us in Latin America. Your August 17 speech on the Alliance for Progress has focused new attention on the Alliance. We are continuing to take advantage of this. The situation in the Dominican Republic is still touchand-go but Garcia Godoy is slowly gaining ground in establishing his authority.

<u>Dominican Republic:</u> On the international front the Provisional Government is doing quite well. All the OAS Governments have recognized, except Guatemala which is expected to do so very shortly. Most of the NATO countries have recognized, including France, U.K., Italy, and West Germany. So have Spain, Japan and the Vatican, as well as several other countries.

On the domestic front, Garcia Godoy has weathered two crises: the silencing of radio stations which were warring with each other and the removal of Wessin. Having reached a shaky understanding with the right (involving ouster of Wessin and confirmation of the other military chiefs in their positions), Garcia Godoy must now confront the extreme left. He obtained cancellation of the mass rally they planned to hold September 12. About 30% of the rebel defenses have been removed in the rebel area. Some 1500 men of the rebel forces have returned to their homes. Garcia Godoy is optimistic about disarming the rebels but so far we see wery little hard evidence that arms collection has taken place. He is making a start at getting the country back on its feet economically, but normalization of economic activity will not come until the rebel zone disappears.

SEGRET

E.O. 12958, Sec. 3.6 NLJ 91-332 appeal By Ct , NARA Date 1-18-96 / Some of Garcia Godoy's appointments -- particularly in the judicial branch -- cause us concern and we have so informed him. /

Chile. President Frei scored a major victory on September 9 when the Chilean Senate by a vote of 26-14 expressed its willingness to consider the copper bill which would ratify agreements reached between the Frei administration and three major U.S. copper companies: Anaconda, Kennecott and Cerro Corporation. The lower chamber approved the bill earlier. The bill goes back to both chambers for detailed study. Another close vote in the Senate is expected when it comes back for final debate.

These agreements would give the Chilean Government equity participation in expanded operations of these companies and would entail investments upwards of \$400 million by 1970 which would increase copper production from 600,000 to 1 million metric tons in five years, thus greatly increasing Chilean foreign exchange earnings. The investments and increased earnings would contribute greatly to Chile's economic development.

Peru. President Belaunde has just weathered a Cabinet crisis. The ostensible cause for the Cabinet's fall was the President's unwillingness to allow his Cabinet to be questioned by the opposition-controlled Congress on the Government's handling of the guerrilla situation, as well as other major problems. Belaunde did not want to play into the hands of the opposition on the guerrilla issue. He is pushing a counter-guerrilla campaign vigorously. The resignation of the entire Cabinet also provided an easy way to get rid of a couple of members who were causing him difficulties. The change in Cabinet does not appear significantly to affect U.S.-Peruvian relations.

Colombia. After a year of procrastination on measures to correct its deteriorating economic position, the Valencia administration in recent weeks began to take self-help measures to eliminate a budgetary deficit and to price imports at a more realistic exchange level. These measures will enable the U.S. and the international financial agencies to come to its assistance. The IBRD and we will begin confidential negotiations with the Colombians in Bogota this week. / Our contribution will probably run around 100 million in loans and PL-480 assistance. /

Uruguay. It too has been on the brink of an economic crisis due to stagnated production, rapid inflation and chronic loss of reserves, and has been forced to act. A high level Uruguayan refinancing mission has just completed visits to the U.S. and Europe where it had a large measure of success in rescheduling its debts with private banks. With this breathing spell, the government is now faced with the task of taking short term and long term measures to remove the basic causes of its economic difficulties.

The U.S. Government role to date has been limited to offering to consider sound projects for U.S. financing. In response to requests for cash now, we have indicated that we would consider such requests if Uruguay first negotiates a standby agreement with the IMF, with all the corrective self-help measures that this implies.

At the root of Uruguay's problem is its collegiate executive. It remains to be seen whether they will face up to the necessity for constitutional reforms. There is some movement in this direction.

Panama. Pressure from the opposition Panamenista Party and from ultranationalist and Castro/Communist elements on the Panamanian Government to produce a public statement of progress in the Canal treaty negotiations with the United States has been increasing over the last two months. The Panamanian National Assembly will convene on October 1 and unless the Robles Administration is able to point to specific evidence of progress, this forum will be utilized by these groups to attack it. The Panama Government would then be placed under severe pressure in its own self-defense to take a more extreme position in regard to the negotiations. This in turn would decrease the possibility of the United States and Panama reaching a mutually acceptable arrangement in the Canal negotiations. I have sent to you a draft of a statement of progress which, if you approve, will serve as the basis for discussions with the Panamanians./

Date for the Rio Conference. The Preparatory Committee for the twice-postponed Rio Conference is required to meet by September 20 to set a new date for the meeting. We expect that the Committee will recommend that the Conference begin November 17, 1965. This date is agreeable to the United States, and informal expressions of approval have been forthcoming from several other delegations. We believe that the date is acceptable to the Brazilians.

Visit of Italian President. President Saragat and Foreign Minister Fanfani have completed the Brazilian and Uruguayan legs of their Latin American tour. They have Argentina, Chile, Peru and Venezuela to go. So far the trip has been a big public success. We do not know yet what the official reaction has been.

ክብ. ዓ. McGeorge Bundy

cc: Bill Moyers

(2)

THE WHITE HOUSE

SECRET

WASHINGTON Tuesday September 14, 1965 8:30 p.m.

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 97-43/ By i.s., NARA Date 10-6-98

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Developments in the Far East

This is the second of the series of daily regional reports of possibly newsworthy items.

Vietnam.

(A separate monthly report on non-military aspects of our Vietnam effort has been sent forward to you.)

Dr. Howard Rusk and his party of four returned on Sunday from a one-week visit to Vietnam undertaken at your request. Dr. Rusk was appalled at Vietnam's welfare needs, particularly in the field of rehabilitation, but he returns with strong specific recommendations on a new nation-wide people-to-people effort to meet these needs. He is completing his report to you today and tomorrow and hopes to meet with you on Thursday. Dr. Rusk is bringing you a letter from Prime Minister Ky, who is very enthusiastic about the dramatic possibilities of Rusk's proposals.

The first batch (six) of college students sent to Vietnam for the summer under State/AID auspices has returned to this country. They turn out to be extremely enthusiastic about what they have seen -- and are ready to talk up their experiences on college campuses this autumn.

The Vietnamese Government has given further substance to its <u>land reform</u> plans. It has committed itself to taking action to prevent landlords from returning to pacified areas and attempting to collect rent arrears; and it has also announced a short-term action plan which lists specific provinces and hectares of land which are to be involved in land redistribution beginning in September.

Finally, there has been further editorial comment favorable to Ambassador Lodge's statement on the need for a <u>social revolution</u> in Vietnam. Saigon dailies are now beginning to identify social justice as the end objective of the war effort against the Viet Cong.

Indonesia.

The going here is rough and will probably get rougher. The riots against our consulate at Surabaya caused Secretary Rusk to dress down the Indo Ambassador and demand assurances of protection for U.S. lives and property. Foreign Minister Subandrio has now given Ambassador Green such assurances; but we remain skeptical, and the Indo Communist Party may well be mounting a new offensive to force us out of our two consulates (and eventually out of the country altogether). An Indo-U.S. break would be a major victory for the Communists; relations are far harder to re-open than to break. But the Indo Government may hold the key.

Our main objective remains to ride out the long storm with battened hatches (reduced diplomatic staffing) in an effort to play for the long-term post-Sukarno stakes. / We have solid new reports of Sukarno's deteriorating health. /

One item that caused concern in the press and on Capitol Hill is now dead and buried: the Indo Army has rejected a U.S. company's offer (Philco) to buy Government-licensed equipment for three sites of a fixed-site telecommunications project. Because of our still friendly relations with key Army leaders, we would prefer to see this piece of news soft-pedalled.

Japan

The long and difficult negotiations over a civil aviation agreement re-opened yesterday in Tokyo. We are closer to an agreement than ever before, and this would be a real help to our relations -- now troubled not only by Vietnam but by a series of bilateral irritations over fisheries, textiles, and the Ryukyus.

On the Ryukyus (Okinawa): Prime Minister Sato's visit was, as you know, a considerable success. He has made good political capital both at home and in the islands, has a better understanding of the full strategic value of our installations, and wants to increase Japan's contribution to the islands' economic development.

Australia

The 350 additional troops being sent to Vietnam (an artillery battery and a combat engineer unit) left Australia today and arrive in Vietnam on the 28th.

Taiwan

Continued nervousness on the part of the Chinese Nationalist Government about our intentions in the Far East should be somewhat allayed this month both by today's White House hospitality for Mme. Chiang Kai-shek and by next week's visit of Defense Minister Chiang Ching-kuo.

/The Nationalists have some reason to be unhappy, since their ultimate aims in the Vietnam conflict and our ultimate aims are not the same. The visit of young Chiang should be particularly helpful, however, in clarifying the military realities of the situation.

Communist China

Our 127th meeting with the ChiComs takes place in Warsaw tomorrow. Those who claim that we ignore Peking might consider the reality of 127 meetings over the past decade -- meetings at which we have repeatedly and unsuccessfully pressed for exchanges of newsmen, the freeing of four imprisoned U.S. citizens, and a reduction of tensions.

Our present head-count on the Chinese representation issue in the General Assembly looks relatively satisfactory: a margin of 5+ for our side on keeping Peking out, and a margin of 14 on the "important question" issue (i.e., whether or not the question is "important" and therefore requires a two-thirds majority). The situation could change for the worse, but not so as to permit Peking's admission this year.

James C. Thomson, Jr.

September 14, 1965 Tuesday, 6:45 p.m.

-CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Panama

Bob Anderson believes that following the favorable reaction he found in his consultations with Congressional leaders (which I reported to you on Saturday), we should make a public statement about progress in the Panama Canal negotiations.

A draft statement which has been coordinated with the Department of Defense and the State Department and has Anderson's approval is attached. (Tab A) If the draft is satisfactory to you, Anderson's deputy, Ambassador Irwin, will give the draft to the Panamanians tomorrow with a view to reaching agreement on it in the next few days.

After we see what the agreed draft looks like, we will be in a position to advise you on whether it should be issued separately or jointly with President Robles.

The detailed views of each of the 35 Senators and Representatives seen by Bob Anderson last week are summarized in Tab B. He was unable to talk to the following members who were either away or ill: Senators Fulbright, Cotton, Mundt, and Ellender and Representatives Morgan, Bolton, Maillard, Rhodes and Grover. He plans to see Representative Flood after all other conversations have been completed.

McG. B.

Attachments Tabs A and B	DECLASSIFIED B.O. 12958, Sec. 3.6
My memo to you dtd Sept. 11	By int NARA, Date 3-24-10
Draft statement is satisfactory for	
discussion with the Panamanians	
See me about draft statement	Norman distribution and complete

CONFIDENTIAL

THE WHITE HOUSE

Tuesday, September 14, 1965, 6:30 PM

MEMORANDUM FOR THE PRESIDENT

Douglas MacArthur reports that a friendly newspaperman has reported Fulbright's intention to give a critical speech on the whole Dominican Republic episode tomorrow, with special emphasis on the failings of Ambassador Bennett. We have a draft speech which is pretty hot on the other side, which I have not offered to any Senator pending somewhat stronger evidence of stability in the Garcia Godoy regime. (Mansfield did give a short statement in praise of the OAS at our suggestion yesterday.)

Do you want us to have an answer ready for Fulbright, and if so, should we pick someone like Smathers or Dodd, who would do it with enthusiasm? Or should we try to find someone more "liberal"? Or should we ignore Fulbright?

McG. B.

Tuesday, September 14, 1965, 6:30 PM

MEMORANDUM FOR THE PRESIDENT:

This is interesting all the way through. As you will see, Goodpaster made your point about the difference between Vietnam and Kashmir with respect to the United Nations, and General Eisenhower strongly agreed with it. The General's most active worries appear to be about NATO, and they are worries we share and on which we can fairly claim that active staff work is proceeding.

McG. B.





THE JOINT CHIEFS OF STAFF

WASHINGTON. D. C. 20301

14 September 1965

MEMORANDUM FOR THE PRESIDENT

Attached is a Memorandum for Record of my meeting with General Eisenhower at Gettysburg this morning. He was grateful for the information provided, and discussed in detail operations in Viet-Nam and the Indo-Pakistan conflict. He has been giving a good deal of thought to the problems of NATO. Certain of the points that have been on his mind are suggested in his observations in the last two paragraphs of the Memorandum for Record.

A. J. GOODPASTER Lt. General, U.S.A.

Attachment

DEVELOPMED TO BE AN APPROPRIEST MATTER CONTRACTION, E. D. 12356, EEC. 4:1(a)

SECRET

EV DOLL ON 10-148





WASHINGTON, D.C. 20301

14 September 1965

MEMORANDUM FOR RECORD

SUBJECT: Meeting with General Eisenhower, 14 September 1965

- 1. I met with General Eisenhower for an hour and a half in his office at Gettysburg this morning. The principal purpose was to give him an up-to-date report concerning Viet-Nam, the Indo-Pakistan conflict, and the situation in the Dominican Republic. I also reported briefly on recent developments in connection with the problem of General de Gaulle and NATO.
- 2. Starting with Viet-Nam, I reviewed information we have received concerning the kind of intelligence on which the Chu Lai operation by U.S. Marines was based. (General Eisenhower had expressed an interest in the kinds of intelligence that had been available, and how it was obtained, when I saw him on 20 August just at the close of the Chu Lai operation.) I indicated that the intelligence picture had been built up through reports over a period of time, augmented in the day or two just prior to the operation by information as to location of headquarters, together with the firm identification of major units in the area. Of particular note was the speed of decision and action by the Marines (who conducted the operation within two days of receiving this intelligence) and the indication that there was no breach of security, since the Viet Cong were caught in place. I also reviewed other recent operations by Marine and Army forces, which have had successful results, although there is indication that the Marine operation at Batangan may have been compromised (probably because several days elapsed between the decision to attack and the execution of the attack -- also several ARVN units were involved). This represents a continuing problem for commanders, since ARVN participation is desirable, but risks loss of security. I also outlined on the map the major operation now under way near Ben Cat.
- 3. I next reported that it appears likely that our troops in the field will be authorized use of tear gas where tactically appropriate -- particularly against tunnels, trenches, etc. Such use should be especially valuable in avoiding loss of life of civilians, including women and children, forced into tunnels by the Viet Cong. I also mentioned the effort General Westmoreland and his commanders are making to minimize loss of life of noncombatants

DECLASSIFIED

E.O. 12958, Sec. 3.5

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

By W., NARA, Date 2-20-98



while protecting our own troops. General Eisenhower commented that some losses of this kind are made inevitable by the inherently violent nature of war. Commanders will, of course, stay within the rules of land warfare.

- 4. I then outlined briefly the major deployments now under way and the dispositions into which the 1st Cavalry Division, the 1st Infantry Division, and the Korean division, when available, will be moving.
- 5. General Eisenhower asked as to the morale and state of confidence of the South Vietnamese people and armed forces, and I reported evidence indicating some strengthening of morale over the past few months -- also that the sense of security and local relationships seem to be developing well where our major units are present in force. He asked whether the South Vietnamese forces are continuing to do well in the 4th Corps, and I told him they were -- that several recent operations have been effectively carried out.
- 6. As to the conduct of the bombing in the north, I sketched the limits of the area open to armed recce. and indicated that the question of extending the attacks to the rail lines from Hanoi to the northeast and to Haiphong, the major POL supplies in the Haiphong area, and the MIG's and IL-28's at Phuc Yen, is now undergoing consideration. I explained the threat to our aircraft concentration and other facilities in the Da Nang base area. In further discussion of the lines of communication and the POL, General Eisenhower indicated he agreed these should be hit at an early date. He also commented that we should not leave the geographical restrictions in effect for too long, since the enemy will soon figure out what safe areas these allow to him.
- 7. I next gave a brief report on the Indo-Pakistan conflict, stressing that we are badly lacking in precise information on the course of battle within the localities involved. I outlined the general process of escalation since the Pak-inspired infiltration in early August, culminating with Indian attack across the international boundary early this month. During the discussion I reported, as tentative intelligence estimates, that each side might be able to continue the operations for 30 to 60 days -- also that logistical problems (especially maintenance and conditions of roads and railroads) will rapidly become quite difficult. I indicated that the U.S. is supporting the U.N. Secretary General's efforts to find a resolution of the problem, and listed some of the questions thought to be pertinent

to a solution, including military costs each government might be willing to incur before considering accommodations, any quid pro quo for which India might make concessions in Kashmir, whether Ayub and Shastri are still in control of the internal situation, etc. General Eisenhower recalled that in 1959 Ayub had indicated a possible willingness to settle for adjustments in the ceasefire line which would retain the source of the Indus River to Pakistan. Nehru had been unwilling to negotiate however. (General Eisenhower had available a number of documents sent to him from the U.N. by Ambassador Goldberg.)

- 8. I mentioned that the President had asked that I cover the reason why the U.S. is working through the U.N. for resolution of the Indo-Pak conflict but not the Viet-Nam conflict. In the former case, it appears that the U.N. can be effective -- U Thant is taking an active initiative, and the U.S. and Russia are on parallel courses. In the case of Viet-Nam, an attempt to bring the U.N. in could be highly disruptive to that organization, would pose great difficulties for U Thant, would probably oblige the Russians to take an overt position in opposition, and would encounter the strongest kind of opposition from the Chinese Communists. General Eisenhower said he very much agreed the U.N. should not be called upon prematurely in the Viet-Nam situation.
- 9. Referring next to the situation in the Dominican Republic, I reported highlights of reports from General Palmer and Ambassador Bennett in the last day or two. It is apparent that Garcia Godoy is working himself through an extremely sensitive period, so far successfully; however, major difficulties face him, including collection of rebel arms, extension of law and order into the center of Santo Domingo, assisting police to gain control of the situation, and problems of food and housing. General Eisenhower commented that it seemed to him that General Palmer had done a fine job in handling the military phases of the Dominican situation.
- 10. I next touched on the status of planning and preparations relating to the problem of General de Gaulle and NATO. General Eisenhower said he had been giving a good deal of thought to this problem. The idea of going back to a "coalition" did not seem attractive, because under that system each country would have to try to maintain its own army, navy and air force, and even attempt to obtain nuclear weapons. General Eisenhower said he had been wondering whether a solution might not be found based on Germany and France taking major responsibilities in the

central sector, with Germany providing its 12 divisions and France perhaps 8 to 12. The French might exercise the over-all command, and the Germans the operational command of forward forces. In discussing this matter, I advised General Eisenhower that the French have cut back to 6 divisions, of which only 2 or 3 are in really good condition, and that de Gaulle has indicated that he puts his emphasis on nuclear forces, and is using his money for this purpose. General Eisenhower said he is very concerned over what appears to be a loss of friendship and mutual confidence in the last several years between the U.S. and its allies. He recalled that Adenauer had spoken to him at length and in violent terms in 1962 over what he called Washington's efforts to place nuclear weapons under its exclusive control, and Adenauer's belief that Washington was trying in effect to dictate how the war might be fought. During the discussion, I told General Eisenhower that a good deal of contingency planning is going on as to how we might meet the situation if de Gaulle required all U.S. forces to leave France, if he withdrew from NATO, or if he took action of various other kinds. I commented that the central question connected with this problem, as I have been able to see it, is how to keep Germany closely aligned and satisfied as a member of the Western community. If the French seek to keep Germany in an inferior position and to end the close alignment NATO now represents, the dangers would be very great that strong antagonisms and struggles to dominate might again arise in Western Europe.

Il. After referring again to the adverse trend of NATO affairs, General Eisenhower asked whether any steps are being taken with respect to organization and procedures for security matters that would permit questions of this kind to be examined more deeply and on a more coordinated basis. He said he believed that basic considerations of security should be given the greatest weight, and asked whether the advice of our top military men is being systematically brought into such deliberations. He made the point that a coordinated approach sometimes lacks in brilliance, but it makes sure that mistakes do not occur through failure to consider important aspects of the problem in a timely way. He reiterated a point he has made previously that we should be careful not to overemphasize the importance of day-to-day action and the comments of the press when important questions of security, such as the NATO problem, are involved.

A. J. GOODPASTER Lt. General, U.S.A.

SEORET

September 14, 1965 5:00 p. m.

MEMO FOR THE PRESIDENT

Mike Feldman called last night to say Eshkol said on the phone he wants to write you, urging you each appoint a high level guy to get a grip on the US/Israel desalting reactor problem. Finance Minister Sapir is Eshkol's nominee.

According to Mike, Eshkol proposed this and all Mike said was that he thought you would buy. Eshkol really wants it as a showpiece to buttress him for the 2 November elections. says all he really needs is the announcement. When I told Mike I assumed he'd want to be the US nominee, he came back "why not?", though Dillon or someone like that would do as well. Mike's off to Israel 15 October and would like to carry the glad tidings in any case.

While Mike only wanted a reading from Bundy and myself, we thought it better to check with you. I can't see how this would hurt much, but I don't see much in it for us either: (a) I suspect it's a promotion of Mike's, not Eshkol's; (b) its preelection impact probably wouldn't be great, nor is Eshkol in that much trouble; (c) so it is probably designed mostly as a ploy to push us even faster toward a big, financial commitment to an Israeli reactor. Therefore, you may prefer to hold back this plum till you decide how far and how fast you want to go on Israel as part of the much broader desalting initiative now in the works.

Tell Mike I'd prefer not / Yww

W. Komer

DECLASSIFIED E.O. 13526, Sec. 3

60

THE WHITE HOUSE

WASHINGTON

Tuesday, September 14, 1965, 5 PM

MEMORANDUM FOR THE PRESIDENT

I had lunch today with Bob Kennedy, and it was the best discussion we have had in more than a year. We talked about a number of topics, but mostly about Vietnam, and I must say I could not put a tissue paper between his views and ours on the present situation. He thinks we have said enough about negotiation and that we need now to prove that we are going about our business. He thinks we should emphasize the political and social and economic effort in Vietnam as against the military effort, and I told him that there was nothing we were more eager to do, and that the problem was to get the right kind of leadership on this subject in Saigon. I told him he could be absolutely sure that everyone in Washington -- and especially the President,-- was pushing on this one every minute of the day. I told him that we thought well of Porter -- and he said he had heard good things about Porter, too. He also expressed warm approval of the Howard Rusk mission.

The Senator was in a cheerful and constructive mood all the way through. He told me of his talk with you about the new head of Housing. He went out of his way to say that he thought his relations with the White House were much better and that he thought this was your doing.

Dean Rusk tells me he had a very good breakfast with Senator Kennedy this morning, mainly on his Latin American trip.

Three things that were troubling the Senator in his talk with me were:

- (1) the problem of all the books about President Kennedy;
- (2) the fact that his daughter Kathleen is not coming on as fast as he would like; and
- (3) the question of keeping Mrs. Kennedy busy and happy, after a very good summer. He asked me to go to New York next week and talk with her about it, and I may do this by attending an evening party in honor of Galbraith next Wednesday night, if there is no night work here.

McG. B.

MEMORANDUM FOR THE PRESIDENT

Via: Marvin Watson

Juan Trippe of Pan American Airlines called at the end of last week and asked for a brief appointment with you on Tuesday, September 21, for himself and a group of other leading citizens who have been representing the great research universities in a drive for changes in the rules for Government-sponsored research in the universities. This is the so-cal led limited overhead problem, and it has been a major financial problem for these institutions. Now it is being solved in a series of changes in legislation, and Juan Trippe says that you should get the credit because of your appeal for these changes in your Budget Message in January. He and his group would like to come in and thank you.

Trippe himself represents Yale. Others in the group are: Harold Helm representing Princeton; Keith Kane representing Harvard, Arthur Dean representing Cornell, Marion Folsom representing Rochester; David Pakkard representing Stanford, and Norman Chandler representing Cal Tech.

They would like to come in at the end of the morning, but would be available in the middle of the afternoon as well.

These are important people and good friends, and they could either come privately, or you could make their visit the occasion for a short statement on the partnership between the Government and great research universities.

McG. B.

Yes	with a short public statement	-
Yes	privately	
Sor	ry but life is too short	



5 52

Tuesday, September 14, 1965 - 12:45 PM

- (TABA)

MEMORANDUM FOR THE PRESIDENT

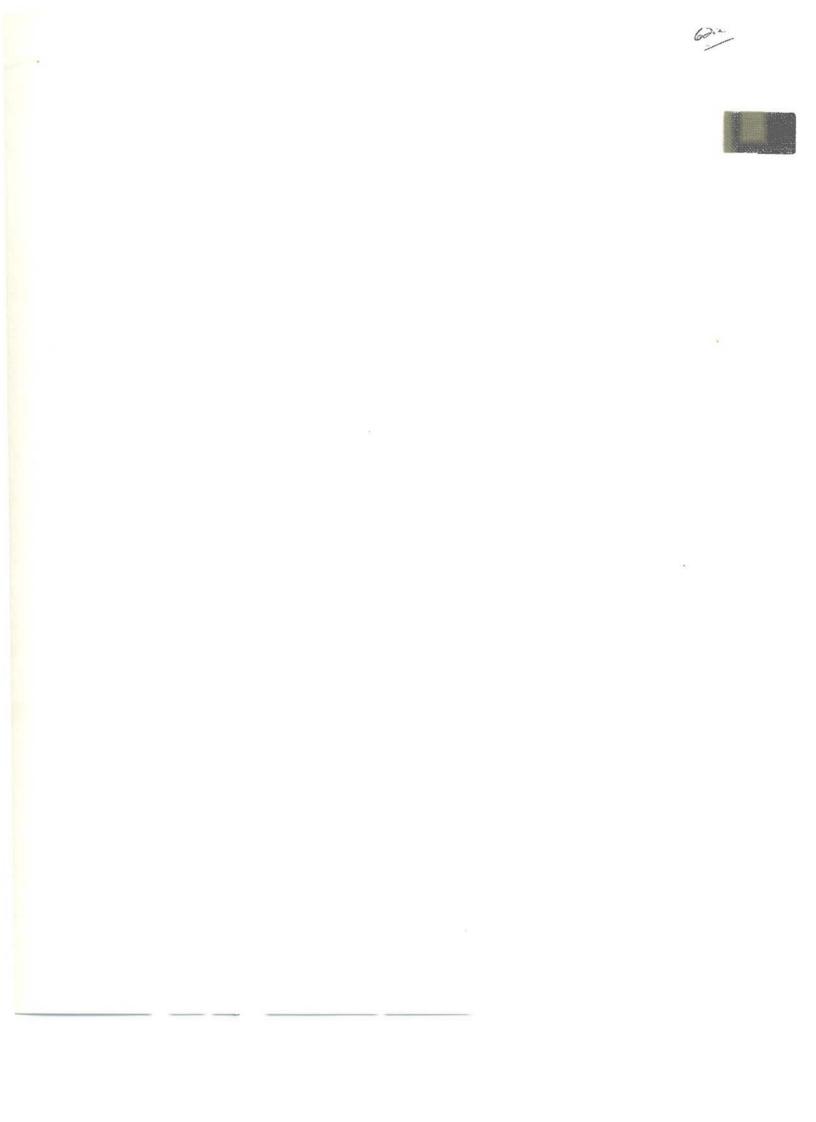
in New York tomorrow.

Bennett and Garcia Godoy had a conversation about the problem of government appointments in the Dominican Republic. What Garcia Godoy said to Bennett corresponds closely to what his brother-in-law Pastoriza said to me on Saturday. My impression from Bunker is that he is sympathetic with Garcia Godoy's point of view. We are having a general meeting on this Thursday morning, as soon as Bunker gets clear of the OAS meeting today, and a family obligation

I should add that Bunker shares Mann's view and mine that Tap Bennett should be replaced. He also says this is what Bennett himself prefers.

I also attach a more general conversation between Bennett and Garcia Godoy which again illustrates the current atmosphere down there -- unfinished but not unhopeful.

m1. R. McG. B.



SECRET EXDIS

Tuesday, September 14, 1965

Text of Cable from Embassy Santo Domingo 722, September 14, 1965

In a conversation with President Garcia Godoy last night, I brought up the matter of government appointments, recalling that I had previously approached him with respect to specific nominations. I told him I wanted to speak very frankly and make clear to him that serious concern had been expressed in Washington over some appointments that had been made and over the fact that the Embassy had not had prior opportunity to provide information on some officials before they had been named. Both our Governments had much at stake in this sensitive field. The US Government, from the top level down, had an intense interest in ensuring that we had the closest possible cooperation. We recognized, of course, his authority and responsibility to make the final decisions and had no desire to detract from that; we also recognized that he was under pressures from all sides and that he had been forced to act hurriedly during this first week of his administration. What we did ask, and regard ourselves as entitled to under the memorandum we had agreed on, was to provide him with information. We were in a position to do that very quickly and were ready at any hour to respond to his request.

I again brought up the appointment of Morel Cerda as Attorney General and said it seemed clearly the most undesirable of the appointments yet made. He mentioned again, as he had previously, that Morel Cerda had been approved by both Balaguer and the PRD and that he had had good references on him from business and professional associates of his confidence in Santiago. He argued that Morel Cerda's principal problem was impetuosity (his problems strike me as being deeper than this) and that he had many good ideas such as improving prison conditions and making the Dominican Judicial System more humane. Garcia Godoy said he was keeping a very close rein on Morel Cerda, had rejected several of his proposals and had told him he was not to change so much as a char woman on his Ministry, without the President's personal approval. I said I was glad to hear this, for I would have to remain skeptical on that appointment until events proved otherwise. DECLASSIFIED

SECRET EXDIS

E.O. 12356, Sec. 3.4 NIJ 91-230 By 122, NARA, Date 11-12-91 I went on to point out that we had not had the opportunity to comment on individuals named to the Supreme Court. While I recognized that Conde Pausas had a good reputation as a jurist and while I did not believe in guilt by association, still one could not feel very comfortable with such a ranking position being filled by an individual with numerous Communists in his immediate family. There were other members of the new Court on whom there was derogatory information and these seem to us to be in the category of important positions on which there should have been consultation. The US Government had particular concern over the orientation of the Supreme Court since it is responsible for the appointment of judicial authorities throughout the country.

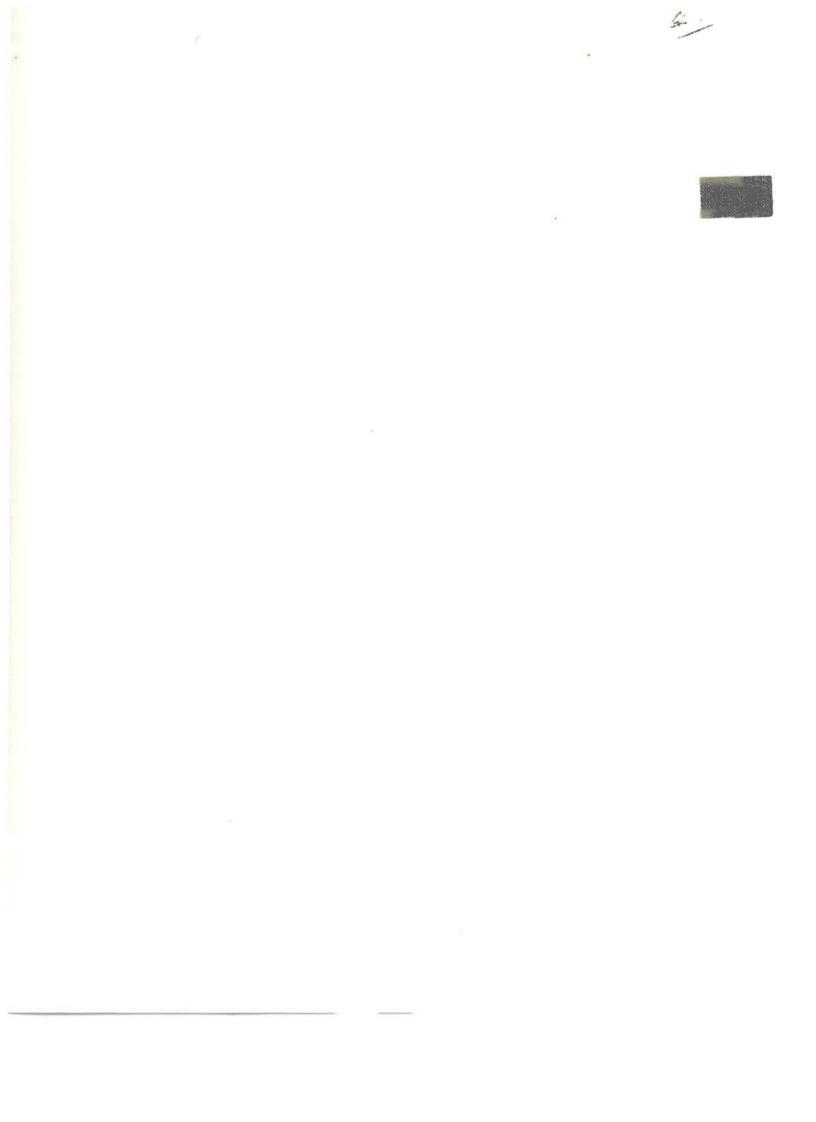
In reply Garcia Godoy emphasized again, as he had in previous conversations, his determination to clean up the Dominican judiciary, which has had a notoriously corrupt reputation. He said he had conducted a careful search for suitable candidates with reputations of personal probity and devotion to human rights. He assured me of his conviction that the Supreme Court was a list that would stand up. With respect to Conde Pausas, he said that he had had enthusiastic recommendations from members of the bar with whom he had consulted, including some of his own relatives who are conservative lawyers.

At this point Garcia Godoy made a plea that we understand his position. He stressed the deep cleavages in Dominican society which developed during the Trujillo era and have intensified since. He discussed how this has affected family relationships, coming to the point of violent political and philosophical differences between fathers and sons, brothers and cousins. In view of the high percentage of inter-relationship in this numerically small society (he did not mention the Dominican family practice of hedging their bets politically with respective members allying themselves across the political spectrum) to the extent that there was hardly anyone who did not have some close relative of undesirable political hue or who was free from denigration by a political opponent. He stressed the difficulty of finding qualified people to staff his administration when the country has so few trained people at best. Even among the small group available and capable of high caliber service many were blackballed because of previous associations or activities. Some had been too close to Imbert (i.e. Julio Cuello who could otherwise have continued to head Supreme Court), some had been too involved in the rebel movement and others were not yet usable because of involvement in the Reid Government. There were well trained members of his own family (a prominent and powerful political tribe), but he did not feel he could use them. Then

too he recalled his determination to try to offer alternatives to the left to active and ambitious young men and to pull them towards the center by offering them constructive participation in government. He hoped therefore the US Government would understand his position and would recognize that occasional risks had to be taken.

I commented that, given the realities of the Dominican Republic, his position was understandable. However, I urged that he proceed with great care on filling sensitive posts, reminding him that positions in autonomous agencies or in areas such as his immediate staff could be more important than some cabinet posts. I urged that we be given the opportunity to provide information on which his decisions could then be made.

BENNETT



SECRET

September 14, 1965

From American Embassy Santo Domingo

To Secretary of State Priority 723

DECLASSIFIED

E.O. 12356, Sec. 3.4

NLJ 9/- 330

By 16, NARA, Date 1/-/2-9/

I had two hour relaxed conversation with President Garcia Godoy last evening at his home. Having weathered first week of crisis and confusion and with victories on Wessin and radio broadcasts under his belt, he had yesterday probably calmest day since his inauguration. I found the President in his bedroom busy at work on foreign office estimates, and he showed me tabulations under which he had already worked out economies totalling \$360,000 to be achieved through elimination surplus employees. He said total savings would easily run to one-half million dollars of hard-to-get foreign exchange.

President was taking satisfaction over his success in achieving cancellation of yesterday's planned rally downtown and movement of several hundred, perhaps as many as 1500, rebel militia back to their home communities around the country. He had had the cooperation of both Caamano and police chief Despradell in arranging transportation and permits to pass checkpoints, and young rebels had gone home without arms. President said he had had assistance of armed forces as well as police in easing passage to home communities. If they could be reabsorbed into local life with restraint on both sides, then that hurdle would have been passed. As of last night he had had no reports of incidents.

Exit of rebel militia had noticeably decreased number of combatants downtown and tension had lifted somewhat. It was Garcia Godoy's understanding that most commandos were being dismantled, although the MPD was still talking in tones of belligerence. Caamano had told President he ought to be able to deliver quantity of arms on Tuesday. Garcia Godoy expressed himself as in favor of picking up arms as quickly as possible so as to enable reuniting downtown area with rest of city; following that he said he would like to have assistance with respect to detection equipment so that search for hidden arms could be undertaken.

He spoke of plans being made with police authorities of both sides for control of downtown sector once it were open again. Both cruising radio cars and foot patrols are being organized. Some of downtown security forces will be merged into regular police and color of helmets and belts will be changed for psychological reasons. He had rejected Caamano yellow helmets as well as gray of regular police in order to indicate to public that new, "neutral," force established. He expressed satisfaction over the fact that armed forces leadership had largely carried out their mission of returning troops to barracks and spoke with

appreciation of effective work of mixed IAPF-Dominican units in northern part of city as circulating security patrols.

Garcia Godoy said he did not look forward with any enthusiasm to the reopening of the university in view of the student agitation that was bound to follow. He was not sure as to how the situation could best be coped with. He said he did not wish to interfere with the autonomy of the university as such although he understood that the problem lay as much with some of the professors as with the left wing minority which controls the student associations. However he did not propose to restore Fuero (inviolability of campus from police action) which the triumvirate government had taken away in June 1964. I recalled that some interest had been expressed a few months ago by university authorities in organization of a university police and he showed immediate interest. I said this was a project we had not had any particular desire to get into and that perhaps the experience of other Latin American universities might be called on in this regard.

Garcia Godoy took occasion at this point to praise action of police chief Despradell with respect to students. He said Despradellhad recruited some former baseball players -- too old to play but still heroes to the students -- and had put them in charge of horses at police stables. Students had been invited to visit stables and some had opportunity to ride. This was one way of developing good relations between police and students and as result mounted police now rode freely in and about university area, an activity which formerly would have been bound to cause rock-throwing and disorders. He said he had talked with Navy Chief of Staff Jimenez regarding a similar program of improving public relations through plans to invite youth on board naval vessels and take them along the coast to acquaint them with their own country. I recalled our success here and elsewhere with opening our visiting ships to public, program which had had great popularity in port here and which had never produced a disorderly incident.

Bennett



THE WHITE HOUSE WASHINGTON

September 13, 1965

Dear Mr. Benson:

I have your letter of September 3, and I want to thank you for your thoughts and prayers. This kind of thoughtfulness from fellow Americans -- even when they do not necessarily agree with everything I do -- is a source of great encouragement.

My decisions on the choice of appropriate targets for military action are made with no other object than to serve peace and freedom. And there is no one in the United States who is more concerned about every American serving in Vietnam than I am. But it is not my present judgment that the course of indiscriminate violence which you recommend would serve the interests of peace, the interests of our American soldiers, or the interests of the United States.

I do not think it is right to oppose as "tribute" a reasonable offer of economic cooperation with all of Southeast Asia after peace is restored. This fight was started by others. If they stop what they are doing, we can live together in peace. That is the American way, and we want them all to know it.

Sincerely

The Honorable Ezra Taft Benson President

The Church of Jesus Christ of Latter-Day Saints 6 Frankfurt/Main 9, Germany

630-

THE WHITE HOUSE WASHINGTON

Monday, September 13, 1965, 3 PM

MEMORANDUM FOR THE PRESIDENT

Re: Reply to Ezra Taft Benson

I attach two possible answers to Ezra Taft Benson. Alternative 1 (Tab A) is rather argumentative. Alternative 2 (Tab B) is more gentle. I suppose the second answer is wiser, even though his letter is fairly offensive.

mel. S.

McG. B.

THE CHURCH OF JESUS CHRIST OF LATTER-DAY SAINTS EUROPEAN MISSION

6 FRANKFURT/MAIN 9, GERMANY BETTINASTRASSE 55

TELEGRAM ADDRESS: QUICKMERS FRANKFURT/M. September 3, 1965

The President
The White House
Washington, D. C.
U. S. A.

Dear Mr. President:

You are frequently in my thoughts, and my prayers are in your behalf as we face the threat to our freedom and that of the free world from representatives of the godless Conspiracy.

With our boys being slaughtered by the forces of Ho chi Minh it is difficult to understand why you would offer a billion dollars if Ho will cease fighting and sit down at a conference table with no prelim inary conditions demanded.

Why do we not hit at the heavy industry which Ho has laboriously built up - the blast furnaces, the factories - why have these not been bombed? Many patriotic Americans are wondering why Washington has ordered that such installations not be destroyed when their destruction would be the clearest indication to Asia that America means business. If these steps do not do the job, we might well consider the bombing of the dikes on the Red River.

An increasing number of American patriots are asking as one writer put it, "One wonders who is holding the knife at the back of President Johnson. Meanwhile, our boys die while the President plays politics and refuses to order the destruction of the most vital enemy installations and asks instead for negotiations."

Mr. President, why do we not go all out for victory? The overwhelming majority of the American people would support you in such an effort. Meanwhile, across the country students with no experience or judgement demonstrate for surrender.

But I suppose that it is only reasonable to expect that so long as we have teachers in our schools like Yales Mary Wright, and Michigan's Wesley Fishel, and Chicago's Hans Morgenthal, we are bound to have students like those picketing the White House.

The President September 3, 1965 Page 2

The news of these events must give great comfort to the enemy. It is my conviction that as long as we refuse to strike at the enemy's major installations at a time when the enemy is killing American boys, we must expect military defeat.

Yes, and as long as we continue to offer payments of tribute to an enemy determined to destroy free men, just so long will we have conditions like we have today in Viet Nam, and Communists moving ahead in Asia and throughout the world.

Mr. President, either we must win the struggle in which we are involved in Southeast Asia, or freedom will die and America will decline in prestige and power. There is no other way. The future of our great nation and the freedom of the world is at stake. We must meet the challenge courageously.

May the good Lord give you the courage so to do in your overwhelmingly important responsibility.

Sincerely yours

Ezra Taft Benson

President

ETB:rt

COMPIDENTIAL

MEMORANDUM TO THE PRESIDENT

SUBJECT: Possible trip to Hawaii, October 25

- 1. We have done some more thinking on this possibility, and we continue to think that it has real promise. There are only six weeks left, so that if you want it explored further, we need to have a go-ahead for talks with Dean Rusk and with Howard Jones at the Center itself.
- 2. The essence of this plan is that you should go to the 5th year celebration, and that other leaders of Pacific States should also be invited. The first man to get would be Menzies, the second, Sato, and we could then be confident of several more. The idea would be that they might all come to get honorary degrees and have three days of celebrations and cultural events and informal conversations. This would allow quiet reemphasis of our peaceful purpose in the Pacific, our firmness in Vietnam, our support for the Asian Bank, our understanding of the local problems of each country and of its bilateral problems with us. It would also show that we have more friends in the area than Sukarno or Ho or, for that matter, Mao. It would allow you to operate on the world scene without leaving the U. S.
- 3. As I say, I fink we need first a green light from Dean Rusk and a green light from Howard Jones. Then I would propose a quite private message to Menzies outlining the idea and asking for his support. With Menzies on board, I would suggest the same kind of an approach to Sato. With Menzies alone you would have a perfectly good party, and with Menzies and Sato you would have an excellent one. But I would go on from there to Holyoake, and Macapagal, and Thanom of Thailand, and Ky of Vietnam, and Park of Korea, and Chiang, and even Sukarno, if he would come (which he would not).
- 4. The exact scheduling of events should be worked out with Howard Jones, and with the Governor of Hawaii and Admiral Sharp. But it should include a dinner by the President, and one by the Governor. It should include an unobtrusive chance to observe the Pacific Fleet, and a rousing cultural event or two -- but it should also include plenty of time for quiet, informal talks of a serious sort. You yourself should be supported by the Secretary of State, Gene Black, Max Taylor, and your Ambassadors to the countries whose Heads of Government joint the meeting.

CONTIDENTIAL.

DECLASSIFIED

E.O. 13526, Sec. 3.5

NLJ //CAC 12-122

By U(1)

NARA, Date 12-27-2013

CONFIDENTIAL

5. It is not easy to get a single theme for all of this, but the general topic should be "peace and progress for the Pacific peoples," and our attitude should be one of total conviction that this is what we stand for -- in Vietnam and everywhere else. Does this still interest you?

McG. B.

Yes			
No		ii ii	
Speak to	me		

CONFIDENTIAL

MEMORANDUM

For the President's evening reading -- he asked for this paper at lunch today.

23

THE WHITE HOUSE WASHINGTON

CONFIDENTIAL

September 13, 1965 6:00 p.m.

MEMORANDUM FOR THE PRESIDENT

Title III programs for the UAR and Algeria. These can be separated from India and Pakistan, and reduce the risk of voluntary agency and other plaints that we're holding up "humanitarian" programs for political reasons.

The best case for going ahead is Algeria. Here CARE (doing 65%), Catholic Relief Services, and Church World Service cooperating with Lutheran World Relief have been operating since 1962. Their proposed FY'66 program is \$14 million to reach 2.5 million recipients—mostly through family feeding centers geared to people displaced by the rebellion and unable to provide for themselves. This amounts to 328 million pounds of powdered milk, wheat, flour, corn meal, and vegetable oil.

Supplies are almost exhausted, and we'd have to divert a ship to Algiers in the next few days to keep programs going. CARE lacks the customary 2-3 months stock to work from, because we purposely put Algeria on a hand-to-mouth basis last winter when we thought Ben Bella might well not ask us to continue. But now the new Boumedienne government has formally asked us to continue Title III and for an overall review of our aid program.

The case for going ahead is that Boumedienne seems at least marginally better than Ben Bella, so it would be better not to lump him with our more irksome clients until he proves himself one. Moreover, we don't want to get him sore at us just before the potentially quite important Afro-Asian summit conference on 5 November in Algiers. One report says that he'll try to keep the conference from becoming an anti-US platform, if he thinks there's a chance of improving relations with us. We can't turn off all the invective, but it may make a difference to have the guy in charge interested in keeping the lid on.

In the UAR, the case for going ahead is essentially not to burn all our bridges to Nasser, who seems to feel that we're doing so. While he's currently on the defensive, he's a dangerous animal when cornered. Moreover, it's highly risky for us to leave him solely dependent on the USSR. Resuming Title III won't buy us much, but it's a highly useful indicator that we still hope to better relations. Nor should quietly going ahead on Title III create much if any political reaction here.

HANDWRITING FILE

CONFIDENTIAL

E.O. 13526, Sec. 3.5 NLJ (1240, 13-133) W. ULIO NARA, Date 13-37-37-3

CONFIDENTIAL

Four voluntary agencies (CARE does 85% of the business, and Church World Service, Catholic Relief Services and Assemblies of God do the rest) propose a FY'66 program of \$11.6 million. This amounts to 183.5 million pounds of powdered milk, bulgar and rolled wheat, corn meal, vegetable oil and flour. It goes to 3.6 million recipients, (85% of them school children) for school lunches, child and maternal care centers, summer camps and similar institutions. These programs have been running since 1955, and the agencies put in about \$1 million a year of their own resources.

CARE has about a 3-month supply to draw on. Because of a normal two-month lead time, however, they need a go-ahead soon to keep supplies from reaching the vanishing point.

We've always billed Title III as non-political, so letting it drift now would be a sharp signal to Nasser that we're pulling away. Battle reports straws in the wind that Nasser is beginning to worry more about his domestic problems and less about meddling abroad. Time alone will prove this, but there's merit in our keeping the door slightly ajar in case he does.

Approve Disapprove

R. W. Komer

Monday, September 13, 1965 5:30 p.m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Developments in Africa

This is the first of the series of reports you discussed with Bundy, and Account written with an eye to possible news -- items in brackets are those too sensitive for even background use. From the point of view of our foreign policy objectives, things African have been looking up. From the low point of the Stanleyville rescue mission last November, we've managed both to stop the Congo rebellion and to recover ground in most African countries. However, there is one serious crisis building up -- unilateral declaration of independence by Southern Rhodesia.

Congo. We and the Belgians have again staved off a Kasavubu-Tshombe split, but more maneuvering will begin 20 September when parliament meets. Kasavubu will require Tshombe's "provisional government" to resign but has assured Tshombe he'll reappoint him. Tension between the two will continue, however, since Tshombe either wants more power as Prime Minister or a strong presidential system with himself supplanting Kasavubu. For the moment, Kasavubu has Tshombe in a corner, and Tshombe admits he had no choice but to play out Kasavubu's scenario. /We and the Belgians have made emphatically clear to both that they'd have to stick together if the Congo was going to get on its feet./

The longer this political maneuvering goes on, the slower the Congolese will be in getting down to the tough economic and administrative reforms needed to deal with the problems which could trigger renewed rebellion. We also have to snuff out the last remaining major rebel pocket in the Fizi-Baraka area. But it's still newsworthy that we seem to have broken the back of the rebellion which looked so dangerous at the turn of the year.

Southern Rhodesia. Pressure has built up for the white-controlled Government in this self-governing British Colony to unilaterally declare its independence. It could happen any day. We have consistently supported the UK refusal to grant independence except under a new constitution granting majority rule and guaranteeing minority rights. Also opposed to a unilateral declaration of independence are the country's majority African population, the Commonwealth nations, and the Afro-Asian Bloc. Only South Africa and Portugal would support the Rhodesian move. /We are concerned lest such a move trigger explosions in several other Southern African trouble spots as

DECLASSIFIED E.O. 13292, Sec. 3.5 NLJ 07-5 (#29) By L., NARA, Date 6-29-07

SECRET

well as threaten Commonwealth unity and create a highly emotional problem in the UN. / Expressions of worry about this potential crisis might be useful but publicity at this time about our support of UK efforts to prevent a unilateral declaration of independence could provoke precisely what we are trying to prevent.

Tunisia. /This week will see the first reckoning on Tunisian efforts to get closer to us when Foreign Minister Bourguiba, Jr. sees Rusk and McNamara Friday. In December he asked the President and Rusk for military aid; we finally agreed to a "limited" program. But Tunisia then gave us a shopping list of hardware worth \$100-150 million, while we were thinking of maybe \$2 million a year. Meanwhile, President Bourguiba has asked us for a relationship just short of open alliance. We want to encourage Tunisia but don't think alliance is the answer, and can't agree to a MAP program so big as to wreck the successful Tunisian development effort which we've supported to the tune of almost \$400 million since 1953./

Publicity about this military aspect of Bourguiba, Jr.'s visit could seriously damage his father's position, but the 5 October meeting of the World Bank sponsored Consultative Group on aid to Tunisia might give an opening for some backgrounding on one of our aid success stories. Nossiter's piece ("Dedicated Tunisians Spur Development", The Washington Post, 21 June) gave this a good play, which a little follow-up could keep alive.

Algeria. There's hope of better relations with Algeria since Boumedienne deposed Ben Bella in June. This week we want to respond to a formal note requesting us (a) to continue our child and needy feeding programs under PL 480 Title III and (b) to review our over-all aid program (which is mostly Title II food-for-work). /Despite our Title III problems with India, Pakistan and the UAR, there's an argument for treating Algeria separately. Boumedienne seems at least marginally better than Ben Bella, and we don't want to make him sore at us just before the potentially quite important Afro-Asian summit conference scheduled for 5 November in Algiers. We have a clandestine report that says he'll try to keep the conference from becoming an anti-US platform if he thinks there's a chance of improving relations with us. / Publicity is tricky. We don't want to embarrass Boumedienne, though we might gain some advantage in Afro-Asia from letting it be known quietly if we decide to go ahead with aid with Algeria. We'd have to balance this against domestic reaction should the November conference get out of hand (we'll have to expect at least some anti-US noise).

in a separati memo.

OAU Summit. Several of the moderate francophone West African Chiefs of State (e.g., Houphouet-Boigny, Yameogo, etc.) have announced that they will not attend the 21 October Summit meeting of the Organization of African Unity in Ghana unless President N'Krumah deports subversive nationals of their respective countries who have been given haven in Ghana. N'Krumah has made a token effort to comply in the interest of having full participation at the Summit meeting. /However, the moderate hold-outs are unimpressed with his efforts and a group of them is arranging to meet with N'Krumah in order to wring from him further assurances that Ghanabased subversion against their countries will cease./

/Our intelligence reports indicate that Vietnam will be one of the items on the OAU Summit agenda. If so, it could be helpful to us to have our moderate friends attend to prevent the Summit resolutions from assuming an anti-US color. However, because of the subversive issue we have not exerted any pressures one way or another. We suspect that they will in the end attend the Summit meeting. When they decide to do so, we'll make available an up-to-date briefing on Vietnam. Another item sure to be on the agenda is the Southern Rhodesian crisis./

At this stage, attendance at the OAU Summit is one issue to let the Africans fight out among themselves. Any US interference or publicity could do irreparable damage to the increasing number of African moderates.

Tan-Zam Railroad. We're still trying to block the Chicoms and buy time by getting a UK/Canadian financed rail survey and a US-financed road survey going. The odds are in our favor, but it's still highly questionable whether we ought ultimately to finance this one.

R. W. Komer + Rich Haynes.

mg. B.

copy to B. Muyen

WASHINGTON

7

Monday, September 13, 1965 - 3:15 p.m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Press Contacts, week of September 6 - 12

Last week I spent a lot of time with ABC on their forthcoming White House Staff story. There were no surprises, but they were obviously trying to make a livelier program than any that has been done on this subject before. They are also confronted with a jurisdictional squabble between the producer, Pendrell, and the White House correspondent, Bill Lawrence, and their answer is to do everything twice. This suggests that ABC and the Washington bureaucracy are sisters under the skin.

On September 9 I talked with Rowland Evans about India and Pakistan. I reported this conversation to Bill Moyers at the time. It was before your comments to me on Saturday about him and Kraft and others. The result of my conversation, and of others that Evans has had, is in his column today.

This is a sample of a general problem. We took the time to talk to Evans, and his column, while not particularly helpful, is also not damaging. We did not talk to Kraft, and on all the evidence, what he has printed is a lot of cocktail gossip flavored by the Pakistani Ambassador. Kraft, in particular, is highly impressionable and easily persuaded, if people want to take the time to do it. Ted Sorensen used to use him as a straight Administration mouthpiece, which took Ted a lot of time. We can do the same if we want to. (As an example, Kraft called me with a very hostile view of our Geneva effort about a monthago. I gave him a strong talking-to on the other side, and his eventual column was, in fact, very friendly, on this particular subject.) The question we always face, therefore, is whether to take the time to turn around such rudderless types as Kraft. (Evans is less maneuverable.) I think it's worth it when there is a specific reason to act, but not otherwise.

On September 10 I saw Jack Sutherland of U. S. News. I am trying to persuade him to do a long interview on Vietnam with Professor Lucien Pye of MIT, who is one of the wisest and best observers there is, and who would be both helpful and influential if we can get his views where other reporters will read them. Sutherland was responsive, and we will see what happens.

(page 1 of 2 pages)

THE WHITE HOUSE WASHINGTON

- 2 -

On Saturday, September 11, I talked to Kay Graham in order to set up a meeting for Mr. Tomas Pastoriza with the Post and Newsweek. Pastoriza is Garcia Godoy's brother-in-law, and a most interesting and effective spokesman for the decent middle-of-the-road Dominicans. I am also going to try to get him in with the Time people so as to limit the danger that the Garcia Godoy regime will be peppered by either leftwing or right-wing propaganda through major U. S. press media.

Finally, I should mention one more comment which I picked up from Max Frankel a week ago. He told me that the Times is picking up a great deal of gossip about discontent in CIA with Red Raborn. I told him that he should discount any such stories as merely part of the shake-down cruise of a new skipper. I also said that the people I know in CIA at the second level are making no such complaints and are working effectively with Raborn. Since I know more CIA people than Frankel does, I think I cooled him off a little. But Bob McNamara told me last week that he had run into heavy rumors of the same sort at the Pentagon right after his return from the West.

There is no doubt that these rumors are around and that there is a real problem of morale in CIA. How we cope with it is another matter.

m.g. s. McG. B.

68

Monday, September 13, 1965, 3 PM

MEMORANDUM FOR THE PRESIDENT

Re: Reply to Ezra Taft Benson

I attach two possible answers to Ezra Taft Benson. Alternative 1 (Tab A) is rather argumentative. Alternative 2 (Tab B) is more gentle. I suppose the second answer is wiser, even though his letter is fairly offensive.

September 13, 1965 Monday/10:15 am

MEMORANDUM FOR THE PRESIDENT

Joe Kraft story. My queries to date all suggest the Pak Embassy as the source of the comments about US behavior. Talbot who saw Bhutto off at the airport, says that one of our protocol people may have accompanied Bhutto (we're checking), which would account for any presumed embarrassed silence.

More significant, the Pak Ambassador held forth at length at a dinner quite recently on rude US behavior (no press present but some Congressmen). For what it's worth, this plus the twist in the piece itself simply convince me that the Pak Embassy is the source. However, we're still working on it.

R. W. Komer

DECLASSIFIED E.O. 13526, Sec. 3.5 NLJ/RAC 12-122

By: UKD NARA, Date 12-27-203 SECKET

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Monday, September 13, 1965, 9:45 AM

MEMORANDUM FOR THE PRESIDENT

Re: Kennedy Round Agricultural Offers

In the attached papers, Chris Herter presents the proposed U. S. agricultural offers to be tabled on September 16 (Thursday). These proposals have the concurrence of all interested agencies. This package of offers was put together by Herter, Freeman and Tom Man. It includes cuts (usually the full 50% authorized by the Trade Expansion Act) on items which comprises about \$500 million of the \$2.1 billion in dutiable agricultural products we imported last year. We would withhold offers on another \$250 million in trade pending EEC reciprocity. We would also withhold offers on meat and dairy products (about \$350 million worth) until special groups can be convened to deal with them. The rest of our agricultural imports come from nonparticipants in the Kennedy Round.

By approving the Herter memorandum, you would principally authorize him to:

- (1) Table offers on Thursday for items other than meat and dairy products which are not of primary interest to the EEC.
- (2) Table offers on items which are of primary interest to the EEC whenever the Community is ready to reciprocate.
- (3) Table offers on meat and dairy products whenever appropriate.

This set of offers will be made while reserving the right to withdraw if other countries are not forthcoming, and it leaves us free to make our own judgment later if the Common Market does not come around eventually.

Most of the non-Common Market countries are going to make offers. The UK came around slowly but brought several others with it. Japan, New Zealand and Denmark are still making up their minds. But our decision to make offers has been generally approved by those concerned with the success of the Kennedy Round, and we all agree that it makes sense to go ahead as these papers propose.

Approved ______ McG. B.

Approved _____ Speak to me

September 13, 1965

Agenda for meeting with Secretary Rusk, Secretary McNamara, Admiral Raborn and Ender Secretary Ball, after Babinet, Sept. 13, 1965

1. Vietnam

- (1) Bombing policy
- (2) Diplomatic situation
- (3) Future action in South Vietnam (draft cable to Lodge)

2. South Asia

- (1) Warning to the Chinese
- (2) The food problem
- (3) Probable reconnaissance requirements

3. European Report

4. Dominican Report

(a mere summary, because real discussion should await conferences with Bunker)

McG. B.

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E.O. 12356, Sec. 3.4(b)

White House Guidelines, Feb.24, 1983

By per MARA, Date 6-4-91

Sunday, September 12, 1965, 12:15 PM

MR. PRESIDENT:

I have just learned that Rusk has a date with the Senate Foreign Relations Committee at 10 on Monday. That means that he would be late for the 11 AM meeting. We can either (a) shift to another hour or (b) begin without him, whichever you prefer.

He does not think it essential for him to be there simply because he and George and Bob and I had such a thorough talk yesterday that we are in a good position to present his views. But your preference should govern. It is important to meet sometime tomorrow on these issues.

I'll be at the movies between 2nand 5, but the Situation Room will take orders -- and can reach me if necessary.

THE WHITE HOUSE WASHINGTON

TOP SECRET-SENSITIVE

Sunday, September 12, 1965, 11:45 AM

MEMORANDUM FOR THE PRESIDENT

Subject: 11 AM Meeting on Monday with Rusk, McNamara, Ball, Raborn and Bundy

There are several important topics that are ripe for discussion at this meeting. Most of them grow out of a long session on Saturday afternoon of Rusk, McNamara, Ball and myself.

I. Vietnam

l. Bombing policy. Bob McNamara is eager to get general guidance for the next few weeks on bombing in North Vietnam. As you know, he is engaged in a running discussion with the Chiefs on this subject. His own view is that we should continue with carefully measured attacks on clearly defined military targets that do not take us into the Hanoi-Haiphong area, or into direct engagement of Migs, IL-28s, or the SAM-site systems as a whole. (SAM sites outside the Hanoi-Haiphong area would remain targets of opportunity, as I understand it.) The wider recommendations of the Chiefs have been referred back for additional study.

Yesterday Dean Rusk felt that while the present pattern of bombing should certainly continue, we should not extend it, as Bob initially suggested, into the part of North Vietnam which is northeast of Hanoi. Bob accepted this advice, and I think the targets he will put forward will be acceptable to Dean. It was also agreed that there would be a further study of target systems in North Vietnam, with the thought that a more sophisticated analysis may permit selection of target systems that would hurt the DRV a lot more, without increasing civilian casualties. It was agreed that the target selection so far has not had this level of sophistication.

2. Diplomatic situation. We had an extended discussion also of the diplomatic situation. On this you must be psychic. I told you yesterday that the Ruppert discussions were continuing. But the fact is that Ruppert cancelled a meeting scheduled for last Tuesday, and X has come home. X got the feeling at his last meeting that Ruppert had been called up short, and that there might even be someone watching from behind a curtain which had been drawn for the first time across a doorway in the meeting room. Ruppert carefully drew back from one or two marginal positions taken in

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 97-435 By is NARA Date 3.25-99

TOP SECRET SENSITIVE

- 2 -

earlier talks, and even insisted that he had never taken those positions.

In this situation, there is general agreement that we ought not now to look as if we were very eager for more talks, and we are inclined to keep X at home and show no eagerness for further probes in the next few weeks. We will need your judgment on this also.

(Discussion of this matter on Monday will be indirect and fuzzy because Red Raborn is not currently a member of the Ruppert club -- and I doubt if he should be cut in right now unless for some reason you want him to be.)

At the same time that we suspend private diplomatic probing, we think that we should adopt a public posture that our position on negotiations is now totally clear and that the next move is up to the Communists. While we do not like Lodge's leaks to Reston and Nixon, we are inclined to agree with his assessment and to feel that we now have a perfectly good public posture which does not need to be regilded every day. I take it from our phone conversation yesterday that this is your own general view.

3. Our most difficult and inconclusive discussions turned on the actual program within Vietnam. Our common guess is that the Viet Cong will try to avoid major engagements with our forces and that they will be quite successful in doing so. In this situation, Rusk raised the question whether we really need to move up toward 200,000 men. McNamara continues to feel that we do, and I agree. The problem is to make sure that the role of our troops is so understood that neither the country nor the troops themselves get frustrated if the scene of major action shifts toward smaller terrorist activities in which our troops cannot play the dominant role.

We finally agreed that we should ask Lodge and Westmoreland for a general assessment of the prospects for the next few months in this area. We seem to have got past the big monsoon dangers, and we need to be sure that we have an agreed program for the continuing contest of pacification. We will not have anything sharp to report tomorrow morning, but you should know that all of us feel that this is the most important area of effort for the coming weeks and months.

II. South Asia

1.We went up and down the India-Pakistan problem and agreed that the two sides will have to go on testing each other for some undefined length of

TOPSECRET

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time before they are ready to begin to make sense. We also agreed that we should probably give a quiet and carefully phrased warning to the Chinese in the forthcoming meeting in Warsaw on September 15. The language for such a private warning will be available for your consideration tomorrow. None of us thinks that we should currently commit ourselves as to just what we would do with respect to any particular Chinese Communist intervention, but we believe that we would have to do something, and if this is true, it is good to tell the Chinese ahead of time, since they might misconstrue any silence on this subject on our part. But as Bob McNamara points out, the one thing we must not do is to give a warning that we do not mean, so that this is an important subject for tomorrow's meeting. I do not yet have the language of this possible warning from State, but my expectation is that it will be so general that it does not commit us to direct military action of any sort. What, in fact, we would probably do if the Chinese came over the Indian border is to offer the Indians continued military assistance, and if we did that, we could also insist at the same time that they agree to a genuine arbitration of Kashmir. Whether, in fact, they could do this is not clear and would probably depend on the degree of fear the Chinese had inspired in them.

The underlying question for us is whether a strong India is
(a) necessary, and (b) possible for our Asian policy. The consensus in yesterday's meeting was affirmative, but we are all aware of your own doubts.

2. Within the next week or ten days, we face new food decisions on India and Pakistan. This does not have to be decided tomorrow, and even to my soft-brained mind it is a harder case than the Title III matter on which I have made a separate plea. Our inclination yesterday was to feel that we should probably continue PL-480, on a short string, to both sides, simply to avoid becoming the scapegoat for food riots and possible communal slaughter that could grow out of them. There is also the fact that an end of PL-480 would hurt the Indians much worse than the Paks, which is probably not the right side to lean on now.

II. Europe

George Ball can give you a brief rundown on his European observations. In brief, what he found is that General de Gaulle has made his European friends very nervous. (I continue to think George's reporting reflects his

TOP SECRET SENSITIVE

- 4 -

own convictions at least as much as the situation.) But what is more important and interesting is that at long last George himself has concluded that the MLF is not the solution to the nuclear defense problem. We agreed yesterday to get fresh proposals in order for you to review, and for consultation with Congressional leaders, before we have to talk to the Germans in October. Our expectation is that these proposals will not involve a complex new weapons system, but rather systems of consultation and staff participation which will be both more modest and more practical. Bob McNamara and I came away more encouraged about the prospect of a sensible answer than at any time in years. I think the immediate cause of this great step forward is what you said to Harlan Cleveland on this matter the other day. I reported those remarks to Dean and George and Bob, and I think the message got through.

McG. B.

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Saturday, September 11, 1965, 5:30 PM

MEMORANDUM FOR THE PRESIDENT

Subject: Joe Kraft article

I have talked with Bob Komer about the Kraft column. He, in turn, has talked to one or two people in State, although he has not yet been able to reach Phil Talbot. He has also reviewed the State Department's memcons on Bhutto's call, and a further talk which Bhutto had with Talbot at Dulles Airport (Tab A).

Komer says that the more he looks at, the more he believes that this particular bit of Kraft's story clearly came from the Pak Embassy. Talbot was the only man present with the President who talked with Bhutto after the meeting, and the memcon shows that he himself was not silenced, but spoke up firmly to support your position. Since Ambassador Ahmed was also present throughout, and since he has been very busy on the newspaper circuit trying to stir up support for the Paks in recent weeks, I think he is a much more likely suspect than anyone in State. Nevertheless, there may well have been one other junior State Department officer riding with Bhutto to the Airport, and we are trying to find out who that could have been. If there was such a person, he obviously did not know anything about the meeting with you except what Bhutto told him, because there simply was not time to get it from anyone else.

Finally, let me say that I have dealt with Phil Talbot for more than four years. We are not identical temperamentally and his approach to many matters is more cautious than my own. But one thing I think him quite incapable of is mean-minded gossip about his President. It is just not the way he works.

mg. B.

Saturday, September 11, 1965, 11 AM

MEMORANDUM FOR THE PRESIDENT

Re: Panama

Bob Anderson spent this last week working on the Hill for the Panama proposals that you approved in principle, subject to such consultation. Yesterday he gave us a report which is generally encouraging. A detailed write-up is being prepared and should be available to you before Monday. In essence, Anderson reports understanding and support from about 9/10ths of the 36 Senators and Representatives he saw, running the spectrum from Mansfield to Mendel Rivers. The only negative notes of significance were struck by Hickenlooper, Russell and Mrs. Sullivan.

Hickenlooper said that while he would have done it differently, he would not actively oppose your judgment. Russell said he was against the proposals and would vote against them, and would make a brief statement for history against them, but he knew that if you were for them, they would carry, and he wanted you to know specifically that he was not going to make a general fight against you on this issue. He disagreed, and he wanted history to know of his disagreement, but that was all.

Mrs. Sullivan was the one person who gave indications that she might wish to make a fight on the issue. She couched her argument in terms of the failure of American policy to meet the needs of the simple people of Panama. She claimed that we were merely giving further aid and comfort to the "oligarchy." Henry Wilson and others who know her think this is merely a screen for her real concern, which is with the Americans in the Zone and the powers of her committee. Tom Mann and Henry Wilson are going to try to find ways of talking further with her.

Bob Anderson presented his report with his usual modest precision, but those who heard him were enormously impressed by the job he has done. He himself is wholly confident that there is now a solid basis for a firm approach to the Panamanians, and precise language is being drafted for his use in this approach next week. If all goes well, there should be enough of an understanding with the Panamanians for an important joint statement by the two Governments safely ahead of the October 1 meeting of the Legislature in Panama.

Our assumption is that this statement should be made by the two Presidents together, and the papers are being prepared with this object.

I have the impression that Bob Anderson has been determined to show that anything Goldberg can do, he can do better.

E.O. 12958, Sec. 3.6 NLJ 57-732 By ______, NARA Date 5-25-98

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SECRET

September 11, 1965

MEMORANDUM FOR THE PRESIDENT

Preliminary Report on the 11 September
Joe Kraft story. The twist given to your
29 November 1963 meeting with Bhutto
(US "rudeness") convinces me that it was
the Pak Embassy who gave it to Kraft. Talbot
rode with Bhutto and the Pak Ambassador
to the airport, but the Kraft account has
Talbot remaining silent in embarrassment
whereas Talbot's own memcon (attached)
has him fully backing our position.

Bhutto, Ambassador Ahmed, Ball, and Talbot were at the meeting. Talbot rode with Bhutto to the airport. I have not seen or heard this matter mentioned since 1963, and would strongly doubt Talbot would tell it to any correspondent.

Bet Work R. W. Komer

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Saturday, September 11, 1965, 10:30 AM

MEMORANDUM FOR THE PRESIDENT

Re: Communist control of the Dominican Republic

We have gone out to Santo Domingo raising sharply the questions Raborn has raised here. Meanwhile, the following paragraph from Tap Bennett's situation report of last night may be worth your attention:

"Garcia Godoy appointments increasingly bone of contention. Garcia Godoy predictably is coming under fire from all directions over his appointments. Rebels are dissatisfied. Among them, more extreme elements are already mounting campaigns designed to force acceptance of their favorites in certain slots. Many rebels consider Garcia Godoy is favoring Balaguer, although Balaguer clearly believes otherwise. Conservatives are alarmed over number of young malcontents and persons they consider to be Communist included among new appointments. Garcia Godoy is clearly treading difficult path in trying to form government with progressive tone without bringing house down."

I attach the whole telegram in case you want to see what else Tap says.

The Wessin departure has clearly been a success, but there are plenty of problems left.

McG.B.

SECRET ATTACHMENT

THE WHITE HOUSE WASHINGTON

Friday, September 10, 1965, 7:30 PM

MEMORANDUM FOR THE PRESIDENT

Re: PL 480 Title 3 assistance

This is a plea for general authority to go forward with Title 3 programs even when the food winds up in countries that we are having trouble with, like Algeria, India, Pakistan and the UAR.

I know you have been reluctant to give these approvals, but I cannot help thinking we have somehow failed to make clear just how the Title 3 program works.

Under Title 3, the Commodity Credit Corporation is authorized to donate excess food commodities to nonprofit U.S. voluntary agencies for use in the assistance of needy persons in the nonprofit school lunch programs outside the United States.

The language is very clear and specific, and the gift is from the Commodity Credit Corporation to the American charity, and not from the U.S. Government to any foreign government, in any way, shape or form. The U.S. may pay handling and export charges up to the point of export, but not beyond.

The Act prohibits Title 3 transactions with the Soviet Union and Communist China. Otherwise it has no geographical restrictions.

Under Title 3, over the last ten years, our private charities have sent shipments, without criticism, to all sorts of countries, and I don't think there has ever been any trouble on the Hill. Indeed, the experts say that the only whispers of criticism have come when there seemed to be a "political" suspension, as during Suez.

We have been holding up on Title 3 requests since July, but the charities have not yet made public protest because they have been fobbed off with bureaucratic explanations not involving any shift in policy. But next week, on September 15, the Advisory Council on Title 3 charities will be meeting here, and the story is very likely to break unless we are able to tell them that we are going ahead.

I do not see any political or social advantage in cutting off this program of gifts from the Commodity Credit Corporation to American charities

THE WHITE HOUSE WASHINGTON

- 2 -

at this point. It would not have a healthy influence on any of the governments we are trying to get straightened out with, and it would not add to public understanding of your real purposes, at least as I understand them. May we go ahead with Title 3 gifts to American charities?

The particular sums involved are \$40 million for India; \$5 1/2 million for Pakistan; \$11 1/2 million for the UAR; and \$14 million for Algeria.

hys.

Yes	
No	1
Speak to me_	V

Friday, September 10, 1965 - 7:15 PM

MEMORANDUM FOR THE PRESIDENT

You will be interested to know that the French have in fact returned the Balloons for atmospheric testing which they abducted from Norfolk earlier this summer.

THE WHITE HOUSE WASHINGTON

(2)

Friday, September 10, 1965, 7:15 PM

MEMORANDUM FOR THE PRESIDENT

Re: Sterling Situation

Joe Barr reports, at Tab A, that a Bank package of support was wrapped up in London last night. Our share is \$400 million, and the total is somewhere near a billion dollars.

Everyone came through except the French, who pulled out at the last moment.

Right now sterling is fairly strong, but the first real test will come early next week when we get the British August trade figures. We still don't know what news they will give.

The Bank of England is making a bland announcement at Tab B, and our press position is stated at Tab C. It is worth noting that the specific numbers are still secret.

m.l.B.



THE SECRETARY OF THE TREASURY WASHINGTON

September 10, 1965

MEMORANDUM TO THE PRESIDENT

Last night at about 11 p.m. London time, the Bank of England and the Chancellor of the Exchequer wrapped up a multilateral package to support the pound sterling. The package should total between \$900 million and \$1 billion with the exact amounts and form of participation of some countries not yet finally settled. The countries participating are Austria, Belgium, Canada, Germany, Holland, Italy, Japan, Sweden, Switzerland, and the United States, plus the Bank for International Settlements. The Bank of France was originally in the package but pulled out of the deal yesterday morning.

United States participation in the package will total roughly \$400 million in line with our agreement. This amount will be divided between the Federal Reserve and the Exchange Stabilization Fund of the Treasury.

The Federal Reserve Bank in New York began operations this morning in the spot sterling market and very limited operations have brought good results thus far in terms of a higher rate for sterling. The rate has moved from 2.7918 to a recent bid of 2.7940. We are hoping that this improvement in the rate will give the speculators reason for concern and by accelerating a return of the confidence in sterling will trigger a re-flow of funds to the United Kingdom.

This negotiation has been much more difficult than that of last November but we are hopeful that the package will carry the pound through the uncertainties of the next few months. While this operation has started well, the first real test may come as early as Monday or Tuesday, when the British trade figures will be announced. We have no information as yet of these figures.

A release issued by the Bank of England is attached plus our own response to press inquiries. We will not add any comments to these statements and feel that the details of this operation must be held very close -- especially the figures.

Joseph W. Barr Acting Secretary

STATEMENT BY THE BANK OF ENGLAND (Released 9 a.m., E.D.T., September 10, 1965)

There is increasing evidence that the measures taken by Her Majesty's Government to restore the United Kingdom's balance of payments are having their effect. Sentiment toward sterling in the exchange markets is improving.

To further this trend, the Bank of England with the full authority of Her Majesty's Government, has entered into new arrangements with the central banks of Austria,

Belgium, Canada, Germany, Holland, Italy, Japan, Sweden,

Switzerland, United States, and the Bank for International Settlements, who cooperated in the support of sterling last November.

These new arrangements take various forms and will enable appropriate action to be taken in the exchange markets with the full cooperation of the central banks concerned.

C

RESPONSE TO PRESS INQUIRIES ON BANK OF ENGLAND ANNOUNCEMENT

The Treasury said that it could not elaborate on the new arrangements announced today by the Bank of England, but pointed out that:

- The present arrangements entered into by the Bank of England with other central banks have been developed in an economic and financial environment very different from that of last November when the situation required emergency credit assistance to the U.K. Then, the United Kingdom was experiencing a very large balance of payments deficit which had not yet been brought under control, and confidence had been sharply impaired. Now, the series of measures taken by the United Kingdom over recent months is bringing improvement in the U.K. balance of payments, and gives indications of producing equilibrium, as intended, by the second half of 1966. Confidence in the U.K. position is growing. The new arrangements are designed, as the Bank of England has pointed out, to further this trend.
- 2. The new cooperative arrangements take various forms. Details concerning the form, amount, and timing of these arrangements are not being made available.

Friday, September 10, 1965, 7 PM

MEMORANDUM FOR THE PRESIDENT

I am slow in sending on the attached memorandum from Dean Rusk recommending a letter to Tito. This is a polite follow-up to Harriman's talks, and it gives him a smell of our readiness to cooperate in the new Yugoslav economic reform program. I think it is a good straightforward letter and worth sending.

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THE WHITE HOUSE

WASHINGTON

SECRET

September 10, 1965 Friday/6:45 pm

MEMORANDUM FOR

THE PRESIDENT

Pak/Indian Roundup. Still no clear picture of the situation on the only really active front in the Punjab below Kashmir. Pak counterattacks in the Lahore area have taken them well into India, and Delhi seems quite worried.

The SYG doesn't seem to have gotten very far in his talks with the Paks, who are still insisting on a Kashmir settlement as part of any cease-fire agreement. Nor does McConaughy's latest talk with Bhutto (Karachi 428 attached) show much give.

The much more guarded tone of Indian statements suggests that Delhi is getting worried over Pak counterattacks. Chavan's denial India was attacking East Pakistan is the first bright move they've made so far. But Delhi's 564 from an excellent source shows little give as yet either.

The consensus here is that neither side will begin to negotiate seriously until more blood has been let. Many of us feel that the Paks will do quite well militarily in the next week or so in the key Punjab sector. But this would only humiliate the Indians and probably make them <u>less</u> likely to stop shooting. The Paks are already beginning to worry about running out of ammo, etc. at which time Indian weight would begin to tell.

Our Muslim friends (Iran, Turkey, and Saudi Arabia especially) are eager to show their sympathy to the Paks. We don't think we ought to growl at them too much because they won't provide significant support and it helps for the Paks to think they have at least a few anchors left to Westward.

PM Wilson told the Paks he saw a solution emerging in four stages;
(a) cease fire; (b) return to status quo; (c) neutralize and quiet Kashmir; and
(d) a Kashmir settlement. U Thant too says the UN would probably have to
take on the Kashmir issue again. The Brits apparently envisage some Commonwealth initiative if U Thant fails, and are probing Moscow's views.

Nothing from the Chicoms so far except more noise. But Delhi fears the Paks may try to incite India to attack East Pakistan, because this would trigger the Chicoms.

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 97-432

By is, NARA Date 7-25-98

SECRET

R. W. Komer

I MET FOR 45 MINUTES TUDAY WITH FORMMIN BHUTTO TO PRESENT US RESPONSE GOP REQUEST FOR INVOCATION DEFENSE AGREEMENT. I PARA-PHRASED REFTEL AND LATER SENT FORMMIN MINUTE. I ADDED US CON-CERTING ALL OUR RESOURCES BEHIND SECURITY COUNCIL AND SECGEN. WE CANNOT SAY WHAT NEXT STEP WOULD BE IF CURRENT INITIATIVE SHOULD NOT WORK. WE DO NOT EVEN WANT TO ENVISAGE POSSIBILITY OF IT NOT WORKING, AND ASSUME FORMM IN WOULD AGREE ON THIS. BHUTTO REPLIED IF UN WERE ONLY MEANS OF SECURING JUSTICE AND MEETING ARMED AGGRESSION, THERE WOULD BE NO NEED FOR BILATERAL ALLIANCES. IF ONLY REASON FOR BILATERAL AGREEMENT WIITH U.S. WERE TO REFER TO UN THEN PAKISTAN MIGHT AS WELL NOT HAVE THAT AGREEMENT. US/PAK AGREEMENT IS SPECIAL ARRANGEMENT AND OBLIGATION US WITH RESPECT PAKISTAN TO REFER GOP NOW TO UN IS TO SAY US NOT WILLING FULFILL ITS OBLIGATIONS. SITUATION ALL THE MORE COMPLICATED THAN HERETO-FORE SINCE UN HAS DONE NOTHING EFFECTIVE OVER 18 YEARS RE KASHMIR. THIS WAS INDIAN INTENTION AND IF IS BASE YOUR REPLY, WE MIGHT AS WELL HAVE LISTENED TO INDIANS. FEAR GOP MUST MAKE SPECIAL NOTE OF THAT. US/PAK BILATERAL AGREEMENT NOT DEPENDENT UPON UN BLESSING. IF THAT, HOWEVER, US APPROACH, MUST SAY IT CAUSES DISAPPOINTMENT GOP, DISAPPOINTED OUT I HAD NOT SAID CURRENT UN APPROACH THE FULL EXTENT OUR REACTION. IT FIRST STEP AND HOPEFULLY ENOUGH LAY BASIS FOR SETTLEMENT ACCEPTABLE GOP BUT OBVIOUSLY MUST GET CEASE FIRE AND WITHDRAWAL FORCES BOTH SIDES. WE HAVE SAID THAT "DEPENDS UPON RESPONSES BOTH SIDES". WE RECOGNIZE OUR RESPONSIBILITY TO GO BEYOND FIRST STEP IF THAT DOES NOT WORK. IF YOU COOPERATE IN GOOD FAITH AND CLARITY. US HAS RESPONSIBILITY. BHUTTO SAID TIME IS OF ESSENCE. WE CANNOT GO BY STAGES WHEN FATE OF NATION HANGS INDIA HAS MADE MANY PLEDGES AND PROMISES TO PEOPLE IN BALANCE. OF KASHMIR AND VIOLATED UN RESOLUTION. INDIA HAS EMBARKED ON AGGRESSION, IN EAST PAKISTAN BY ECONOMIC AGGRESSION, EXPELLING MUSLIMS, INFILTRATING JAMMU. INDIA HAS PERHAPS OVER-REACTED. INDIA HAS COMMITTED AGGRESSION AGAINST KASHMIR. PAKISTAN CANNOT COMMIT AGGRESSION THERE, THEY ARE OUR OWN PEOPLE. INDIA RE-OCCUPIED KARGIL POSTS AUGUST 30, AND ON AUGUST 24 UNDERTOOK POONCH OFFENSIVE. GOP HAD TO REACT BUT ONLY DID SO IN DISPUTED TERRITORY. AT EVERY STAGE INDIA HAS ESCALATED; BY CROSSING C.F.L. BEGINNING WITH URI-POONCH OFFENSIVE. BUT NOBODY, EVEN OUR ALLIES, CAME TO US AND ACKNOWLEDGED THOSE ACTIONS AS PROVOCATIVE. AS SELF-RESPECTING PEOPLE WE HAD REACT. INDIA THEN DETERMINED TO REACT ANEW AND INVADE PAK TERRITORY. I ASKED ABOUT GOP POSITION OF IMPLEMENTATION CEASE FIRE AND WITHDRAWAL AS FIRST STEP. BHUTTO REPLIED THIS HAPPENED BEFORE WITH VERY SAME LANGUAGE, CEASE FIRE, UN RESOLTUION AND PROMISES TO BRING FULL WEIGHT TO BEAR. NOW PEOPLE HAVE MADE SACRIFICES AND INDIA HAS COMMITTED AGGRESSION. WITH ALL THAT SHOULD WE REPEAT MISTAKES OF PAST AND ACCEPT CEASE FIRE? WHAT IS DIFFERENT ELEMENT TO ASSURE INDIA WOULD TAKE DIFFERENT POSITION? EIGHTEEN YEARS AGO IT WAS EASIER ACCEPT CEASE FIRE, NOW IT MUCH MORE COMPLICATED. WE WANT CEASE FIRE BUT ARE NOT GOING TO PERMIT SURRENDER OUR VITAL INTEREST. INDIA HAS NO VITAL INTEREST IN KASHMIR. PAKISTAN HAS VITAL MORAL, ETHNIC, RELIGIOUS INTEREST. AM AFRAID MATTER NOT BEING LOOKED AT OBJECTIVELY. CEASE FIRE MUST FORM PART OF FINAL KASHMIR SETTLEMENT ALONG LINES: A) INDIA AND PAKISTAN VACATE TERRITORY, B) UN ADMINISTRATION OF LAW AND ORDER FOR PERIOD APPROXIMATELY SIX MONTHS, C) PLEBISCITE WITHIN PRECISELY STIPULATED TIME. WITHOUT THAT THERE CAN BE NO SOLUTION. I SAID INDIA NOT ABLE TO AGREE TO THAT NOW AND BHUTTO RESPONDED, "THEN LET THEM DESTROY PAKISTAN!" I OBSERVED FORMM IN MUST BE AWARE THERE NEW SENSE OF URGENCY CONCERNING KASHMIR PROBLEM COMPARED THAT PAST 18 YEARS. NOT POSSIBLE NOW TREAT ISSUE PASSIVELY. IMPOSSIBLE WITH NEW SITUATION

FAIL SEEK ACCEPTABLE SOLUTION. BHUTTO SAID, "PEOPLE OF KASHMIR ALONE MUST DECIDE, AND "O SOLUTION IS COMPLETE WITHOUT PEOPLE OF KASHMIR EXPRESSING A THI OF SELF DETERMINATION. HIS IS BATTLE OF SURVIVAL FOR PAKISTAN. WE MUST BE EITHER DEGRADED AS NATION OR PREVAIL. WE PREPARED FIGHT TO FINISH. PAKISTAN IS SMALL COUNTRY BUT MORALITY IS ON OUR SIDE AND PAK PEOPLE UNITED. YOU CANNOT DESTROY A PEOPLE AND THEIR SPIRIT BY ONE BATTLE IN LAHORE." I INTERJECTED THAT FORCE NO ULTIMATE ANSWER. BHUTTO RETORTED, "WHAT HAS HAPPENED OVER PAST 18 YEARS?" I POINTED OUT TO FORMM IN HIS POSITION AMOUNTED TO SAYING GOP NOT WILLING ABANDON USE OF FORCE EVEN IF OTHER SIDE WITH-DREW. HE REPLIED PAKISTAN HAS BEEN INVADED. I ASKED IF INVADER WITHDRAWS. WOULD THAT NOT BE BETTER THAN THROWING HIM OUT? BHUTTO REPLIED, "YES, IF HE ALSO WITHDREW FROM JAMM U AND KASHMIR." I SAID IT NEW POSITION THAT JAMMU AND KASHMIR PART OF PAKISTAN. BHUTTO SAID NO, IT GOES BACK AT LEAST A YEAR. I ASKED DOES NOT PLEBISCITE COME FIRST, AND BHUTTO RESPONDED WITH, "WHY HAS THERE NOT BEEN A PLEBISCITE LAST 18 YEARS?" I SAID AMB BOWLES MAKING URGENT REPRESENTATION NEW DELHI TODAY, AND I HOPED INDIA WOULD AGREE TO CEASE FIRE AND WITHDRAW, ALBEIT, I DID NOT EXPECT THAT WOULD INCLUDE JAMMU AND KASHMIR. I POINTED OUT THAT ALL OUR PERSUASIVENESS HAS BEEN BROUGHT TO BEAR BEYOND ANY OTHER THOUGHT POSSIBLE BEFORE. BHUTTO OBSERVED US POSITION INDIA OF SPECIAL CHARACTER BUT WITH PAKISTAN US HAS SPECIAL MORAL AND CONTRACTIONAL OBLIGATIONS. COMMENTED SURELY US CAN DO MORE THAN DIRECT GOP TO UN.

I ASKED FORNMIN ABOUT GOP POSITION CONCERNING VISIT UN SECGEN. BHUTTO SAID GOP DID NOT OBJECT TO WELCOMING HIM SO HE MIGHT SEE FOR HIMSELF. HE EXPRESSED FACETIOUS HOPE ARTICLE 19 QUESTION SUFFICIENTLY RESOLVED TO PERMIT UN PAY SECGEN AIR FARE. NOTING THAT QUESTION AND OTHER UN PROBLEMS, BHUTTO SAID PLEASE TAKE SUCH INDICATIONS (OF WEAKNESS) INTO ACCOUNT BEFORE PUTTING ALL US MIGHT BEHIND UN. SAID VALUABLE TIME HAS BEEN LOST WITH POSSIBLY FAR-REACHING CONSEQUENCES. STRESSED BILATERAL OBLIGATIONS NOT SUPERCEDED BY UN.

I ACKNOWLEDGED US BILATERAL RESPONSIBILITIES GO BEYOND APPEAL TO UN IF THAT SHOULD NOT WORK. HOWEVER, AS OUR TREATIES USUALLY INDICATE, WE SEEK WORK WITHIN UN IF POSSIBLE. BHUTTO SAID LATE SECRETARY DULLES HAD PROMISED IMMEDIATE US ACTION EVENT INDIAN AGGRESSION. SAID UNDER SECRETARY BALL BECAME IRRITATED WHEN BHUTTO POINTED OUT US WOULD NOT INTERVENE PROMPTLY ENOUGH. CITED LATE PRESIDENT KENNEDY'S SAYING US WOULD BREAK RELATIONS WITH INDIA IN EVENT AGGRESSION. AMB HARRIMAN HAD ASSERTED US SIMPLY WOULD NOT PERMIT INDIAN ATTACK. BHUTTO COMMENTED NOW GOP FEARS BEING REALIZED.

I POINTED OUT TO FONMIN US USING ITS MIGHT RIGHT NOW, AND I WAS NOT SAYING IF PRESENT EFFORTS DO NOT WORK THAT WE WILL NOT TRY OTHER WAYS. I SAID THAT IF GOP COULD ONLY COOPERATE, LIKELI-HOOD WAS MORE SERIOUS EFFORT THAN EVER BEFORE SEEK ACCEPTABLE SOLUTION. BHUTTO RETORTED THAT PEOPLE OF KASHMIR MOST CONCERNED, SUFFERING AS THEY DO FROM GENOCIDE, EXPULSION AND VIOLATION FROM INDIA. I OBSERVED INDIA MUST BE BROUGHT TO ACCEPT ANY AGREEMENT OF HER OWN FREE WILL. TO BE VIABLE ALL THREE PARTIES MUST BE WILLING TO ACCEPT, I.E., PAKISTAN, INDIA AND KASHMIR. BHUTTO RESPONDED, "WE NOT BARTERING OVER PIECE OF TERRITORY BUT ARE CONCERNED WITH FATE FIVE MILLION PEOPLE. IF THEY WANT INDIAN, OKAY. IF THEY WISH TO BE PART OF PAKISTAN, THAT'S FINE. IF THEY WISH SOMETHING ELSE, THAT'S ALL RIGHT TOO. WHATEVER THEY WANT."

AS OUTLINED BY ME IF INL ANS ACCEPT. SAID SUCH ACCE ANCE WOULD BUY TIME. VALUABLE TIME IN WHICH TO WORK TOWARD AGREEMENT.

OBSERVED THAT IN UNFORTUNATE CASE INDIA SHOULD NOT ACCEPT, GOP WOULD BE IN STRONG DIPLOMATIC POSITION AND THUS COULD NOT LOSE EITHER WAY. BHUTTO SAID GOP HAD TRIED UN AND BEEN HUMILIATED, BEEN TREATED THERE AS NAIVE AND STUPID, SUBJECTED TO CYNICAL DISCUSSION AND TOLD TO BE REALISTIC. SAID HE HAD TOLD UN REPRESENTATIVES SUB-CONTINENT COULD TAKE FIRE IN ABSENCE SETTLEMENT, BUT THEY SAID THAT IMPOSSIBLE. BHUTTO CLAIMED GOP HAD TRIED VERY HARD OBTAIN PEACEFUL SETTLEMENT. GOP HAD ACCEPTED ALL 14 PROPOSALS MADE, AS WELL AS UN RESOLUTION, COMMONWEALTH INITIATIVE. GOP HAD REFRAINED FROM TAKING ADVANTAGE IN SINO INDIAN CRISIS, LISTENED TO INTERMEDIARIES, PARTICIPATED IN DISCUSSIONS IN GENEVA, FORM IN MAINTAINED GOP HAD ALWAYS TAKEN INITIATIVES IN SEEKING PEACEFUL SOLUTION. REITERATED IT NECESSARY STUDY TOTALITY OF PROBLEM.

I SUGGESTED GOP RECEPTIVITY POSSIBLE VISIT SECGEN SIGNIFIED TO ME THAT GOP NOT PREPARED ABANDON PEACEFUL SOLUTION AND IS KEEPING MIND OPEN. BHUTTO REPLIED, "OPEN MIND, YES! BUT A POSITIVE CEASE FIRE, CEASE FIRE WHICH MEANS SETTLEMENT, PLEBISCITE." BHUTTO POINTS TO PAK LOCALE ON CROSSROADS OF ASIA, ASKING HOW CAN PAKS AS ORIENTAL PEOPLE PREVENT VISIT THEIR COUNTRY SECGEN WHO ALSO ASIAN. SAID GOP OF COURSE HAS NO OBJECTION BUT IF SECGEN THINKS HE NOT GOING TO ADDRESS SELF TO HEART OF MATTER BUT SIMPLY PUT FORTH INDIAN POSITION, HIS VISIT CAN SERVE NO USEFUL PURPOSE. I OBSERVED SECGEN CERTAINLY NOT GOING PRESENT GOI POSITION, AND I REITERATED NECESSITY BOTH SIDES STOP SHOOTING AND SEEK AGREEMENT. BHUTTO REPLIED THAT MATTER OF FOMALITY. SAID CEASE FIRE WITHOUT LARGER AGREEMENT NOT POSSIBLE.

I ASKED FORM IN IF ANY FURTHER INTELLIGENCE AVAILABLE CONCERNING "INDIAN MOVEMENTS LAST FEW HOURS;
HE REPLIED NO, HE THEN REFERRED PEENION VIELT, CALLING HIM OLD FRIEND OF PAKISTAN, AND SAYING SUCH VISIT WOULD ALSO BE WELCOME BUT IN SAME WAY AND MANNER AS THAT UN SECGEN. REITERATED THAT TO BE MEANINGFUL ANY DISCUSSION MUST ADDREDD TO MAIN PROBLEM. SAID THIS MATTER FOR US MORE THAN ANY OTHER COUNTRY.
MCCONAUGHY

SDA144 RR RUEPWW DE RUEHCR 8529 2531920 ZNY CCCCC R 101806Z FM SECSTATE WASHDC INFO RUEPWW/WHITE HOUSE ATTN MR BUNDY RUEPIA/CIA RUEHIA/USIA R 101515Z FM AMEMBASSY NEW DELHI TO RUEHCR/SECSTATE WASHDC 564 INFO RUQVKR/AMEMBASSY KARACHI 186 RUFHDN/AMEMBASSY LONDON 172 RUSBTA/AMCONSUL CALCUTTA 168 RUEHDT/USUN 120 RUCJHK/CINCMEAFSA FOR POLAD RUE HJS/DOD RUMJDH/AMCONSUL HONG KONG 24 STATE GRNC BT

SANITIZED E.O. 12958, Sec. 3.6 NLJ 97-429

ACTING DCM AND EMBOFF CALLED ON

FORTHRIGHT AND FRANK DISCUSSION ELICITED FOLLOWING INFORMATION.

INDICATED GOI OBJECTIVE IN PRESENT SITUATION IS (1) RUCTION PAK MILITARY CAPABILITY AND THEREBY (2) SETTLEMENT

KASHMIR ONCE AND FOR ALL.

IN AMPLIFICATION (1) ABOVE STATED INDIAN MILITARY OBJECTIVE IS TO DESTROY PAK ARMOR AND AIRCRAFT. STATED INDIAN MILITARY

PAGE TWO RUSBAE 456 SECRE ALREADY WELL ON WAY ACCOMPLISH THIS OBJECTIVE AND FULLY CONFIDENT OF ULTIMATE SUCCESS.

IN PEPLY TO QUESTION STATED THAT GOI HAD NO TERRITORIAL AMBITIONS PAKISTAN WHATSOEVER AND 1. AT ONCE PAK ARMOR HAD BEEN DESTROYED, GOI WOULD WITHDRAW ITS FORCES TO INDIAN SIDE OF INTERNATIONAL BORDER AND CEASE HOSTILITIES (PROVIDED, OF COURSE, PAKS DO NOT TRY PURSUE AND CARRY ON THE FIGHT, AS HE ASSUMES THEY WOULD NOTBE ABLE TO). IN REPLY TO REQUEST FOR HIS ESTIMATE OF LENGTH OF TIME REQUIRED ACCOMPLISH THIS OBJECTIVE, HE ANSWERED, "TWO TO THREE WEEKS".

3.4 (b) (1,6)

RE OBJECTIVE (2), I.E., KASHMIR SETTLEMENT, SAID DESTRUCTION MAJOR PAK MILITARY CAPABILITY INTENDED CONVINCE PAKS THEY COULD NO LONGER PERSIST IN EFFORT DETACH KASHMIR FROM INDIA. THE INDIAN STATE JAMMU AND KASHMIR WOULD REMAIN AS CONSTITUTED, A COMPLETELY INDIAN STATE. IN REPLY TO QUESTION WHETHER IN HIS VIEW THIS CONSTITUTED SOLUTION KASHMIR QUESTION, REPLIED THAT HE FELT IT DID S., "AT LEAST FOR OUR GENERATION".

1 (de)

DICSUCCION THEN TURNED TO SECRETARY GENERAL'S VISIT AND WITHOUT HESITATION SAID THAT GOI WOULD INFORM SECRETARY GENERAL OF ITS WILLINGNESS ACCEPT CEASEFIRE ON BASIS SEPTEMBER 6 SECURITY COUNCIL RESOLUTION. HE POINTED

PAGE THREE RUSBAE 456 C O N F I D E N T I A I
OUT THAT SINCE RESOLUTION CALLED FOR RETURN TO STATUS QUO
PRIOR AUGUST 5, THIS UNDERSTOOK TO MEET GOI CONCERN RE WITHDRAWAL
INFILTRATORS, AND RESPONSIBILITY FOR REMOVAL OF INFILITRATORS
WOULD THEREBY REST WITH SYG. IN REPLY FURTHER QUESTION HE STATEDCATEGORICALLY GOI PREPARED TO WITHDRAW FROM KARGIL AND URI
POONCH SECTORS. POINTED OUT, HOWEVER, ESSENTIAL ELEMENT TO
ACHIEVE CEASEFIRE WOULD BE AUGMENTATION UNMOGIP ESTABLISHMENT.
GP-3

BOWLES BT

CONFIDENTIAL

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Y 81

THE WHITE HOUSE WASHINGTON

Friday, September 10, 1965 5:00 p.m.

MEMORANDUM TO THE PRESIDENT

SUBJECT: Report from George Ball

- 1. The attached reporting cable from London shows how George Ball really put it to the British on Singapore and our support of the pound. You will not need to read the account of George's argumentation, but you will want to look at the sidelined account of the British responses on both subjects. You will notice that it took two talks for Wilson to agree to the association between our defense of the pound and their overseas commitments. The one thing which he was apparently trying to avoid was a liability in Vietnam, and you will recall that it was your own wisdom that prevented us from making any such connection earlier in the summer, although I did once informally say to one of the Prime Minister's people that a battalion would be worth a billion -- a position which I explicitly changed later.
- 2. The essence of the Singapore part of the conversation is being sent to Ambassador Clark for report to Menzies at the time he delivers your letter.

McG. B.

SECRET ATTACHMENT

SECRET

(Copy of LONDON SECUN FIVE, Sept. 9, 1965)

DECLASSIFIED E.O. 13292, Sec. 3.5 NLJ 03-248 By ii. NARA, Date 2-12-04

EXDIS

During the last two days UnderSecretary Ball and Ambassador Bruce have had extensive discussion regarding Singapore and Malaysia and the quadripartite meeting convened by Her Majesty's Government. This telegram will report the essence of these conversations with Foreign Secretary Stewart on September 8, with the Prime Minister later in the day on September 8 and with the Prime Minister again on September 9, including the relation of this problem to UK current financial difficulties.

In the course of these conversations, the Under Secretary strongly challenged the British assumption that the secession of Singapore called for urgent contingency planning regarding the maintenance of the British position and the continuance of British defense commitments in the area. He stated that the quadripartite meeting was regarded by Washington as both premature and hazardous. If it became known in any of the relevant capitals that the British were seriously considering alternatives to Singapore, the Western position would be greatly weakened. The Under Secretary made clear that the U. S. did not share the British sense that their position was in imminent danger because of recent political events. He emphasized the increasing American commitment in Southeast Asia and made clear that the American people would not understand that at the same time the British were considering a diminution of their commitment in the same area. He pointed out in detail the disastrous consequences if the word should be spread that Western power might be withdrawn or diminished. He made clear that any efforts to explore with Sukarno a possible end to the confrontation would be regarded as evidence of weakness by Indonesia and thus lead Sukarno (and the Communists) to feel that their bloody-mindedness was justified by events. He indicated strongly that the use of Japan in an intermediary role might well contribute to Japanese neutrals.

The response of the British -- both the Foreign Secretary and later the Prime Minister -- was directed at the contingency nature of British planning. The underlying British concern was that the future behavior of Lee could not be precisely predicted. They did not know whether or not he might seek to align himself with the Afro-Asian powers. They felt therefore that some kind of contingency planning was necessary.

At the same time both the Foreign Secretary and the Prime Minister categorically rejected the idea that they were seeking an easy way out of British commitments.

They therefore felt that Four-Power talks might be useful, not for the purpose of preparing a British withdrawal, but rather with the intention of developing alternative courses of action in the event that the Singapore base proved untenable.

The end result of the Under Secretary's conversations with both the Foreign Secretary and the Prime Minister was a categorical assurance that the United Kingdom had no present intention of reducing its commitments in Southeast Asia, but that it was merely seeking to develop alternative arrangements in the event that the use of the Singapore base was progressively circumscribed. Both the Foreign Secretary and the Prime Minister also indicated clearly that they had dropped the idea of any negotiations to end the confrontation.

The Under Secretary felt that as a result of his conversations the British had clearly gotten the word that the quadripartite talks had been misconceived and that neither the U.S. nor Australia had any intention of letting the British off the hook in Southeast Asia.

In the Under Secretary's discussion with the Prime Minister on Wednesday, September 8, the Under Secretary vigorously pressed the argument that the U.S. regarded the maintenance of British commitments around the world as an essential element in the total Anglo-American relationship. In response, the Prime Minister insisted that no clear link could be made between the U.S. efforts to assist Sterling and a common approach to foreign policy.

To clear up the American position on the point, the Under Secretary arranged for Ambassador Bruce and himself to have a private talk with the Prime Minister following the Prime Minister's meeting with Secretary Fowler later on the evening of Thursday, September 9. During this private conversation which lasted for almost an hour, the Under Secretary and the Ambassador made emphatically clear that the U. S. Government considered that the Anglo-American relationship must be regarded as a totality, in which each element of the relationship should be given weight and each related to the other.

Thus it would be a great mistake if the United Kingdom failed to understand that the American effort to relieve Sterling was inextricably related to the commitment of the United Kingdom to maintain its commitments around the world. All of the U. S. Government activities in relation to Sterling or the economic problems of the United Kingdom were necessarily related to the commitment of the two Governments to engage together in a 5-year review of the United Kingdom's defense program.

The Prime Minister agreed to all of this, noting that he had expressed his earlier qualifications merely to make the record clear that the United Kingdom would not accept an additional demand for a United Kingdom contribution to Vietnam as a quid pro quo for U. S. Government short-term assistance for Sterling. He readily admitted that all aspects of the relationship of the two Governments must be considered as a totality in any long-range review of the United Kingdom defense effort.

The other subjects discussed by the Under Secretary with the Foreign Secretary were Kashmir, Vietnam, and NATO. These subjects will be reported by the Under Secretary upon his return to Washington.

BALL

THE WHITE HOUSE WASHINGTON

83

Friday, Sept. 10, 1965 4:00 p.m.

MR. PRESIDENT:

The attached dispatch from General Palmer tells the saga of Wessin's departure. In addition to telling his story well, Palmer gets in a good plug for his Tank Company, which he has been asking for in the pending reorganization of his forces. Defense has already decided to give it to him, but they haven't wanted to land the tanks until they were taking some other people out and until we had safely turned the corner toward the Provisional Government.

mg. B

McG. B.

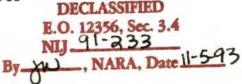
SECRET attachment

SECRET

(Copy of USFDR-CG 8039) Sept. 10, 1965

For Admiral Moorer and Gen. Wheeler

From: Palmer



- 1. On afternoon of 9 September, when it became apparent that he would not hear from Wessin, President Godoy asked his military chiefs, Gen. Alvim and myself, to his house to discuss further plans. We met there about 1700, with all service chiefs being present except Air Force Gen. de los Santos, plus Col. Desphadel, National Police Chief.

 De los Santos was not asked because of his close friendship with Wessin.

 It became obvious why the service chiefs were not willing to take on Wessin.

 They are afraid of him and admitted that they could not handle CEFA (training center for the armed forces) troops. This was why they had called on the Inter-American Peace Force. The President asked us to get him out of the country that night, saying he was willing to give him several jobs: Consul General-Barcelona, or a Military Attache job.
- 2. We then proceeded as a group to Wessin's house, which incidentally had never been visited by any chief, who did not know its location. It turned out to be a small fortress. Gen. Alvim made an emotional but very effective appeal to Wessin which obviously got good results as Wessin finally agreed to leave, but not right away. In order to get this agreement, however, General Alvim had to commit the President to designating Wessin Consul General of Miami, and a friend of Wessin's as Consul General of New Orleans. Wessin then asked the group to accompany him to CEFA headquarters (training center for the armed forces) where he would say farewell to his troops. There was some difficulty leaving his house, with a large emotional crowd of CEFA soldiers and civilians showing their displeasure. In the melee, Wessin got away from us and went to CEFA headquarters alone, followed by Gen. Deane. The rest of the group proceeded to the 82nd Airborne Division Headquarters immediately adjacent to CEFA headquarters where we contacted General Deane with instructions to invite Gen. Wessin, his second in command, and any other staff officers he wished to bring, to the division headquarters. Wessin complied, but Deane reported that they had considerable difficulty getting out of the quarter as the CEFA troops were in a highly agitated state. At division headquarters, Gen. Wessin finally agreed to leave at once. In an impromptu and highly emotional informal ceremony, he turned over command and said his farewells. Gen. Alvim and I then departed, leaving Gen. Deane to execute the rest of the plan. In the meanwhile, CEFA troops had been completely blocked off, both in the main quarter and in the tank park and the 82nd Airborne Division had complete control of the situation. Gen. Wessin, accompanied by Col. Perdomo, to whom he had relinquished command, was taken voluntarily by chopper to the international airfield and was airborne for Panama at 2005 hours. We are lucky that it went off, despite some hitches, Gen. Alvim deserves high credit for his astute argumentation, without actual conflict. not only in convincing Wessin that he had to go, but in convincing Wessin's officers that it was best he go. As usual, the 82nd Airborne Division did a bang-up job. A tank company, incidentally, would have been very handy for this operation.



(copy of USFDR-CG 8039)

- 3. The chiefs, Gen. Alvim, and I then reported to President Godoy back at the palace at about 2020 hours. The President agreed to designate Wessin as Consul General of Miami that night, although he did it with some reluctance, pointing out that it would cause him some political problems in light of the large Cuban exile population in the area. He also agreed to make Wessin's friend Consul General of New Orleans and to allow him to take his Aide with him to Miami. He asked that we take care of Wessin's family and have them to join him in Panama tomorrow, 10 September. We agreed to make necessary arrangements. Wessin will be retired from the service with full retirement privileges and in his new job will be in a civilian capacity. Wessin had also stressed the importance of assuring personnel of the armed forces that their security and integrity would be protected by the Provisional Government. The President saw the point and agreed to announce the retention of the present chiefs in their jobs this evening.
- 4. We may still have troubles with CEFA troops in the next few days. CEFA, including all their armor, are now back in the San Isidro area. Their senior officers seemed to accept the situation, however, and should be able to keep them under control. The hardest ones to convince will be the young officers who asked some fairly tough questions during the final farewell to Wessin. The 82nd Airborne Division has brought reinforcements to San Isidro and should have no problem. Group Three.

T 2 83

THE WHITE HOUSE WASHINGTON

Thursday, Sept. 9, 1965 7:00 p.m.

MR. PRESIDENT:

On General Wessin, Garcia Godoy has asked our cooperation, and steps are underway to have the IAPF remove the general if necessary. So this seems to be under control.

R. W. KOMER

DECLASSIFIED E.O. 13526, Sec. 3.5 NLJ / PAC 13-132 By (V b) NARA, Date 12-37-2013 Fire 12 31

THE WHITE HOUSE

WASHINGTON

Thursday, September 9, 1965 6:45 p.m.

MEMORANDUM TO THE PRESIDENT

SUBJECT: Two small pieces of good news from Vietnam

- 1. The Vietnamese Government has asked for Agrément on a new Ambassador to Washington, and the man they have chosen is very good -- Buu Van Tai. He has been a UN civil servant and is a respected professional.
- 2. Today in Saigon the Vietnamese Government's new Information Officer held his first press briefing for both Vietnamese and foreign reporters.
- 3. These two steps are both important in the uphill task of keeping the Vietnamese effort out in front of our own. The Ambassador here should be able to talk to American reporters and audiences as no one has for Vietnam in recent years, and if we can get a good spokesman in regular business in Saigon, we can substantially modify the impression that there is nobody there but Lodge and Westmoreland.

hof s.

Thurs 9, 19.65 85 Sept 9, 19.65

FOR THE PRESIDENT:

I recommend that you approve the attached message to President Diaz Ordaz congratulating him on what he said in his State of the Union address about the Alliance for Progress (Tab A).

I have slightly modified the proposed text submitted by State (Tab B) so that it does not put you in the position of endorsing the address as a whole. The address contains sections on the Dominican situation and Cuba, which are not compatible with our views.

On the Dominican Republic, Diaz Ordaz reiterates (even though in very low key) Mexico's opposition to the landing of our troops and the establishment of the Inter-American Peace Force. On Cuba (without mentioning the country by name), Diaz Ordaz reaffirms Mexico's Intention to maintain its ties with the Castro regime, which is in contravention of the OAS resolution of last year.

McGeorge Bundy

when

THE WHITE HOUSE WASHINGTON

Thursday, September 9, 1965 4:45 p.m.

MEMORANDUM FOR THE PRESIDENT

Last week you asked me to see if there were some way whereby General Eisenhower could be authorized to keep a fancy medal which he was being offered by a foreign government.

It turns out that this is an Austrian medal, and I now have advice from Len Meeker in the State Department that it is quite appropriate for General Eisenhower to accept and keep such a medal on the legal ground that his basic status is that of a former President and not that of an officer of the Armed Forces on active duty. This seems to me good sense as well as good law, and Meeker has the Defense Department lawyers on board. Is this something you would like to tell the General yourself, or would you like me simply to inform General Schulz that this is the legal position of the State and Defense Departments?

Tell General Schulz

Do a letter from me
to General Eisenhower

Speak to me



WASHINGTON

1299

3 PM Thursday, September 9, 1965

MEMORANDUM FOR THE PRESIDENT

Here is Bob Komer's first overnight attack on the question of your decisions and guidelines on India-Pak matters. His first two pages give the materials for 1963-1954. His last three pages deal with 1965, and I think that is what your are more interested in. It shows very clearly that you have not spared the horses in trying to make clear your own desire to get a fundamental re-examination of our programs in the subcontinent.

m. P. B.

87a

THE WHITE HOUSE WASHINGTON

SANITIZED E.O. 12958, Sec. 3.6 NLJ 97-434 By Cb NARA Date 6-7-00

SECRET

September 9, 1965 9:00 a.m.

MEMORANDUM FOR THE PRESIDENT

Here is a hasty review of your decisions and guidelines on India/Pak matters. It's doubtless incomplete but forms a pretty coherent picture.

November 1963. You saw Bhutto twice while he was here for President Kennedy's funeral, the second time to receive a note from Ayub. You told him you were "a friend of Pakistan and would try to continue to be one if Pakistan would let you." You reminded him we were paying "great attention" to Chinese Communist actions and were therefore concerned about the scheduled Chicom state visit to Pakistan. You "wanted him to know there would be a problem of public relations in this country if Pakistan should build up its public relations with Communist China." You said you were not pro-Pakistani or pro-Indian but pro-Free World. "The United States was not going to let anyone attack Pakistan. But it was going to be increasingly difficult for us in this country when Pakistan invited the Chinese Communists for state visits."

9 December 1963. Letter thanking Ayub for message delivered by Bhutto also underscored your concern over Pakistan's several recent "actions which redound to the advantage of Communist China," especially the state visit planned for February 1964. "Regardless of Pakistan's motivations, which I understand but frankly cannot agree with, these actions undermine our efforts to uphold our common security interests in the face of an aggressive nation which has clearly and most explicitly announced its unswerving hostility to the Free World." You said you were aware of his "intensity of feelings" about India and reminded him "we have given--solemnly and with full awareness of their significance and importance--assurances that we would come to Pakistan's assistance in the event of aggression from India."

30 January 1964. You replied to Ayub letter explaining that he had asked for a Security Council meeting because India had begun to "integrate" Kashmir. While we would help wherever we could, we continued to believe that the Kashmir problem would have to be settled between India and Pakistan, not by a solution imposed from outside.

8 February 1964. You signed NSAM 279 on "Military Assistance to India and Pakistan." You approved "exploratory approaches looking toward possible five year MAP programs for India and Pakistan" but said you did not want us to discuss MAP levels yet with either country.

SECRET -

We were to "make clear to both countries what we expect of them in return for prospective long-term military aid." You singled out for India holding down defense expenditures, so they wouldn't upset our economic program. In Pakistan, you required that "our MAP help should be appropriately linked to satisfactory performance with respect to its alliance obligations

3.4(6)(1),(6)

4 June 1964. You were to see Indian Defense Minister Chavan, but he had to leave suddenly because of Nehru's death. So you approved a press release and McNamara-Chavan memo outlining the agreements reached while Chavan was here. The Indians had produced a Five-Year Defense Plan; we agreed to \$50 million MAP in FY 65 but withheld any definite commitment beyond that. We also agreed to \$10 million credit in FY 64 for military purchases and \$50 million in FY 65.

7 July 1964. Ambassador Ahmed delivered a letter from Ayub spelling out the dangers of US military aid to India. You interrupted Ahmed's presentation to ask whether this explained Ayub's silence on requests for help in Vietnam, which had "shocked you." After an exchange on Ayub's statement that he might have to "reconsider" Pakistan's "commitments to her allies," you said you could not agree with Ayub's analysis but "guessed we were coming to the point at which we would all have to re-evaluate the condition of our relationship." This troubled you deeply because of your warm personal regard for Ayub and the Pak people.

15 July 1964. You reviewed US-Pak relations with McConaughy, who explained that Ayub felt we had not taken Pak views into account in developing MAP for India. You gave him an oral message to Ayub along these lines: "You had read Ayub's letter with considerable distress. You did not share Ayub's view that we were being disloyal to our alliance. You were distressed by his attentions to Communist China. You recognized Pakistan's right to re-examine its policies. We valued the Pak alliance, but we would have to re-examine our policies too, if Pakistan did." You then told McConaughy that you would decide after our election whether you wanted "to have Ayub here for a debating contest, or let Pakistan go its own way." You asked how much we were getting for the large amounts of aid we have given India and Pakistan, especially now that Ayub was no longer willing to help in Southeast Asia. You were not sure all our actions with India have been the wisest possible but we were set on that course and would see it through. Then after the election we should take a "long look" at our Indian policy over the next four years.

July 29, 1964. You instructed McConaughy to give Ayub an oral message in response to Ayub's letter, including this point: "USG expected Pakistan to join the Free World effort in Vietnam and at least show the flag there."

1965

February 18, 1965. You wrote Ayub confirming your invitation for a Washington; visit 24-30 April. 23 March 1965 letter invited Shastri.

April 14, 1965. You wrote Ayub: "I have ... reluctantly come to the view that this month is not a good time for the two of us to meet in Washington ... I think it would be in the interests of both our countries and contribute to the assurances of close and mutually helpful relations between us if we could postpone our meeting until later this year -- perhaps early in the fall... I shall, therefore, look forward to a full, frank and friendly discussion, but I do think it can be more profitable in a few months than at the moment." Similar letter to Shastri.

April 20, 1965. You told Mann you did not want to make any <u>pledge</u> to the Indian consortium till our aid bill was passed. Upon pleas that the <u>pledge</u> was due the next day, you authorized one only if it was sufficiently hedged by conditions that we were not obligated to any specific level or timing. After this, we put out a special White House request that all pending Pak/Indian aid decisions be cleared here first.

April 23, 1965. Following the above, we assembled for you a rundown on current Pak/Indian aid decisions. You approved four small loans, but disapproved any advances on FY 66 money because we might not even get an aid bill.

June 9, 1965. After a broad review of Bell-Mann recommendations on aid, you gave a go-ahead on loans already authorized and announced plus several others which Bell specified as nearly ready. But you also directed that there be no additional decisions, authorizations or announcements on loans to India or Pakistan without your approval, pending passage of the FY 66 aid appropriation. At the same time, you requested a State-AID review of India/Pak aid in the global context of making the best use of our aid money.

SECRET

3.4(b)(1),(b)

21 June 1965. You approved several tactical moves (stalling on MAP, stalling on the July Pak consortium meeting, thinking that we fear a break

with the Paks) to flesh out a harder line designed to make the Paks and Indians come to us. You elaborated to Mann and Komer why you felt unable to approve any US pledge until Congress had appropriated the funds. On June 30 (Deptel 1485) McConaughy was instructed to inform Shoaib and/or Ayub that "given fact US Congress has not yet completed its authorization action on aid bill, given fact that after authorization process is completed it will be necessary to go through a separate appropriation procedure in the Congress, given consortium meeting be postponed until after Congress adjourns." (Note: This message (Deptel 1485) conveyed by McConaughy "almost verbatim" to Ayub. "Ayub took the news quite hard -- worse than I had anticipated.")

July-August. Discussions of new India PL 480 agreement. In early July, you told Mann to get the Indians to ask us for PL 480 before you'd approve a new agreement. On 15 July (?) B. K. Nehru brought in Shastri's 14 July letter and you gave a go-ahead for a stop-gap agreement to cover two months' supply.

SECRET

1965 - Page Two

6 July, 1965. You requested (via Bundy memo to Rusk and McNamara) an orchestrated USG effort to convince Pakistan of our dissatisfaction with its current posture.

18 July 1965. You told Bundy "you would like to get a message to the Paks either through a letter to Ayub or a talk with the Ambassador - making it very clear indeed that you do not propose to talk about assistance programs until they have been authorized and appropriated by the Congress." Rusk said "that the message had been communicated over and over, but that he thought it would be good to do it again."

2 August 1965. You asked Komer through Califano to pass on to Rusk and McNamara that we ought to get the word to Ayub that he couldn't afford to wait out the 23 September consortium deadline because you wanted to talk with him before approving our pledge. You talked with Rusk, McNamara and Goldberg yourself and underscored that we should get the word out that the Paks couldn't run our India policy, though we didn't want to be Pakistan's masters either. You told Goldberg to talk with the Pak ambassador at the UN

3.4(6)(1),(6)

4 August 1965. John Bonny of Morrison Knudsen delivered an oral message from Ayub. You voiced your annoyance with the way Ayub had reacted to the consortium postponement but said you'd be willing to talk to him as soon as the aid bill was through Congress. "Then you would decide what to do in our national interest." You warned that Ayub couldn't pressure us by trying his case in the papers.

6 August 1965.

3.4(6)(1),(6)

20 August 1965. In commenting on a wrapup of our Pak/Indian progress you noted: "We will await Congressional action before commitments. Then we will await their visit before participating in consortium. Goldberg goes too far in assuming as soon as Congress acts all is well. We will determine what is in our national interest and act accordingly after Ayub visit. Get this word to them loud, clear and unequivocal. L."

4 September 1965. Reply to Ayub letter of September 2 (regarding the critical situation in Kashmir) urging that Pakistan accede to the SYG¹s appeal for an immediate cease fire.

R W Komer

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Thursday, September 9, 1965 9:45 a.m.

MEMORANDUM FOR THE PRESIDENT

At Tab A is a draft answer to Prime Minister Menzies' message of September 6, of which a copy is attached for reference at Tab B.

George Ball does not get back until this weekend, and we have not yet had a full account of his conversations in London, but I think you may want to give a prompt and encouraging answer to Menzies' message.

Harold Wilson's rather non-committal message, on the other hand, hardly needs an answer beyond what Ball will have given in conversation.

McG. B.

OK to send answer to Menzies

Speak to me see that and Clark
sees this correspondence

Atts: Tabs A&B

SECRET

September 10, 1965

Dear Prime Minister:

Many thanks for your message of September 6 concerning the London talks on Southeast Asia and particularly on the implications of the Singapore and Malaysia situation.

Once again I appreciate your frankness, and I must say that I fully agree with the views that you have expressed to Mr. Wilson.

For our part, George Ball has talked to Mr. Stewart and will be seeing the Prime Minister and others. We have instructed him to express in the strongest terms our belief that any early actions along the lines suggested in the British paper, particularly any acceptance of current Indonesian demands or objectives, or any early withdrawal from the British position in Singapore, could only have extremely serious consequences throughout the Far East and indeed more widely.

At this moment we are awaiting word from Mr. Ball on these conversations. When we hear from him we shall be eager to consult with all our friends, but I can assure you that there will be no change in our position on the need for a continued stout British stand against the present Indonesian confrontation policy.

Sincerely

The Right Honorable
Robert Gordon Menzies, C.H., Q.C.
Prime Minister of Australia
Canberra

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 97-432

By us , NARA Date 9-25-98

SECRET



AUSTRALIAN EMBASSY WASHINGTON, D. C.

88.15.

6th September, 1965

Dear Mr. President,

I have been asked by the Prime Minister of Australia, the Right Honorable Sir Robert Menzies, to transmit to you the personal message reproduced below relating to the quadripartite talks in London on Singapore. The Prime Minister's message follows upon discussion by the Australian Government of the report of the Minister for External Affairs on the message sent to him by the Secretary of State on 5th September.

The Prime Minister's message is as follows:-

"My dear President,

We very much welcome your decision to send officials to take part in the talks now occurring in London to examine the implications for future policy of the separation of Singapore from Malaysia. We feel sure that this stems from your deep concern for the future of South-East Asia as a whole, a concern which we share.

You are, no doubt, aware of the paper which the British authorities submitted to the meeting. It is proper for me to tell you that our immediate reaction on receiving the paper was to communicate with Mr. Wilson on certain aspects of it. I sent him a personal message in which I said that the proposals in the memorandum are far-reaching and in some ways surprising, and that they exhibit a general attitude towards the probable developments in South-East Asia which we would require to examine and, if necessary, to challenge. I said, taking one particular instance, that even though they, the British, and we have been committed publicly and in action to resisting the Indonesian policy of confrontation, the British paper at first blush appears to involve, either now or within a period, acceptance of the Indonesian demands or objectives inherent in confrontation, that is to say, the break-up of the Malaysian Federation, Sabah and Sarawak restored to isolation, and the removal of British bases from the area.

I ended by emphasizing that we could permit our officials to do no more than put questions and generally to seek elucidation, leaving the Government uncommitted in respect either of the assumptions of the paper or the aims of the paper. Such matter of substance will be left for discussion here at Government level after the officials return.

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 97-435 By us, NARA Date 3-25-99

TOP SECRET

I have set this out as background to the consideration which I am sure your Government will be giving to future policy in the area. The decisions to be made may be of historic significance for Australia and New Zealand as well as for the political and military balance in South-East Asia, and certainly for the United States in view of your own positive policies for containment of Communist expansion and preservation of small free countries.

With warm regards,

R.G. Menzies."

Yours sincerely,

(R.W. Furlonger) Chargé d'Affaires a.i.

The President,
The White House,
Washington, D.C.



MEMORANDUM TO: Mr. Moyers

SUBJECT: Two press calls

- 1. I had a visit from Rowland Evans today. I agreed to see him because he did us an honest favor a couple of weeks ago. He wanted to talk about the Pak/India thing, and he was primarily interested in the question of a possible Chicom/Pak secret agreement. I told him that we were in no position to confirm or deny, and that I doubted if anyone was, including Ayub. I did say that there was an evident community of interest among the Paks and Chicoms -- and for that matter the Indonesians -- in cutting the Indians down to size.
- 2. We went back and forth on a number of the publicly debated aspects of this problem, and I stayed away from questions of future U.S. policy. The upshot of it was that Evans said he did not see where there was a column in it.
- 3. Evans mentioned in passing that he is doing a book on the President. I told him that I would not expect to talk with him on that topic, and he said that he understood that, although he would try later -- "they had put the hard nuts in the bottom of the pile."
- 4. I also had a phone call from Douglas Kiker who was trying to create a confrontation over NATO. I think I cooled him, although you never can be sure with Douglas.

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Mr. President:

Max Taylor asked me to send you the attached memorandum about some of the difficulties of a cease-fire. As I think I indicated to you last week, he is concerned about Senator Mansfield"s "corollary" calling for a "cease fire and stand fast" on all sides.

MEMORANDUM FOR THE PRESIDENT:

I had a short talk with George Meany this evening, and he says to tell you that he is not closing any doors and that his statement is designed simply to straighten out a lot of "lies" that Drew Pearson has printed about his relations with President Kennedy on the wheat deal. He felt quite relaxed, and asserted strongly his belief that there is nothing whatever wrong with the sale of foods to the Soviets because (a) it is humanitarian, and (b) it shows Soviet failures.

The next time he talks to Jay Lovestone, his tone will change, but I think he is ready to listen to you whenever you are ready to talk to him.

WASHINGTON

Wednesday, September 8, 1965, 9:30 PM

MEMORANDUM FOR THE PRESIDENT

Subject: Further thoughts on foreign travel this fall

1. Mrs. Johnson. I am unrepentant in my view that unless you plan to go abroad yourself, the person whose desires and interests should be consulted first is Mrs. Johnson. (I also think that you yourself should not go abroad this fall. I see no ideal place for it, and I think the proposed October Hawaii meeting with pacific Heads of State is the best alternative I have seen. I specifically disagree with George McGhee about a European trip this fall, simply because there is not enough space for a Presidential tour between the German election of September 19 and the beginning of the French election campaign season -- the French election is December 5, and the atmosphere will be hot with politics from the middle of October onward.)

I think of five possible itineraries for Mrs. Johnson. They are all good, and I honestly believe that her own preference and taste should govern, if only because one does best what one wants to do:

- 1. The northern Pacific -- Japan, Korea, Taiwan and the Philippines. These are countries of the highest interest, both in themselves and in their relation to us. In all of them, Mrs. Johnson will be extraordinarily welcome, and in all of them there are important and interesting things to do.
- 2. The Scandinavian countries. -- Norway, Denmark, Sweden, Finland and Iceland. This could be more of a vacation trip, especially if taken in October before the winter sets in. These are all friendly countries, and they are much too little noticed by leading Americans.
- 3. The Mediterranean and the Middle East. -- Greece, Turkey, Israel, and Iran. This is more touchy politically, and somewhat more turbulent, but its very turbulence makes it a good place, in one sense, for a woman whom all would have to treat with high respect.
- 4. The major friendly countries of Africa. The candidates here, in approximate order of importance, are Nigeria, Ivory Coast, Ethiopia, Tunisia, Kenya and Liberia. They are relatively the most responsible, promising and friendly in the different categories of African states -- West Africa, East Africa, French-speaking, English-speaking, Arab -- and with Liberia, very old friends. They have leaders like Houphouet-Boigny, Bourguiba, Azikiwe, Hailie Selassie,

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THE WHITE HOUSE WASHINGTON

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and Kenyatta, with whom Mrs. Johnson could have an interesting time. The impact of her visit would be very great in Africa as well as at home. October and November are the best seasons for weather, as the rains will be over and the heat at its most tolerable. I know more about this because my gifted colleague Rick Haynes has it as his great secret dream that Mrs. Johnson should make just this trip.

- 5. Argentina, Brazil, Chile and Uruguay -- the ABC countries are the heart of South America, and Uruguay is a little jewel in between. Because they are far between, they do not get as much attention as they deserve -- especially in Argentina there are hurt feelings nowadays and a harvest to be gathered in easily.
- 6. Mexico -- this is a special case and could be done any time. But it would make a great hit.
- 2. The Vice President. The part of the world that is reasonably open to the Vice President has shrunk in the last few weeks. I no longer think that the Middle East is a good place. Too many people would peddle their own troubles to him. The same thing is true, as far as we can foretell, in India and Pakistan. This leaves Western Europe, Eastern Europe, and the Soviet Union, and my own suggestion would be that the Vice President should be asked to present you a plan for a visit to the major Western European states, selected Eastern European states, and the Soviet Union -- with the clear understanding that if the plan leaks, the trip is off! But I believe this is really the best place for his talents. If this area does not commend itself to you, then I would think the Vice President was the best substitute for Mrs. Johnson in either the Northern Pacific or Africa.
- 3. The Secretary of State. This may surprise you, but my advice would be that the Secretary of State not be sent on any travels that are not diplomatically necessary this fall. If he can leave his desk for two weeks, and he can and must, it should be for a holiday. This is now deeply urgent on straight grounds of his physical reserves, and I think you should have a flat understanding with him about it very soon.

Secretary Rusk will do quite enough international work even without additional travel. He now plans to spend ten days in New York in September and the beginning of October. He will have several days at NATO in December. He may have a Rio meeting in November.

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- 4. Under Secretary Ball. George Ball will want very much to do the European travel this fall, and I think it is a major policy question whether he is the right man. This is one reason why I would like to get Hubert Humphrey on this circuit -- I think Hubert has fewer prejudices than George and a closer sense of our own political interests, if he can only keep his mouth shut. George has very specific points of view of his own which may not be yours at the moment of truth -- as the MLF crisis of last December showed. Moreover, someone has to run the shop while the Secretary is away at the General Assembly, on vacation, at NATO, and at Rio. Nevertheless, George would be good in the North Pacific, and he would be good any place where there was specific diplomatic trouble-shooting to be done, as he was on Cyprus.
- 5. <u>Bill Moyers</u>. I would send Bill with great enthusiasm to his preferred cluster of under developed Peace Corps countries, with a side trip to Western Europe thrown in. It would be extremely useful for some of the European liberals and intellectuals to meet an authentic Johnson man who is a lot better than they are.
- 6. <u>Jack Valenti</u>. I would have Jack pick another cluster of countries complementary to those chosen by Bill, but I would not put him in the Western European bearpit now.
- 7. McGeorge Bundy. If nobody else preempts, Mr. and Mrs. Bundy have a standing invitation to Japan, which Reischauer insists would be more work than play -- with Japanese opinion leaders or many shapes and sizes. This trip could be expanded to Korea and the Philippines and Thailand, and without Mrs. Bundy to Vietnam for an inspection of Lodge and Co. Alternatively, Bundy could be sent to South America because of his Spanish, or to Western Europe because of his familiarity with those problems (although this might put State Department noses out of joint.)

This is about as far as I can take it without preliminary decisions on the highestranking travels. Once they have chosen what they wish to do, it will really be very easy to make sure that good, strong representatives are picked for appropriate visits to all the countries which are not engaged in elections or all-out war, or both.

I recognize that this memorandum is still general. I can make it more concrete the moment you authorize me to talk specifically about specific trips with Mrs. Johnson, the Vice President, and the Secretary of State (the latter not for himself, but for others).

> my. s. McG. B.



WASHINGTON

CONFIDENTIAL

Tuesday, August 31, 1965 10:15 p.m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Foreign travel for the Johnson Administration -- some preliminary comments

- l. The persons available for travel fall into three categories.

 Category A consists of people who really carry a very high-level sense of representing the President. In this category there are only two people:

 Mrs. Johnson and the Vice President. Others are very close to the President personally, like Linda and Jack Valenti and Bill Moyers. Still others have great rank or professional reputation, like Secretary Rusk or General Taylor. But the First Lady and the Vice President are in a class by themselves, and their travels deserve first consideration.
- 2. In Category B I would put those who have a clear ability to conduct important foreign policy discussions with some public visibility. Here the Secretary of State is outstanding, and the range of countries he can usefully visit is unlimited (for example, he has never been to Africa and the omission has been noted -- his rival Chou-en-Lai has been there for weeks on end). Others in Category B who would have to be scheduled with more care for particular countries are Ball, Bunker, Goldberg, Harriman, Mann, McG. Bundy, Moyers, Valenti, Komer, and the Assistant Secretaries of the State Department. For particular purposes, of course, McNamara, Fowler, and Connor could be outstanding members of this group. In Category B one should also place private advisers like Acheson, McCloy, Dean, Dillon, Black, and Anderson. There are numbers of countries in which each of them is very much at home, and while they do better in small groups than in large public appearances, they can be flattering and effective private emissaries at very high levels indeed.
- 3. Category C consists of those who can be outstanding goodwill ambassadors but probably not foreign policy negotiators at this stage. In this category I would put most heads of domestic departments of the Cabinet, with particular attention to Wirtz, Katzenbach, and Gardner (if he can be spared). I would also put Cater, Busby, and Marks. I would add Linda and Luci. I would put Gordon and Heller and Milton Eisenhower. Goodwill visits by such well-known figures can often be given a policy value as well by including the right State Department officer in the party -- an Assistant Secretary or other senior and carefully selected colleague.
- 4. Given these categories, I believe that two kinds of planning need to be done now. The first is from the top down. I think you will wish to discuss yourself with Mrs. Johnson and with the Vice President which parts of the world



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either of them might visit. I myself would like to see Mrs. Johnson in every continent, except where there is active fighting or likely disturbance. I think she would be outstanding and very flattering in the smaller -- and more friendly -- countries of Europe -- anywhere in Latin America or Africa -- in Japan, Taiwan, and the Philippines -- and in India and Pakistan, if they are not at each other's throats, or ours.

- 5. The Vice President would also be good nearly everywhere. Since he is fully equipped to have policy discussions with heads of state, my own thought is that the most important place for him to go is where such discussions are most needed. I believe that he ought to go to the Soviet Union, to selected countries in Eastern Europe, and to the major capitals of Western Europe. I would also hope that he might be sent to either South Asia or the Middle East if the appropriate tactical plans can be made. I do not think he should be tagged as an expert on the underdeveloped, nor do I think he should be sent to Vietnam. I could be wrong on all counts.
- 6. Once the basic structure of travel by either Mrs. Johnson or the Vice President is agreed, it becomes very important that the party traveling with them should give strong and useful support. I do not think that your own trips as Vice President had this kind of real backing from within the Kennedy Administration -- and for that matter, neither did Mrs. Kennedy's visits to Greece, or India, or Morocco. The State Department should send an Assistant Secretary or better, selected for compatibility and effectiveness. There should also be an inconspicuous but senior intelligence briefing officer, a first-rate press officer, a sound and knowledgeable speech writer, and, for Mrs. Johnson, at least, a protocol officer, probably Lloyd Hand himself. Consideration should also be given to appropriate friends and distinguished companions. I think, for example, of John Steinbeck.
- 7. Once the very top level plans of Mrs. Johnson and the Vice President have been made, we should proceed to two other kinds of planning that ought to interlock closely with each other. The first should be regional goodwill visits, led by men who are more striking because they are close to you than because they are policy-makers. I think here of Moyers in one part of Africa, Valenti in another, and Wirtz in a third -- just as examples. I think also of myself in the Far East or the Middle East, and of Harriman in Northern Europe. Visits of this sort might take as long as two weeks and cover 6 to 8 countries. They should be designed to deal with countries that leading Americans often neglect, and they should be small-scale duplicates of any top-level trip by Mrs. Johnson or the Vice President.
- 8. Intertwined with these, and planned to complement them, should be specific trips to specific countries for specific purposes. On these we need to get private advice from ambassadors and desk officers promptly, and I believe

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this is what the State Department is now working on. The major countries of Western Europe I believe will take care of themselves because of their continuing diplomatic significance. But we need to think carefully about other special cases as different as Canada, Israel, Iran, India, Burma, Cambodia, Haiti, and even conceivably South Africa. We need to treat the Eastern European countries as individual states and not as a single riverbank for bridge-building. We need to make a tailormade approach to Spain and Portugal -- and probably to the Portuguese territories, too.

- 9. Still another category of planning is that of Congressional travel. Any leading Congressmen or Senators that Mrs. Johnson or the Vice President want to take with them are so much net gain. But they cannot be easily tacked on to other lesser goodwill missions. There is also the question of Congressional delegations with jobs of their own. On this some planning has already been done, and I attach at Tab A a State Department report of what is currently in prospect (one of these prospects seems to me alarming--namely, that Wayne Morse should be leading delegations to Japan and India. With his opinions on Vietnam, he could do a lot of harm in both places.).
- 10. Finally, there is one special problem which deserves careful attention -- it is travel by Bob and Ted Kennedy. I should think we would want to do our best to have them as much a part of the team as possible, but this is not easy to do. I would welcome your guidance on this point, and I would be glad to work on it personally if you wish me to.
- 11. I repeat that all this is preliminary. We will go on thinking in this office about specific possibilities for specific countries. But until we know the plans of the major personalities we cannot do very much in filling in the gaps.

McG. B.

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DEPARTMENT OF STATE

RECEIVED TON MCGEORGE BUNDY'S OFFICE

August 31 712 855

MEMORANDUM FOR MR. McGEORGE BUNDY
THE WHITE HOUSE

Subject: Congressional Travel Plans

I am attaching, in response to Mr. Bromley Smith's request, a listing of travel plans of Members of Congress between now and the end of this year. This list includes only those travel plans that have come to the Department's attention, and therefore is most likely not complete, particularly since many Members have plans that are contingent upon an early adjournment date.

Benjamin H. Read
Executive Secretary

Enclosure:

Travel Plans.

GROUPS (Senate and House Members):

Tentative:

Commonwealth Parliamentarians Conference in Wellington, New Zealand, from November 30 - December 8:

Senators Congressmen Fulbright Sparkman Morgan Moss Ribicoff Hickenlooper Morton Kuchel Fong Congressmen Hays Morgan Morgan Adair

Interparliamentarians Union Conference in Ottawa from Sept. 7 - 17:

Senators	Congressmer	
Talmadge	Poage	
Morse	Jones (Mo.)	
McNamara	Daddario	
Jordan (N.C.)	Long (Md.)	
Young (Ohio)	de la Garza	
Muskie	Sisk	
Cooper	Pirnie	
Simpson	McClory	
Thurmond	Adair	
	May	
	Derwinski	
	Downing	

Parliaments of India and Japan have invited Congress to send guests to these countries. Senator Morse has agreed to Chair group and trip would start around mid-November. Other members of party not yet named.

Joint Atomic Energy Committee to Far East, India and parts of Western Europe from Sept. 18 - mid-October on official Committee business:

Senators	Congressmen	
Hickenlooper	Holifield	Morris
Bennett	Hosmer	Price
	Anderson (†	11.)

HOUSE:

Definite Plans:

Congressman <u>Selden</u> -- attending 18-Nation Disarmament Conference in Geneva from Sept. 3 - 7.

Congressman Ashbrook -- Far East, including Viet Nam, from Sept. 3 - 12.

Public Works Committee -- Western Europe from October 1 until approximately October 31:

Congressman Fallon
Congressman Jones (Ala.)
Congressman Friedel
Congressman Kluczynski (tentative)

Tentative Plans:

Congressman Whitener -- Far East after adjournment.

Congressman <u>Staggers</u>-- around-the-world after adjournment.

Congressmen <u>Teague</u> (Tex.), <u>Zablocki</u>, <u>Adair</u> and possibly others to Philippines with Philippines Veterans group after adjournment.

Congressman <u>Rivers</u> and three others, unnamed at this point, from Armed Services Committee to Korea at invitation of Korean Government about October 1.

Congressman <u>Gallagher</u> -- named to attend 18-Nation Disarmament Conference in Geneva which ends in mid-September.

Congressmen Harris and Springer named to attend International Telecommunications Union Conference in Montreux, Switzerland. Conference runs from mid-Sept. to mid-Oct.

Congressman <u>Daddario</u> -- to Western Europe after adjournment on private trip.

SENATE:

Definite Plans:

Senator Scott -- To Montreux, Switzerland, for International Telecommunications Union Conference. Will also visit Benelux Countries, France and London. From Sept. 13 - Oct. 9.

Senator <u>Ervin</u> -- To Western Europe from Sept. 11 - Oct. 16. Committee on Armed Services official business.

Tentative Plans:

Senator <u>Magnuson</u> -- To India, Far East and perhaps Russia sometime in September. Commerce Committee official business.

Commerce Committee members -- To Panama in October. Headed by Senator Magnuson, but other members of party not yet named.

Senators Pastore, Hickenlooper, Gore, Symington, Cooper and Carlson named to attend 18-Nation Disarmament Conference now going on in Geneva. Conference expected to end about mid-September.

Senator <u>Jackson</u> -- England and Western Europe from Sept. 7 - 21. Committee on Government Operations, Subcommittee on National Security official business.

Senator <u>Lausche</u> -- Named to attend International Telecommunications Union Conference in Montreux, Switzerland. Conference from mid-Sept. to mid-Nov.

Senator Tower -- Rumored to want to go to Viet Nam after adjournment.

WEREN'T SO TIRED .. I'D GIVE HED A IIIM CHAO!

M. Schulz

Power Struggle in the Kremlin

By Jack Anderson

Behind the pastel walls of the Kremlin, a struggle for power is still raging. It is reported to be more sophisticat-

ed, less savage than the power plays of the past. Yet upon its outcom'e may hang the answer to the momentous question of peace or war.

Not even the most reliable intelligence re-

Anderson

ports can be depended upon to reveal exactly what is going on inside the Kremlin. But from whispers that have leaked out, a picture is taking form. Here are the outlines:

1. Former Premier Khrushchev's disciples in the lower levels of government are being slapped down. They are not being banished to Siberia, as of old, but merely demoted. However, Khrushchev's enemies apparently lack the strength to purge his former followers inside the Kremlin.

2. The anti-American faction, led by the forbidding Georgi Malenkov back to squeezers had said it would survey. Mikhail Suslov, appears to have gained the upper hand. It has succeeded in intensifying the cold war and stepping LBJ's Urgent Message up defense production. Those who favor peaceful coexistence, however, have managed cate United Nations negotia-ida's lean and lithe Sen. to keep East-West channels tions over the India-Pakistan George Smathers, the third

viet consumers.

Jekyll and Hyde

The rivalry between the Kremlin factions has given Soviet pronouncements a Jekyll-Hyde cast. Several key lined was the word, "Urgent!" possible challengers have government posts also remain vacant because of the inability of either faction to triumph,

Of course, the hard-liners are led by Suslov, who has a went on with the negotiations. deep suspicion of all things Western. He favors a more rigid domestic discipline and more militant foreign policy. He has never given up the idea of Communist conquest of the world.

line by pragmatic Premier more practical policies. Straddling the Kremlin fence is Party Chairman Leonid Brezhnev, who reportedly sided with Suslov for more defense spending but went along with Kosygin for continued East-West talks.

The division in the Kremlin may continue indefinitely or may end in another sud-Moscow as a new pawn in the cost too much. power struggle.

some concessions for the So-into the tense closed meeting leadership, is quietly preparand handed American Ambas- ing to run again in 1968. sador Arthur Goldberg a note.

make a telling point, thrust race. the note in his pocket and Several minutes later, a second note arrived. Again it retary of Commerce was held was marked, "Urgent!"

conference and took the President's call. Mr. Johnson said He is opposed down the he had seen Goldberg earlier Miami Beach's Mayor Elliott, on television and thought he Roosevelt, who has already Alexei Kosygin, who favors had dropped his eyes too fre- won a statewide race for Demquently.

plained that he had been Smathers in 1968. obliged to look down to read his notes. He would much rath-ducted by the First Research on a transparent television Burns, shows Smathers leadprompter in front of him, he ing all contenders in popularsaid, as the President does.

But when he had asked for one of these miracle readers, den shakeup. Suslov already Goldberg reminded Mr. Johnhas brought former Premier son, the President's budget ida," declares the confidential

Smathers Nixes Collins

Despite a kidney ailment open. They have also wangled crisis, a messenger slipped man in the Senate Democratic 0 1965, Bell-McCiure Syndicate, Inc.

He has been encouraged by It said President Johnson a secret poll that places him wanted to speak to the Am- far out in front of his nearest bassador on the phone. Under rival. At the same time, two But Goldberg, about to taken themselves out of the

One is LeRoy Collins, former Florida Governor, whose confirmation to be Under Secup until he gave his word that This time, Goldberg left the he would not run against Smathers.

The other potential rival, ocratic National Committee; Patiently, Goldberg ex- man, has promised to support

The latest Florida poll, coner have the script projected Corporation for Gov. Haydon

> "Senator Smathers is rated as 'excellent' or 'good' by 54.7 per cent of all persons in Flor-

Those polled were also asked which State official they thought was doing the most for Florida. Smathers was rated highest with 22 per cent, In the middle of the deli- and talk of retirement, Flor- Burns second with 18.7 per cent, and Sen. Spessard Holland third with 7.7 per cent.

EROX FROM QUICK COPY

THE WHITE HOUSE WASHINGTON

Wednesday, September 8, 1965, 7:15 PM

MEMORANDUM FOR THE PRESIDENT

Subject: Chinese Visitors

There are two high-ranking Chinese visitors in town this month, and the unanimous advice is that you ought to see each of them briefly. They are Madame Chiang Kai-shek, and Chinese Defense Minister Chiang Ching-kuo, the Generalissimo's son and probable successor (he is Mme. Chiang's step-son).

Mme. Chiang is here first, although her visit is private. She has accepted an invitation from Mrs. Johnson to tea at 4 o'clock on September 14 -- a small gathering that will include the Chinese Ambassador and his wife, Mrs. Rusk, and the Lloyd Hands. Our suggestion is that this occasion could provide you with a casual and quiet way for a brief meeting with Mme. Chiang. Lloyd Hand, the Far Eastern Bureau, and I believe that if you stop in at this tea party for a minute, you will show Presidential courtesy, while avoiding an office meeting. Such an arrangement will be appropriate in view of the private nature of her trip, and the impending official visit of her step-son.

Defense Minister Chiang is coming at the invitation of Secretary McNamara, between September 21 and September 27. McNamara strongly recommends that you receive him, and the State Department and the Embassy strongly support this request. I attach at Tab A McNamara's letter. He sent it in August, and I have held it until we got somewhat nearer the moment of decision. In essence, what he says is that the man for serious talk is Chiang Ching-kuo, both because of his future and because he brings a letter to you from his father. I think Bob is right, and that it is a good time for another straight talk with Chiang, through his son, to cool off his recurrent ambition for a small war on the Mainland.

5 9/10/65 Cent to formson

NATIONAL SECURITY COUNCIL September 8, 1965

Note for Mr. Bundy:

State is pressing me hard on Chiang Ching-kuo. Any decision on his request to see the President?

James C. Thomson, Jr.

Send then to Mr. Them in Re and we

SECRET

THE SECRETARY OF DEFENSE WASHINGTON

20 August 1965

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Visit of Minister of Defense, Republic of China

Chiang Ching-kuo, Minister of National Defense of the Republic of China, will visit Washington September 21 to 27 as my guest. Our Embassy in Taipei reports that Minister Chiang has requested an appointment to see you while he is here. The Embassy and the Department of State strongly support this request.

Chiang Ching-kuo was appointed Minister of Defense in January of this year. In March I sent him an invitation to visit the U.S. in his new capacity. Because of the intervening death of the Vice President, the visit was deferred until September.

Chiang Ching-kuo is the most powerful figure in Taiwan after his father and the most likely to succeed to his father's power. It is therefore highly important that we do everything we can to make his visit a success. From Ambassador Lodge's conversation with President Chiang last April, and from other more recent talks with him, we know that President Chiang feels cut off from United States policy thinking and believes that we have not given his views serious consideration. President Chiang sees his son's visit as taking the place of one by himself. Your receiving Chiang Ching-kuo would both give President Chiang a sense of being in direct touch with you and afford opportunity to emphasize our belief that the GRC should in its policies lay main stress on the economic and political development of Taiwan. We understand that Chiang Ching-kuo will bring a letter to you from his father making proposals on politico-military strategy in the Far East. President Chiang's July 29 letter to you also implies this. Chiang Ching-kuo is undoubtedly anxious to deliver the letter and explain its contents to you personally. This and the fact that young Chiang met with President Kennedy in Washington two years ago when he occupied a less important post than at present could make it awkward and detract seriously from the value of the visit should he not be received by you. For the foregoing reasons I suggest that you receive Chiang Ching-kuo during his visit to Washington next month.

I have reserved time during the morning of Friday, September 24 in Minister Chiang's schedule for his call on you but this schedule can, of course, be rearranged if necessary to meet your convenience.

Pohert S. Mc Namara

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

SECRET

DOD DIR 5200,10

By DCH NARS, Date 11-30-82

Sec Def Cont Nr. X- 47/3

Wednesday, September 8, 1965, 7:15 PM

MEMORANDUM FOR THE PRESIDENT

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/	McG. B.
I will try to stop by the tea party	 -
Speak to me	
I will see Defense Minister Chiang	The state of the s
Try to keep Chiang away	
Speak to me	

THE WHITE HOUSE

WASHINGTON

August 27, 1965

2 seal

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Appointment for Chiang Ching-kuo, Chinese Defense Minister

In the attached paper, Secretary McNamara requests that you receive Chinese Nationalist Defense Minister Chiang Ching-kuo during his Washington visit on September 22-24. State and the Embassy support this recommendation.

Young Chiang is widely regarded as the probable successor to his father, the Generalissimo. His Washington trip provides us with an opportunity to encourage him towards the economic and political development of Taiwan, and to discourage him from military assaults against the Mainland (which would require massive U.S. assistance).

Chiang Ching-kuo will be carrying a letter to you from the Generalissimo. Although your receiving him will cause unhappiness among his many critics on Taiwan, a courtesy call would probably be useful in reassuring his father of our continuing defense support over the difficult months ahead. I therefore recommend that you see him.

McGeorge Bundy

Yes =		-		
No _				
Let's	talk	about	this.	

THE WHITE HOUSE

WASHINGTON

September 8, 1965

not sent

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Meeting with Mme. Chiang Kai-shek

Mme. Chiang Kai-shek has accepted an invitation from Mrs. Johnson to come to tea at 4 p.m. on September 14th -- a small gathering that will include the Chinese Ambassador and his wife, Mrs. Rusk, and the Lloyd Hands.

This occasion can provide you with a casual low-visibility opportunity for briefly greeting Mme. Chiang. If you were to stop in for a few minutes, we would have shown her proper White House courtesy while avoiding a substantive meeting. Such an arrangement would be appropriate both in terms of the private nature of her trip and the impending substantive visit of her stepson, General Chiang Ching-kuo, who has asked for an appointment with you.

in J. B. McGeorge Bundy

I wi	ll s	top by	<i></i>	
See	me	abou	t this	

V 960

EXECUTIVE OFFICE OF THE PRESIDENT NATIONAL SECURITY COUNCIL

WASHINGTON 25, D.C.

CECPET

August 27, 1965

MEMORANDUM FOR MR. BUNDY

SUBJECT: Chiang Ching-kuo and the President

I attach Secretary McNamara's strong recommendation that the President receive Chiang Ching-kuo in late September, preferably the 24th.

I am instinctively opposed but assume that a turn-down would cause an unnecessary rumpus both in Washington and Taipei.

Here, at least, are some pros and cons:

A. Pro: Ching-kuo is, for better or worse, the heir apparent and not just a Defense Minister; we will have to work with him, should butter him up, and try to educate him -- specifically, as McNamara says, on giving first priority to the Taiwan home front. We should avoid feeding GRC paranoia as we move into months that will probably bring a further thwarting of GRC ambitions (maybe Vietnam negotiations, Chirep difficulties, no mainland return, etc.). Chinats will advertise any slight (and use their Republican friends to exert pressure).

B. Con: The President rarely receives Defense Ministers (certainly not from minor powers); and we should avoid giving a U.S. imprimatur to an heir apparent who is widely feared and distrusted by Taiwan mainlanders, universally feared and distrusted by Taiwanese. Nor is there mileage in giving the GRC new grounds to imply (as they will, whatever the President says) U.S. support for their mainland ambitions. We have already sent Ray Cline to soothe the Gimo, are now about to be cordial to Mme. Chiang. Why overdo it? Finally, there is evidence that the Chinats are not levelling with us on certain of their military activities against the mainland.

On the assumption that the McNamara recommendation will nonetheless go forward, I attach a draft memo to the President.

James C. Thomson, Jr.

DECLASSIFIED E.O. 13526, Sec. 3.5 NLJ / RAC 12-122 NARA, Date 1-9-2014 99.00 arr

THE WHITE HOUSE WASHINGTON

September 8, 1965

Juanita --

The attached memorandum is designed for back-up for a phone call the President told me he wants to make. Perhaps when he has made the phone call, you would be willing to ask him whether he has any guidance for me as a result.

mfh. McG. B. **MEMORANDUM**

THE WHITE HOUSE WASHINGTON

91a

Wednesday, September 8, 1965, 7 PM

MEMORANDUM FOR THE PRESIDENT

Subject: Anti-Communist operations in Santo Domingo

This is just a note to remind you that you were going to speak to J. Edgar Hoover about the jurisdictional responsibilities for working with the new provisional government on Communist control. With your approval, I have told Raborn to go ahead on an interim basis, but it would be better to get this one tidied up on a more durable basis soon.

25X1C

The second condition would be that the Director, or his representative, serve on an inter-agency committee under CIA chairmanship for continuous review of progress on the job, here in Washington. This would again help to tie the Director in to the operation and would at least put a brake on possible FBI sniping at the CIA effort.

One of the very slippery problems in all this is going to be the difficulty of definition. The difference getween foolish liberals and real Communists is even more fuzzy in the Dominican Republic than it is here, and there are more foolish liberals per square inch, too. That makes it all the more important to share the burden of accountability, while keeping the administrative line reasonably clear.

McG. B.

Approved For Release 2005/08/16: NLJ-019-004-3-6-1

Authority NLJ 019.004.003/6

By JC NARA, Date 11-30-09

September J, 1965

TO: Mr. Marvin Watson

From: McGeorge Bundy

If the President agrees, would you set a time? Since Vaughn got back on Sunday, the sooner he comes in the better. 98

Wednesday, September 8, 1965 2:30 PM

980

MEMORANDUM FOR THE PRESIDENT

Here is a paper from Dean Rusk recommending that you agree to receive Jack Vaughn. I fully agree. Vaughn has had a highly successful trip down the west coast of Latin America, and a meeting with you will give additional impetus to this Alliance effort. Vaughn can be ready to speak to the press in the Lobby as he goes out, and you need not spend any more time on it than you actually want to.

I am sure Tom Mann would strongly endorse this recommendation because he thinks it is very important to give Vaughn additional visibility with the Latin Americans in order to avoid the notion that only Tom Mann speaks for President Johnson in this hemisphere. Tom has world economic problems to deal with, and wants to encourage the Ambassadors to deal with Jack.

McG. B.

Yes	
No	

Juanita --

The attached memorandum is designed for back-up for a phone call the President told me he wants to make. Perhaps when he has made the phone call, you would be willing to ask him whether he has any guidance for me as a result.

McG. B.

September 8, 1965

MEMORANDUM FOR MR. VALENTI

SUBJECT: Visit to Washington of H. R. H. the Crown Prince of Norway

- 1. This is in response to your memo of September 3.
- 2. The attached package from Lloyd Hand contains a variety of arguments in favor of a brief call on the President by Prince Harald on September 28 or 29 -- e.g., the President reportedly committed himself to it when he talked to a Norwegian official at NIH (King Olaf knows this); the President was entertained by King Olaf in 1963; the Norwegians are disappointed with our inability to invite King Olaf to the U.S. or to send a high-level U.S. official to Norway.
- 3. There are no pressing national security reasons for or against this appointment and, from our own parochial point of view, the President has a free choice. It seems to me that the key point is the nature of the President's commitment to see the Prince and how the President feels about King Olaf. I suspect that the President will be the best judge on both of these points.

McG. B.

V es

DECLASSIFIED E.O. 13526, Sec. 3.5 NLJ / RAC 12-122 NARA, Date 01-09-2014

CONFIDENTIAL

Chahon dott retil to flyt 65

CONFIDENTIAL

September 7, 1965 Tuesday/ 7:30 pm 12/

MEMORANDUM FOR THE PRESIDENT

Rusk drafted the attached statement, which he and Bell request you authorize Mahon to put out tomorrow. It is primarily an effort to forestall restrictive Pak/ Indian amendments to the aid appropriation. Mahon is strongly so urging.

You'll see that it not only covers the halt in MAP deliveries but mentions the holdup on new economic aid commitments. This no more than accords with the facts of life, and helps establish our case for postponing any Pak consortium pledge.

But there is no easy solution to the underlying policy issues involved in aid suspension. It will certainly be highly resented in both India and Pakistan, and risks pushing both even further off the deep end. On the other hand, it may well help bring home to both the consequences of their folly. So Bundy and I think the argument is swung by the point that the importance of protecting the aid bill outweighs the risk of further affront to India and Pakistan.

Rusk wants your clearance tonight, but you may want to discuss the matter at the leadership breakfast. Bundy is available at home this evening if needed, and I can be reached through the Sit Room.

R. W. Komer

CONFIDENTIAL

DECLASSIFIED .

Authority NLJ 84-145

By NARS, Date 7-30-84

SMED TO HANDWRITING FILE

LIMITED OFFICIAL USE

MWK: 10/a Will dem Read and Gaud mohrmed Mol. S.

Proposed Statement by Chairman Mahon

The present conflict between India and Pakistan raises serious questions reaching far beyond the bill before us. We would all hope that the conflict will spread no further, that hostilities will cease and that efforts to find a peaceful settlement will be successful. Meanwhile, there is the question of what policy the U.S. Government should pursue.

The Secretary of State has assured me of the following:

"First, the Executive Branch wholeheartedly supports the efforts of the Secretary General of the United Nations to effect a cease-fire and to achieve a peaceful settlement.

"Second, the United States has suspended military aid to both India and Pakistan, in keeping with its announced policy of full support for the efforts of the Security Council and of the Secretary General. The Executive Branch will consult fully with appropriate Members of the Congress about the situation in the subcontinent and the conditions under which military aid might be resumed.

"Third, pending the enactment of this bill, the Administration has in general not been making new economic aid commitments to aid-receiving nations since the current fiscal year began, and this includes both India and Pakistan.

Again the Executive Branch will consult with appropriate Members of the Congress on the situation in the subcontinent in connection with making new economic aid commitments."

LIMITED OFFICIAL USE

I believe we should support the Secretary's position. It is too early to predict the course of events. We cannot overlook the possibility that the conflict may be enlarged by the participation of other countries. But we must hope for an early resolution of this tragic situation through the untiring efforts of the Secretary General. Given all the possibilities, it is plain that the alternative lines of action open to the United States should not be foreclosed by legislative action. It is therefore vitally important to preserve our Government's freedom of action if it is to have a useful and constructive influence on the outcome. This is above all a time when we must give the President the necessary freedom of maneuver to protect the national interest and international peace.

THE WHITE HOUSE

WASHINGTON

SECRET

September 7, 1965 Tuesday/ 7:30 pm

MEMORANDUM FOR

THE PRESIDENT

Pak/Indian Roundup. The military situation remains confused. Apparently the Paks have held the Indian thrust into the Punjab. An Indian thrust into East Pakistan seems imminent if not underway. Neither party shows any signs of response to cease-fire appeals as yet.

The Chicoms have announced "firm support" of Pakistan, but there are no signs yet that this means more than words. The USSR has come out strongly in favor of the UN cease-fire appeal.

U Thant leaves this evening. We've offered him logistic support, including use of our attache aircraft for travel around the area and planes to bring in more UN observers if needed.

Attached are two cables (Delhi 503 and Karachi 398) which give important insights into the current mood of both parties. Our announcement of aid suspension tomorrow will lead to howls from both, but it should also help bring home to them the consequences of their folly.

When UK High Commissioner James saw Ayub today, the latter was apparently now more fully aware of the mess he's in. We infer this from Ayub's willingness to accept Pearson as mediator. James felt it was not the time to bring up how we were unlikely to pledge.

Shastri has just written you a letter, which BK Nehru asks to deliver personally. We don't know the contents but suspect it is a defense of India's position.

R W Komer

SECRET

State 1-24-77

By DCH NARS, Date 11-30-82

Cable 503 from Ambassador Bowles in New Delhi:

After a careful review of the best means of communicating with the Government of India I decided that the official who was most likely to be frank about the government is present objectives and thinking is L. K. Jha. Shastri is overwhelmed with meetings and decisions and in no mood to cover what might be considered old ground. Swaran Singh is a cipher who can only be expected to parrot party line.

Therefore I called on L. K. Jha at his home at 8:45 this morning and submitted the following questions: has the Pak-India conflict now erupted into a full-blown war or is there still room for diplomatic maneuver? If there is such room, what is the basis on which the Government of India would consider ceasefire or armistice?

- I. In response Jha stated that there is no commitment on the Indian side to an all-out war, that he still thought there was room for diplomatic maneuver and while Indian views involving present conflict are firm they are by no means frozen. In his opinion the Government of India has in mind three basic points:
- (A) That the Paks agree to remove infiltrators from the valley and that the U.N. participate in making thorough check to see that this effort is effective;
- (B) That the ceasefire line and the U. N. apparatus to enforce it should be revamped to avoid further violations;
- (C) That the Paks agree to take the pressure off the question of Kashmir and enable the two countries to get their breath and establish restrained neighborly atmosphere. In Shastri's words, "India cannot live from ceasefire to ceasefire under perpetual emergency conditions."
- After some hesitation and further thought Jha then stated there was an additional factor which he thought was more important than all other combined but which was admittedly difficult to deal with. This he said had been revealed in my own talk with Shastri on Saturday when I suggested that the Government of India should now show the same restraint that the U.S. had showed in the 1961 crisis with the Soviets and Shastri had responded by saying that while no one doubted then or now that the U.S. is a powerful nation, the world con-

siders India weak and ineffective, and Pakistan relentlessly seeks to exploit and feed this impression.

In response to my queries Jha with some hesitation and a certain degree of embarrassment developed this latter point in detail. All top Indian leaders and Shastri most of all, he said, have been profoundly affected by constant reiteration of statements that sooner or later India will disintegrate, that Indians as a people are apathetic and ineffect ive and that Indian armed forces lack both will and capacity to fight. Such concepts have become well established abroad and particularly in the United Kingdom, and have been picked up by Pakistan and repeated in various humiliating ways.

This impression of a weak and cowardly India was further enhanced by the Chinese attack in 1962 and Chinese propaganda that accompanied it, and in last few years by Pak radio and press propaganda which constantly contrasts the virility and fighting quality of Muslims with presumed ineffectiveness of Indians. Jha stated that India's impending defeat in Jammu against the psychological background which he had described explains sudden, hurriedly planned Indian Army thrust into Punjab; in other words, Shastri's determination to establish India as a nation of vitality, purpose and strength was dominant factor in present situation, however illogical and irrelevant it might appear to others.

3. In response I sugessted that we take latter point first as I had sensed that this state of mind is a fact or and also because it is much the most difficult of the problems which he had described. Although I understood India's need to overcome this deeply rooted complex it was highly dangerous to establish this as national objective under present circumstances. Right now for instance Indian people are aroused in defense of their country and deeply proud of performance of their armed forces. If whole operation could be stopped at this point Shastri would have gone far to correct the false impressions to which he referred.

However, if India presses the armed conflict any further it can finally become captive of events which it could not control. For instance if tomorrow China should announce their support for the Paks and warn the Indians to pull back their forces Shastri would feel he could not back down since this would mean running away from fight with China.

Similarly, if the Pak army should launch successful and well publicized counterattack against Indian Army in the Punjab in the next two or three days India's sense of insecurity would receive another setback which would require them to fight on until they had upper hand. In other words this emotional complex which he had described, while understandable in human terms, would lead both countries to a needless disaster.

4. I then took up Jha's first three points. In regard to infiltrators it seemed to me that India's position was clear and in no sense unreasonable. The Secretary General had established the source of infiltration and it was quite proper for India to demand that the situation be set right.

Regarding the ceasefire line I wondered if it might not be possible to redraw line inlay that would protect vulnerable roads and other strategic points of each country, i. e., the two countries could exchange ground on both sides of ceasefire to develop a line which would not leave roads, passes, etc., at the mercy of the adversary. It also occurred to me that a mile-wide strip could be set up along the ceasefire line which would be patrolled by expanded team of observers with helicopters.

In regard to his third point, i.e., the need for Paks to take pressure off, this too should be subject to negotiation in good faith. Would India, for instance, consider two-year cooling off period which would carry beyond India's next election? At that time if relations had improved, all differences between Pakistan and India could be opened up for review including Kashmir.

In this context I asked Jha if he felt Kashmir problem was closed, or at some stage could he visualize meaningful negotiation?

Jha stated that there had been two occasions in last three years when Kashmir situation could in his opinion have been settled to satisfaction of both sides.

One was at time of Chinese attack when a friendly gesture from Pakistan would have opened the door to dramatic settlement of all outstanding issues; the second was just before the death of Nehru when Sheikh Abdullah had been released and the Prime Minister was determined to make a bold personal try towards a Pak-India rapprochement.

However, with situation boiling at present temperature, rational negotiation is impossible. Need is to change atmosphere; cooling-off period which I had suggested might have advantages.

5. I then asked Jha what nation, group or individual could in his opinion be most effective in what I believed to be urgent task of negotiating ceasefire or armistice.

Jha said the first thing to do is to eliminate the British, who most Indians rightly or wrongly feel are pro-Pakistan and had been long before independence. Although the U.S. was in much better position, use of U.S. equipment by Paks had created much resentment, particularly in the armed forces, and he did not think that we could act effectively in the role of peacemaker at this point.

Indeed, as he considered the question it seemed clear to him that each nation had liabilities of one kind or another and that by all odds the best solution was U Thant himself. He is Asian and deeply respected in India; also, he assumed, in Pakistan. The sooner he can get to New Dehli and Rawalpindi, the better.

Comment: Although at the moment I can see some faint rays of daylight the situation is extraordinarily fragile and could move beyond recall in a matter of 48 hours. It is my strong recommendation that U Thant come first to Delhi where I believe key decision must be made.

The Indians feel strongly that they are the aggrieved party and it is my guess that U Thant may have more difficulties here than in Pakistan where I assume even Bhutto must be beginning to realize that in all-out military conflict with India, the Paks are likely to turn up on the losing side.

I would also do all we can covertly and overtly to marshall world opinion behind U Thant's mission. The Security Council is the obvious vehicle. However, would it not be possible for the General Assembly to come up with some near unanimous resolution and plea for peace between these two countries?

If this is impracticable, I would suggest that everything be done covertly to persuade individual African nations, plus Yugoslavia, Japan, Phillippines, Thailand, etc., to make their views felt publicly and in both capitals.

If we can create what might appear to both Indians and Paks as a massive wave of world public opinion in opposition to further fighting, I think it would have heavy impact here and in Pakistan. Although I understand difficulties and inhibitions, a common approach by U.S. and U.S.S.R. could be decisive and I would make every effort to achieve it.

In meantime I believe the U.S. Government is playing the situation exactly right and I strongly urge we continue along present line. It is important above all that we not lecture either side publicly and that we avoid equating Paks with Indians, which feeds the long smoldering resentment here in India to which Jha referred.

Bowles.

103

Pres

Sunday, September 5, 1965 10:45 a.m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Press Contacts: August 30-September 5, 1965

I have not yet got myself on a daily schedule, but my contacts this last week were negligible, except as you already know about them. I talked to Sandy Vanocur about the Today Show, and did it -- though not as well as I would have liked. He wanted me to talk about the future, and didn't give me much time to review the past. I tried to do better in the Press Backgrounder yesterday, of which I have sent you a copy.

I had a number of talks with Phil Potter on the Kashmir problem. One of them produced a hard news problem which I reported to Bill Moyers at the time -- namely, that Potter had nosed out the existence of our Cabinet Room meeting on Thursday morning. I referred that matter to Bill.

Otherwise, my only substantial talk was with Sol Pett, who was working on the way you watch the Vietnam situation. I gave him a straightforward account of the ways of the regular channels of communication, but I also emphasized your eager interest in both views and information from all responsible sources. I found him responsive and sympathetic.

I spent time being watched by Pendrell of ABC, but I have not yet had any serious conversation with him.

On Saturday, after my Dominican Backgrounder, I talked privately to Murray Marder to defend our disarmament position, and privately to Max Frankel to tell him how far off the mark the Times editorial on the Saigon spy case was. I found him entirely in agreement. (Dean Rusk and I are reporting separately on this one). Marder is very much interested in the Indians and the bomb, and I think we may hear more about this as time goes on.

McG. B.

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THE WHITE HOUSE

WASHINGTON

all

Wednesday, September 4, 1965 3:35 p.m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Tom Dodd and the Congo

You should know that Dodd wrote you two letters on the Congo in the last 10 days. I talked to him about them both. The first one asked for a meeting with you; the second was much milder. Before he left for this weekend, he told me he was now satisfied that our policy was sound and sober, and no longer needs the meeting.

In essence, Dodd's problem is that whenever he sees Tshombe, he believes what he is told, and while not all of it is wrong, we really are more nearly right than wrong in the Congo, and I think Dodd would agree, as of today.

My. B. McG. B.

THE WHITE HOUSE WASHINGTON

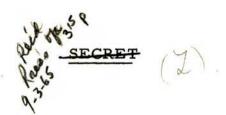
Saturday, September 4, 1965 2:45 p.m.

FOR THE PRESIDENT FROM McGEORGE BUNDY

There follows a preliminary draft of an instruction to McConaughy, who has been summoned to meet Ayub on Monday. This draft is by Komer and it has not yet been reviewed in the State Department. I send it now because it may help you to think about the question as to what your Ambassador should say to Ayub at this tense moment. We cannot probably decide finally until after the Security Council, but it is not too soon for any guidance you choose to give us.

If we do not instruct McConaughy at all, he will simply listen, and this is not the best posture for your representative at this difficult moment. Komer's draft is intended to lay a groundwork for telling Ayub privately that there will be no more military deliveries until we can get them sorted out, and my own instinct is that it might even be wise for McConaughy to say this explicitly, depending on how the Security Council debate comes out. But this is some distance beyond the position we have taken so far, and this message, like my preceding one, is designed only to show you the developing thinking at this end of the wire in this tense situation.

(use Komer text)



September 3, 1965 Friday/11:30 am

RW Lamer

MEMORANDUM FOR THE PRESIDENT

Algeria is a special case under Title III PL 480, where we ought to go ahead as we are with other countries instead of lumping it with the India-Pak-UAR group.

We've been holding up \$14 million in voluntary agency requests until the Algerians indicated that they wanted US aid in general. They have now done so officially. Moreover, Boumedienne seems at least marginally better than Ben Bella, and we don't want to get him sore at us just before the potentially quite important Afro-Asian summit conference scheduled for 5 November in Algiers. So there's a good case for treating Algeria as one of the good guys until it demonstrates otherwise.

	R. W. Komer
Approve	mel. B.
	1 masely think
Disapprove	Title III should be
	teleased to all, but 171
	cho a separate memo m
DECLASSIFIED	that. mcf.B.
Authority NLJ 84-145	mcf.B.
By in NARS Date	7-30-84

Mr. Bundy:

You wanted to be reminded to call Leonard Meeker today on this.

d

TUESDA Bude

re this regis

DRAFT
September 3, 1965

MEMORANDUM FOR THE PRESIDENT

There is no regulation or law which prevents General Eisenhower from receiving the Golden Grand Cross of Austria which Austrian Foreign Minister Kreisky hopes to present personally to the General this month either at a ceremony in the Austrian Mission in New York or at Gettysburg. #After the ceremony, General Eisenhower's staff would send the award to the Defense Department which, in turn, sends it to the State Department to hold until Congress passes appropriate legislation permitting the General to have the medal.

There has never been an exception to this procedure. For example, General MacArthur was not allowed to keep a Japanese medal until Congress in 1962 authorized him to do so.

General Eisenhower has received many medals which he has surrendered to the Defense Department during his Army career.

When he resigned from the Army to become President of Columbia he was able to gain possession of all the medals he had received up to that time. Now that he is again a five-star general he must revert to the earlier procedure which he has experienced numerous times.

I feel that General Eisenhower would have no problems in receiving the medal and not having actual possession of it until

further action was taken.

General Goodpaster shares this view.

If you agree, I will talk to General Eisenhower's staff officer and to the Austrian Ambassador.

McG. B.



THE WHITE HOUSE

CONTRIDENTIAL

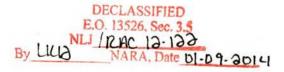
Friday, September 3, 1965 5:15 p.m. - 1002 5:21pm

MEMORANDUM TO THE PRESIDENT

SUBJECT: The UN and Kashmir

- 1. The Secretary General has decided to make his report on Kashmir a public document by submitting it to the Security Council. This will put some heat on the Paks and will also serve as one trigger to a Security Council meeting, which looks now like a certainty for tomorrow. It will be called in response to "a consensus" of Security Council members and it will probably be limited in content to an endorsement of the Secretary General's appeal for a cease-fire. Dean Rusk and Arthur Goldberg agree with this tactic, and Bob Komer and I have supported it as fully consistent with your desire to have the UN out in front.
- 2. Mike Pearson has volunteered his own services as a mediator, and Rusk is quite willing to have the UN use him if sentiment in New York runs that way. I have expressed some doubt as to whether Pearson has the quality to accomplish anything, but at least he is not an American -- and anyway we have promised Ellsworth Bunker a rest.

h ↓ · · · · . McG. B.



Mac,

I think that's fine.

LBJ/mf 9-4-65 11:45p

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108a

THE WHITE HOUSE

Friday, September 3, 1965 5:00 p.m.

MEMORANDUM TO THE PRESIDENT

SUBJECT: Announcement by Arthur Dean's Committee

- 1. You may wish to see the announcement which Arthur Dean's Committee is making next Wednesday.
- 2. I told Art we did not see any need for an advertisement, but he tells me that a number of the members of the Committee from the mid-West and far West felt that it is important to give nationwide publicity and not simply to have an announcement from New York.
- 3. I think you will find the text sound and constructive, and my conversations with Dean make it clear that he knows this is not a one-shot job but one which will have to be kept up with sustained energy.

my.B.

McG. B.

He expects to have a few more Southern names by next week.

M.B.

to 8 ses 109
9/3

September 3, 1965 Friday, 5:20 p.m.

MEMORANDUM FOR

THE PRESIDENT

There is attached for your approval a draft message to President Illia of Argentina which he would read at the first session of the First Inter-American Conference on Volunteer Programs opening in Buenos Aires Monday.

The Conference grew out of the Manpower Conference which you opened three years ago in Puerto Rico.

This is a good gesture. The State Department agrees.

	McG. B.	
Approved	Clarie fehr	en CICII
Disapproved	from tan	on Jar., Siply

DRAFT

Dear Mr. President:

Three years ago I had the pleasure of opening the Middle-Level Manpower Conference in Puerto Rico, where 41 nations assembled to discuss the problems of manpower development in the decade of the 60's.

Out of that meeting has now emerged an ever-increasing attention by nations throughout the world on the subject of developing our youth through services in peace corps movements of many types.

I am gratified to know that the nations of this hemisphere are now meeting in Buenos Aires to further intensify this work and to discuss ways and means of establishing more youth organizations in all countries. On behalf of the United States, whose delegates sit in your meeting, I send you greetings and best wishes for a successful conference.

Dr. Arturo U. Illia
President of the Argentine Republic
Buenos Aires, Argentina

THE WHITE HOUSE WASHINGTON

Thurs., Sept. 2, 1965 7:30 pm

For: The President

Thru: Mr. Marvin Watson

For information.

McG. B.

W. MARVIN WATSON

65 SEP 2 PM 9 16

Thursday, September 2, 1965 5:35 p.m. MEMORANDUM FOR THE PRESIDENT SUBJECT: Ayub's Visit and the Consortium Again The British High Commissioner has begun working on the Paks to get across the point that a US pledge on September 23 is very unlikely if Ayub has not talked with you before then. The High Commissioner (James) reports from his first soundings that Bhutto claims to have optimistic reports from Ambassador Ahmed here and Ambassador Amjad Ali at the UN on what Goldberg and others have told them about the prospects for a pledge. Whatever these Ambassadors may have picked up in the past -and their reporting is quite likely to be twisted -- it does not seem to us wise now to straighten them out quickly. That would smack of direct pressure connected to Kashmir and would conflict with your instructions this morning. So we are telling James to make very clear to Ayub himself that a pledge is unlikely if there is no visit here. That statement is likely to trigger some diplomatic inquiries by the Paks, and if such inquiries do come, then our people will be alert to reply -much more in sorrow than in anger -- that it is indeed true that in the absence of a clear understanding between our two countries, it is going to be hard for us to make any pledge at the September 23 meeting. If you wish to modify these tactics, tell me so.

> DECLASSIFIED E.O. 13526, Sec. 3.5 NLJ_/2/AC_12-122

V 1100

NATIONAL SECURITY COUNCIL WASHINGTON, D.C. 20506

September 1, 1965

Note for Mr. Bundy:

Subject: Mme Chiang

Mrs. Johnson has now invited Mme. Chiang to tea at the White House at 4:30 p.m. on September 14th. The affair will be small and intimate (just the two ladies plus the Chinese Ambassador and wife, plus Lloyd Hand), and we have told the Chinese that the President will try to stop by during the tea. So far no reply from Mme. Chiang, who is obviously thinking in more grandiose terms; also no formal request from her for a meeting with the President, although she has told the press that she will see him. We should anticipate increasing pressure on this subject.

James C. Thomson, Jr.

THE WHITE HOUSE WASHINGTON

Thurs., Sept. 2, 1965 5:30 p.m.

MR. PRESIDENT:

I attach a draft letter of thanks and congratulations to Ellsworth Bunker, and one to Tap Bennett, too. Of course Bunker has been the principal negotiator, but it is Bennett who has scars of public criticism.

If you approve these, you might want to consider whether either of them should be made public. I myself would advise against it in both cases, because of our desire to keep the OAS out front.

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THE WHITE HOUSE WASHINGTON

September 3, 1965

Dear Ellsworth:

This brings my warmest thanks and congratulations on your superb performance in Santo Domingo. Your patience and skill and determination have once again been of the greatest value to your country -- and a source of great strength for me. I am afraid you have put yourself right in line for more impossible assignments like this last one, but you must be sure to get a well-earned rest first.

Sincerely,

Honorable Ellsworth Bunker
U. S. Representative to the Council
of the Organization of American States
Department of State
Washington, D. C.

THE WHITE HOUSE WASHINGTON

September 3, 1965

Dear Tap:

At this moment of hope, I want to send you a word of thanks for all that you have done in the hard months since April. I know that this has been a most testing time for you, and you must be in no doubt that you have the full confidence of your Government, and our lasting gratitude for your prompt, courageous and correct advice at the critical moment last April.

Sincerely,

Honorable W. Tapley Bennett, Jr. American Ambassador Santo Domingo Dominican Republic

MR. PRESIDENT:

I attach Lodge's weekly report.

McG. B.

(SAIGON 716 of Sept. 2)

Thursday, September 2, 1965 1:45 p.m.

114

MEMORANDUM FOR THE PRESIDENT

I am not clear as to whether you wish to acknowledge this letter to young David Eisenhower yourself. I thought perhaps you would want to, and I have therefore drafted the attached letter. If you don't prefer to acknowledge it, of course I will be glad to.

McG. B.

I have done it

Draft letter attached

+ Per 9/2

Dear David:

I want to thank you warmly for your letter about our country's work in Vietnam. This is the kind of support that gives a President real encouragement, and it was very thoughtful of you to take the time to express it.

Sincerely,

Mr. D. David Eisenhower, II 111 White Horse Road Phoenixville, Pennsylvania

LBJ:McG. B. :mz

Dear Davids

I must tell you quite hencetly that your letter touched me greatly. I know your father and your grandfather are justly proud of a lad who thinks for himself, and makes known to his President his opinion about a serious and difficult problem.

Perhaps you, better than most boys, understand the need for unity in this great land of ours. What we are doing in Victnam is quite simple: we are defending freedom, and we are trying to preserve the right of choice. Those are the stakes. An objective history will be the recorder of the results. I pray each day that the American people believe, as you believe, that we must stand together in a cause beyond the constriction of party or politics.

Thank you, David, for writing me. You give me cheer and for that, I am grateful to you.

Sincarely.

Mr. D. David Elsenhower, II 111 White Horse Road Phoenizville, Pennsylvania

LBJ:JV:bc

Thursday, September 2, 1965 1:35 p.m.

MEMORANDUM FOR THE PRESIDENT

Nixon is on a "business" trip in the Far East. Among other places, he is going to Australia, and Ambassador Clark is seeking guidance on the care and feeding of Nixon. Our standard instruction has been that he should be given VIP treatment and assistance in any contacts he requests with political leaders.

The particular problem in Australia is that Menzies wants to make much of Nixon so that he can show his own opposition the bipartisan support which you have on Vietnam. Meanwhile, unfortunately, Nixon appears to have been somewhat critical of our efforts to promote negotiations in a public comment in Tokyo.

Nevertheless, my instinct is to continue to treat Nixon as if he were on the team and we will send that kind of instruction to Ambassador Clark if you approve.

McG.B.

Speak to me

Will you take it from there?
Mey B.





(2)

THE WHITE HOUSE

WASHINGTON

Thursday, September 2, 1965 12:15 p.m.

MEMORANDUM TO THE PRESIDENT

SUBJECT: Bundy's weekends again

As I look at the Labor Day weekend -- with McNamara, Fowler, and Ball still away, and with Kashmir, Vietnam, the Dominican Republic and the pound sterling all with us still, I think it makes more sense for me to stay here than to go to Massachusetts. Mary and the boys come back next week anyway.

So if you are willing, I would-like to trade in this weekend and have an option on a long weekend on Martha's Vineyard (without children) sometime between now and the first week of October. This is really what your friend Mary would prefer anyway.

ከብ አ. McG. B.

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Thursday, September 2, 1965 12:00 noon

MEMORANDUM TO THE PRESIDENT

SUBJECT: Your Panama Canal meeting at 1:15 p.m.

The lead here should be taken by Bob Anderson. He and Irwin have prepared a very long memorandum (Tab A) which you just do not have time to review. In essence, the urgent problem is whether to go for a Joint US-Panama Authority and, if so, how to sell it on the Hill. I will ask Anderson to be ready to take two minutes to spell out his own recommendation on this point and then you and he can take it from there. No other issue in this matter needs immediate decision, but if you have time I can indicate in another three minutes the other questions on which we will have to have a position before long:

- (1) Control of toll rates
- (2) Formula for unrecovered U. S. investment
- (3) Duration of treaty
- (4) Sea-level canal issues
 - (a) control of the nuclear option
 - (b) structure of the agency in charge
- (5) More general issues
 - (a) a possible special trade relationship
 - (b) future public announcements

McG. B.

MR. PRESIDENT:

You will want to know that you have received the attached long letter from Sekou Toure offering to help negotiate Vietnam. It is not an offensive letter, given the fact that these African leaders all have enlarged views of their own capacity as world peacemakers. A recommended answer will be coming from the Department, and I doubt if you need to give much attention to this problem now.

McG. B.

(log 3715)

returned whether the parties

DECLASSIFIED E.O. 13526, Sec. 3.5 NLJ / 124C 12-122 NARA, Date 01-09-2014

THE WHITE HOUSE WASHINGTON

Friday September 3, 1965 11:35 a.m.

MEMORANDUM FOR THE PRESIDENT

Bill Moyers told me that you wanted to put out the Bunker and Bennett letters, together with a letter to Mora. Here is a draft Mora letter. I have sent a copy to Bill Moyers and he is prepared to put all three out at his 4:00 briefing. Bunker and Bennett have been informed, and I have told Mora you planned to send such a letter and would like to make it public, and he agrees enthusiastically.

m 4.15.

Attachment

Dear Dr. Mora:

I extend to you the warmest thanks for your extraordinary efforts for peace in the Dominican Republic in the last four months. Your energetic and imaginative work in Santo Domingo helped to lay the basis for the later efforts of your colleagues in the OAS Committee, and your persistent devotion to peace and to democratic institutions has been a continuous force for good, in the best tradition of the Americas.

I send thanks also, through you, to the whole Organization of American States, which you serve so ably as Secretary General. The OAS has met a major challenge, and it has been strengthened by the success of its patient effort for peace.

With warm personal regard,

Sincerely.

151 LB J

Dr. Jose Mora
Secretary General
Organization of American States
Pan American Union
Washington 6, D. C.

LBJ:McG B:mz

Dale BOBBITJ 119 **MEMORANDUM** THE WHITE HOUSE WASHINGTON Thursday, September 2, 1965 2:45 p.m. MEMORANDUM TO THE PRESIDENT SUBJECT: Philip Bobbitt - interim report 1. I have definite word from Amherst that they want Philip this fall as a Sophomore. Dean Wilson was highly impressed by him. I have pretty strong indications that both Harvard and Yale are so brutally overcrowded that their faculty committees have imposed a shutdown which is not likely to be reversed, even for Philip. I have word through Dick Nelson that the people at Princeton are very receptive. Both Princeton and Amherst have strong central management on this matter -- Harvard and Yale do not. 2. In this situation my own strong feeling is that the best course now is for Philip to go on to Princeton promptly and then make up his own mind between Princeton and Amherst -- unless he already knows he prefers Amherst. The two things which are most important in matching a boy to a college are (1) that the boy should really want the college, and (2) that the college should want the boy. 3. I think probably Princeton will want Philip, and I think that any boy who has a choice between Princeton and Amherst is in extremely good shape. I myself have a marginal preference for Jack McCloy's Amherst (my own grandfather went there). But Dick Nelson can be counted on to tell Philip the case for Princeton. 4. I do propose to urge Philip's family not to try to push him -- or the colleges -- in either direction on this choice. Dean Wilson at Amherst tells me that he had a direct call from one member of the family today,

and he strongly urges that Philip be allowed to stand on his own feet and make his own way. This is extremely good advice which families find it very hard to take. And I don't have to practice what I preach until my oldest

5. If you disagree with any part of this, will you let me know?

P.S. Finally, Dean Wilson would like to break the Amherst news to Philip himself tonight, and he hopes that we will not tell the family ahead of time. I told him that I never held out on the boss, so he asks that you act surprised

McG. B.

gets to college, which is still a few years away!

when you hear.

THE WHITE HOUSE

Thus day 11:20 A.M. Wednesday, September 2, 1965, 7:20 p.m.

M EMORANDUM FOR THE PRESIDENT

Bill Moyers tells me you are seeing Ray Scherer of NBC Thursday at 5:30 and would like an up-to-date memorandum on Vietnam. I suggest the following talking points.

- 1. She Public understanding in the US has never been higher. The fact is that this is mostly your own work, but you will probably want to mention Secretary Rusk, Secretary McNamara, General Eisenhower, and Senator Dirksen. For that matter, I myself detect more sober and mature reporting both in TV and in the press, but I am not sure you will want to say this to Scherer.
- 2. You are not in the business of prophecy on either diplomatic or military action. Your job has been to make sure both arms of policy are strong and active, and you keep them coordinated. We think that McNamara and Westmoreland are at work on the military side and that Rusk and others are at work on the political side. You have the responsibility for keeping those two sides of action in harness together, and you do it by making the necessary decisions when both sides of problems are involved: what level of military action is approved? What are the basic terms of negotiating proposals? What should be the political framework of such major decisions as those which you announced on July 28?
- 3. Scherer will almost surely press you on General Ky's statement of yesterday and I think you will want to play that gently. We do not see any contradiction between our readiness for negotiations and General Ky's desire for time. The process of getting an effective ceasefire would take time and we certainly mean to stay there as long as we are needed to prevent a take-over by force or terror under any cloak. We are not afraid of the process of free choice in a truly peaceful South Vietnam -- and we do not think the Government of South Vietnam is afraid of such a process.
- 4. You may also get pressed on Scotty Reston's suggestion that talk of negotiations may be overdone. I would hit this one hard and say that we are always in favor of negotiations and do not expect to shift one inch from that position. You may also want to say that the broad outlines of Mansfield's

THE WHITE HOUSE WASHINGTON

-2-

statement -- and his three principles -- are indeed the same as ours, but if you do that, I think you might wish to reserve judgment on his two corollaries -- which are general amnesty and a ceasefire and standfast before negotiation. General amnesty is pretty hard to give or get when negotiating with Communists, and we may well get to negotiations before we get to a ceasefire. Moreover, a "standfast" could be very dangerous, in Max Taylor's judgment, and also in mine --

- (1) because we would be watched by the world and the Communists would not; so this infiltration and subversion could continue, and our reinforcement and pacification would have to stop.
- (2) because if the Communists are left in their South Vietnamese positions as of right, their political position is greatly strengthened.
- 5. The battlefield situation is much as presented to you in the long Saigon cable sent to you two nights ago. In essence, the situation is that the Viet Cong have made major efforts since May and have suffered major losses. They have had important successes, but they have also had important defeats and it is increasingly clear that their monsoon offensive is not having the effectiveness for which they hoped. This does not at all mean they are about to quit. They certainly do not seem to be ready for negotiation. So we and the people of Vietnam have to keep on our steady course of resistance. We also keep it very clear indeed, before all the world, that we are ready for negotiations the moment that others are.

hol. S. McG.B.

Thursday, September 1, 1965 8:30 a.m.

MEMORANDUM FOR THE PRESIDENT

Here is an important personal letter which Lodge has sent to you. He sent it to you through me. Unless you tell me not to, I will send personal copies to Dean Rusk and Bob McNamara later today.

This is the best argument Lodge has put forward for a view which deserves careful consideration, and which he evidently discussed with Scotty Reston, judging by Reston's column yesterday. I will stick this subject on the agenda for an early Rusk, McNamara meeting.

McG. B.

TOP SECRET/EYES ONLY attachment

THE WHITE HOUSE WASHINGTON

September 2, 1965

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Tax Credit for Private Investment in Developing Countries.

You will recall that your 1964 aid message called for a 30% tax credit on U.S. private investment in developing countries. The bill died in committee. Your 1965 aid message repeated the request, but we have sent no bill, in part because there is disagreement between agencies about exactly what it should contain.

At Tab A, Dave Bell recommends that you authorize him to write to Hale Boggs toward the end of this session, asking Boggs, who sponsored the 1964 bill, to reintroduce it. It would be understood that there would be no hearings until next session. (Dave feels that such a letter from him would counter the impression that the Administration has backed off, and make it easier to get action next session. Dave's draft letter to Boggs is at Tab B.)

The purpose of the bill is to get more private U.S. money and management into the poor countries. This would be all to the good, even though our tax specialists at Treasury are not happy about using the tax structure in this way. The principal problem is one of Treasury believes that the bill would not Congressional tactics. survive without a strong White House push. Bell thinks that prospects are brighter than that and that Mills, in particular, would not be hostile.

Recommendation

I am afraid I don't see much point in getting Boggs to introduce a bill at this session. If you decide later in favor of a tax credit bill -and I would so recommend -- it would be much better to send it up next session with a strong message from you. Meanwhile, Dave, Joe Barr, Tom Mann, and Jack Connor could pave the way with the Congress, and we could do some more work on the substance of the bill. Pan & Sala

Francis M. Bator

Approve no action this session

Approve Bell letter to Boggs

A

DEPARTMENT OF STATE

AGENCY FOR INTERNATIONAL DEVELOPMENT WASHINGTON

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OFFICE OF THE ADMINISTRATOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: The Administration's Less Developed Country Investment Tax Credit Proposals

The Advisory Committee on Private Enterprise in Foreign Aid will present its report to you on August 25th. The report endorses both investment tax credit legislation, which you recommended in your last two foreign aid messages, and the pending double taxation treaties with several developing countries which contain a 7% investment tax credit. These treaties are before the Senate and a 30% tax credit bill is ready for introduction. Introduction of the bill now could hurt the presentation of the tax treaties but failure to introduce the tax credit bill may be construed as withdrawal of Administration support for the concept of tax credit legislation. A.I.D. and Treasury are agreed on how to handle the situation and seek your approval.

What the Bill Does: U.S. investors are given a tax credit equal to 30% of new investments in enterprises in less developed countries (excluding a few things like agricultural production and extractive industries). To cut down the balance of payments affects, the bill provides that the amount of the credit cannot exceed the amount of U.S. procurement.

What the Tax Treaty Provisions Do: The effect of the 7% credit provision in the tax treaties is to give new U.S. investment in those countries a tax credit roughly comparable to the domestic investment tax credit. The provision is considered necessary by Treasury to secure agreement of less developed countries to these treaties, which involve concessions by them to U.S. investors and exporters to avoid double taxation.

What You Have Said About Tax Credit Legislation: In the 1964 Foreign Aid Message you recommended and sent a 30% bill to Congress as one measure to "do more to utilize private initiative in the U.S. -- and in the developing countries -- to promote economic development abroad".

A heavy legislative schedule prevented hearings and the bill, sponsored by Congressman Boggs, lapsed.

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- 2 -

In this year's Foreign Aid Message you said:

"We are placing increased emphasis on the role of private institutions and private enterprise in the development process, and we shall continue to do so . . . To mobilize additional private capital and the skills which go with it I am asking the Congress to enact an investment tax credit."

Legislative Considerations: The treaties are having hearings, but are meeting opposition primarily from Senator Gore and will probably not go through this session. Treasury states they are favored by Senators Russell Long, Fulbright, John Williams, and by Chairman Mills.

Congressman Boggs remains enthusiastic. On two occasions in the past two years Chairman Mills has told me that he was prepared to explore the concept through hearings, although he reserved judgment as to his final position. Treasury believes he will oppose the bill.

Considerable, although not unanimous, support for the bill has been expressed by the business community. Some negative reactions have come from the extractive industries. Recently, the business press has interpreted the delay in reintroducing the bill to mean that the Administration no longer supports the concept.

Although hearings would not be held before adjournment, reintroduction before the end of the session would give useful lead time for the business community to study the bill and would prevent the impression that we have backed off completely. The Administration can meet these objectives and still preserve desirable flexibility on this complex subject if A.I.D. sends the legislation up through Congressman Boggs. Treasury concurs in this procedure in view of A.I.D.'s desire to send up a bill this session, although it has strong doubts about this particular bill. It has, however, concurred to date because the substance is primarily a matter of foreign assistance policy rather than tax policy and has drafted the bill.

Recommendations:

- -- that in your remarks to the Advisory Committee you include } Done the attached language on the subject of tax credits.
- -- that shortly before the end of this session A.I.D. write to Congressman Boggs, along the lines of the attached draft, asking him to reintroduce the bill.

-- that the Government agencies involved reexamine the substantive aspects of the bill this fall.

David E. Bell

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Attachments

LIMITED OFFICIAL USE

В

LIMITED OFFICIAL USE



Proposed Letter of Transmittal

The Honorable Hale Boggs House of Representatives Washington, D. C.

Dear Congressman Boggs:

We enclose a revised version of H.R, 11524, which you sponsored in the 88th Congress. We are sending it to you as a proposal we regard as responsive to the President's Foreign Aid Message of January 14, 1965, in which he recommended an investment tax credit for new private investment in the developing countries.

Tax measures offer promising ways of advancing our foreign assistance objectives. At the same time, new departures in this field must be fully and prudently explored to ensure that the best and most suitable solutions are adopted. Accordingly, we feel that it would be most useful if you would introduce the measure prior to adjournment. Although no action would be expected during the present session, introduction will give interested parties an opportunity to analyze the proposal thoroughly, both as to concept and details, so that we will have the benefit of their thinking when this matter is considered by the Congress.

Sincerely yours,

David E. Bell

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THE WHITE HOUSE

Wednesday September 1, 1965 7:45 p.m.

MEMORANDUM FOR THE PRESIDENT

This rundown from Bob Komer may be helpful preparation for the meeting on Kashmir, which is now set for 9:30 in the morning.

Nine was impossible for Rusk, and Max Taylor is in good shape if he can get away by 10:30.

mef. B.

McG.B.

September 1, 1965 Wednesday/7:00 pm

MEMORANDUM FOR THE PRESIDENT

State requests an appointment for Nigeria's Minister of State for External Affairs, Nuhu Barnali

He is pro-Western, pro-American, and likely to be the next Foreign Minister whenever Prime Missister Balewa gives up that portfolio. He's been helpful to us in the past and could be even more so in the future as he'll probably head the Eligerian delegations to the UNGA, Bandung II, and the coming OAU Summit Meeting.

He capries a letter from Prime Minister. Balewa. Is may concern Vietnam, as Balewa was one of the members of the abortive Commonwealth Peace Mission. In any case, ten minutes with Bamali would give a big boost to our relationship with this largest and most friendly African country-where we have our largest African aid commitment too. DECLASSIFIED

Authority MLJ 84-145

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August 31, 1965

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MEMORANDUM FOR THE PRESIDENT

Subject: Appointment for Nigeria's Minister of State for External Affairs, Nuhu Bemali.

Recommendation

I suggest that you receive Nuhu Bamali, Nigeria's Minister of State for External Affairs, when he is in Washington on September 22 and 23. Bamali desires a five or ten minute audience to deliver a message to you from Prime Minister Baleva.

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Background:

Balewa and Bamali are the two officials most responsible for Migeria's moderate and constructive foreign policies. Under their leadership Nigeria is playing an increasingly important role in Africa in support of objectives that are consistent with your foreign policy.

We wish to improve our working rapport with Nigeria's leaders and enhance their prestige and influence in Africa. Accordingly, I recommend that you receive Bamali if it is convenient to your schedule.

Dear Ruch

Dean Rusk

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Wednesd, 1 September 1965 6:45 p.m.

MEMORANDUM FOR THE PRESIDENT

Here is Nick Katzenbach's opinion on legislation to control Sugar Lobbylsts. While he does not quite say so, he appears to prefer we stick with S. 693 which is through the Senate and moving slowly forward in the House. Nevertheless, he does submit amendments which could be attached to the Sugar Bill, if you prefer. I will check in the morning to get your judgment.

McG. B.

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