Tuesday, May 31, 1966, 1:00 p.m.

MEMORANDUM FOR THE PRESIDENT

Our Embassy in Warsaw was attacked today by about 30 youths. Nine windows were broken; a display case was smashed; and an official car was damaged, but no attempt was made to enter the office building. The demonstrators appear to be Latin American, probably Cuban. They carried lettered signs carrying such slogans as "hands off Cuba and Vietnam," and "Yankees get out of Cuba."

Comments overheard from the Polish citizens gathered in front of the building indicated the Poles were not pleased with the demonstrations.

An Embassy officer telephoned the Polish Foreign Ministry to protest the lack of protection. A Polish Foreign Office official called back to say that the Foreign Ministry regrets the incident. He said all the demonstrators were Cuban.

W. W. Rostow

CC Moyers Kint men DECLASSIFIED

E.O. 12356, Sec. 3.4

NIJ 87-99

NARA. Date 5-10-90

CONFIDENTIAL



THE WHITE HOUSE WASHINGTON

CONFIDENTIAL -- SENSITIVE

Tuesday, May 31, 1966 -- 11:30 a.m.

Mr. President:

One reason I have difficulty supplying you names for State Dept. 7th floor is this: I believe the new Under Secretary you are looking for should have a considerable voice in building the 7th floor team. That team should be well balanced between old professionals and first-rate, lively outsiders; buthe should have an important part in the choice.

Therefore, you may wish to focus first on who this man is; and then, taking him into your confidence, go to work on rebuilding the whole top echelon with him.

M/ Rostow

EL. 1.3 AND ARCHIVIST'S MEMO OF MAIL 16, 1983.

BY DUA ON 8-29-85

Pres file 82

DECLASSIFIED

E.O. 12356, Sec. 3.4

NLJ 87-99

By NARA. Date 5-10-90

CONFIDENTIAL

Tuesday, May 31, 1966 -- 11:15 a.m.

Mr. President:

I had a word last night on the two matters you wished me to raise with Sec. Rusk before he left.

A de Gaulle probe.

Talk to Dillon

- a. He agrees Dillon would be the best man. If not Dillon, perhaps Norstad.
- b. If the probe has substantial publicity, it could damage badly the unity of the fowteen. Erhard and Moro (as well as the Danes) are under considerable pressure to be "nice to de Gaulle." They have their "Churches" too. Any indication that we were trying to make a side deal might lead to a rush of other bilaterals as well as indicating excessive anxiety about what de Gaulle might do in Moscow.
- c. Nevertheless, if Dillon were to be in Europe on other business, we might indicate to the French that we would appreciate de Gaulle's receiving him.
- d. Sec. Rusk suggests I might have a word with Dillon and ask him if he had occasion to be in Europe very soon and if he would be willing to make this contact.

2.	On	the	other	matte	r of e	outside	exp	erts,	Sec.	Rusk	suggests	(and	I agree)
that	we	not	focus	the ou	tside	advice	we	want	on C	hina t	out on the	whole	future
of A	sia	, in	cluding	g China	a. A	ction o	n su	ich a	list a	waits	screenin	g and	clearance

Lay off

of the new consultants whose names have just arrived here from State. I propose that we get John Gardner and Mac Bundy to go over those lists to assure they are well balanced with respect to region, point of view, age, etc.

We shall also have to find a way to get quick and, in some cases, low-grade security clearances for these consultants. The present procedures are exceedingly cumbersome; and some of the characters we might want to consult (without revealing our own views or highly classified materials) might not normally qualify for security status in the Government.

W. W. Rostow

WWRostow:rln

CONFIDENTIAL

THE WHITE HOUSE WASHINGTON

Tues., May 31, 1966 8:15 a.m.

Mr. President:

We are tracing where the original of this went.

In the meanwhile, here is a Xerox.

SECRET attachment

MEMORANDUM

VI Tham 830

THE WHITE HOUSE

SECRET

Friday, May 27, 1966 -- 3:00 p.m.

Mr. President:

Here are the Viet Nam alternatives, laid out bare bones. I think that is the best way. Rather than make heavy weather of it, I put two first-class men on the job: Bill Jorden and Colonel Bob Ginsburgh who worked with me on the Policy Planning Council and will shortly be the JCS man on my staff. I hope you agree this is useful. What they are saying, in effect, is that we need something more than our present course (Alternative III) but less than a major escalation (Alternative IV). Lagree.

W and Rostow

(cc: Bill Hoyers)

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E.O. 12356, Sec. 3.4

NLJ 87-96

By Ry, NARA, Date 12-19-88

ALTERNATIVE I

Withdraw from Viet-Nam

Advantages

- 1. End United States casualties.
- Terminate high material costs of war.
- Free funds for domestic programs, for overseas development, etc.
- 4. Halt criticism at home and abroad of United States military actions in Viet-Nam.
- Ease worry in Japan, Europe and elsewhere that the Viet-Nam war will produce World War III.
- 6. Eliminate major irritant in United States relations with the Soviets and Eastern Europe.
- 7. Reduce strains in NATO caused by troop withdrawals, etc.
- 8. Open door to unification of Viet-Nam.
- 9. Permit the United States to exploit "peace" initiative.
- 10. Permit withdrawal from and end of involvement in Laos and Thailand since neither are more vital to the United States than Viet-Nam.

Disadvantages

- Turn 14 million Vietnamese over to Communist control.
- 2. Seal fate of Laos and Cambodia.
- 3. Turn Thailand to neutralism and eventual Chinese domination.
- 4. Heighten Chinese threat to Malaysia and Burma.
- Insure Chinese Communist dominance in Southeast Asia.
- 6. Destroy SEATO.
- 7. Seriously disrupt our relations with Korea and cause an internal political crisis there. Create a major "crisis of confidence" in other friendly nations in Asia -- especially the Philippines, Australia, GRC.
- 8. Weaken United States position and strengthen Soviet position in India and elsewhere.
- Call into serious doubt the credibility of our support everywhere -- NATO, CENTO, etc.

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E.O. 12356, Sec. 3.4

NLJ 87-96

VLIP, NARA, Date 12-19-88

Advantages

- Improve relations with Cambodia -and possibly Hanoi and Peking.
- 12. Capture "Party of Peace" label at home.
- Reduce draft call and end much campus turmoil.
- 14. Eliminate SEATO involvement which would have become meaningless.
- 15. Pave the way for a total recasting of United States policy in Asia, placing onus for any failure of peaceful moves on Peking.
- 16. Demonstration that United States support of allies depends on their ability and determination to help themselves.
- 17. Withdrawal during a period of internal disruption in Viet-Nam and when we enjoyed some military advantage would not necessarily be interpreted as a military defeat.

Disadvantages

- 10. Deal irrevocable political blow to Administration domestically -appeasement, first lost war, etc.
- 11. Encourage Chinese Communists in their support of violence.
- 12. Strengthen Chinese Communist position in Communist world at expense of Soviets.
- 13. Demonstrate free world inability to cope with "wars of national liberation" and stimulate the Communists to resort to this technique elsewhere.
- 14. Strengthen deGaulle's position in Europe (and elsewhere) and weaken those who have relied on our support.
- 15. Seriously affect United States military morale.
- 16. Might trigger a move to return to isolationism.

ALTERNATIVE II

Withdrawd to enclaves

Retirement to enclaves as a prelude to pulling out would encompass all the advantages and disadvantages of Alternative I. In addition:

Advantages

- 1. Give us a better bargaining position than Alternative I.
- 2. Save some "face" by demonstrating we cannot be defeated militarily (compared with total withdrawal).
- 3. Permit our allies and South Viet-Nam more time to adjust and make their own deals with the Communists.
- 4. Retain temporary control over much of Vietnamese population trading space for people.
- Provide more time than Alternative I for the United States to readjust its Asian security arrangements.
- 6. Eliminate basis for charge that this is "an American war."
- 7. Placate those who charge we are too deeply involved in Viet-Nam.
- 8. Sharply reduce risk of war expanding.
- 9. Open way for new "peace offensive."

Disadvantages

- 1. More costly in lives and men than Alternative I.
- 2. No assurance that we could make a better bargain.
- 3. Militarily more difficult and costly than Alternative I.
- 4. Throw probably unbearable burden on ARVN.
- 5. Rather than trigger negotiations, it might lead Hanoi to decide to press it s advantage with all-out "Dien Bien Phu" efforts against each enclave.
- 6. Deal irrevocable blow to morale of Vietnamese who would see this as first step to withdrawal.
- 7. Deal heavy blow to morale of
 United States units forced to
 adopt totally defensive posture.
- 8. Turn most of countryside over to the Viet Cong.

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E.O. 12356, Sec. 3.4

NLJ 87-96

By RAMA, Date 87-96

Disadvantages

- Encourage domestic critics who would attack our policy of past five years.
- 10. Lose our principal advantage in Viet-Nam war -- i.e. superior mobility and ability to find, fix and destroy Viet Cong.
- 11. Strengthen Viet Cong capacity to focus on political action and psychological war.

ALTERNATIVE III

Follow present course

Advantages

- Continuity and consistency of policy.
- 2. Present course has been winning the war militarily.
- Present course minimizes the practical and political problems that would attend any major shift.
- 4. Best balance between what is desirable and what is possible.
- Gives Viet-Nam maximum help without a United States takeover.
- Reassures allies elsewhere of our determination to do what must be done to meet aggression.
- 7. Has won support of most of our friends in Asia -- Korea,
 Philippines, Australia, Thailand, Laos, Malaysia -- who want to see Communist aggression defeated.
- 8. Has increased, not diminished, tensions among Communist states -- especially between Chinese and Soviets.
- 9. Has convinced most Vietnamese they can win.

Disadvantages

- 1. Prompts charges that we are doing too little -- or too much.
- Just successful enough to encourage internal political disruption in Viet-Nam.
- Large United States involvement has disrupted economy, promoted inflation.
- 4. Large United States presence has sharply increased tensions with Vietnamese.
- Fears of escalation into brœ der conflict continue.
- 6. Thus far, Viet Cong infiltration and local recruitment have succeeded fairly well in balancing increments of United States power.
- Air attacks on North Viet-Nam have not slowed or stopped infiltration.
- 8. Air attacks have not brought Hanoi to negotiate.
- Critics' argument that bombing the North prevents peace talks has gained credence.

DECLASSIFIED E.O. 12356, Sec. 3.4 NIJ 87-96 By RARA, Date 12-19-88

Advantages

- 10. Internal developments -- however disruptive -- greatly weaken argument that GVN is a United States "puppet."
- 11. In time, if we persist, it will permit us to achieve all our objectives.
- 12. Implements principle of using only that amount of force which is necessary.
- Minimizes possibility of Communist escalation.
- 14. Supportable without mobilization or major reduction in commitments in other areas.
- 15. Places limits on war by not threatening invasion of North Viet-Nam or destruction of DRV regime.
- 16. Does not preclude taking further military measures within bounds of current strategy or of later moving to much higher levels of intensity.

Disad vantages

- Record of past five years suggests that a stalemate is most likely outcome unless additional steps are taken.
- 11. Growing political disadvantage at home as casualties mount without clear-cut progress.
- 12. Weakening of "image" of United
 States which, with all its
 vaunted power, cannot defeat
 a relatively primitive guerrilla
 force.
- 13. May not minimize Communist escalation if they think victory almost within grasp.
- 14. If North Viet-Nam decides to use its limited air capability offensively, it will be difficult to justify our not having previously destroyed this capability.
- 15. Implementation of our strategy has been so gradual that other side may doubt our perseverance and willingness to increase pressure
- 16. Increases in pressure may not be obvious to other side.
- Gradual increase in pressure makes it easier for Communists to adjust.
- 18. Ties us down to a long and costly war, straining our flexibility and capability to respond in other areas.

Disadvantages

- 19. United States and South Viet-Nam may become war weary.
- 20. Comparatively more expensive to us than to the Communists.
- 21. Provides too many opportunities for others to seize diplomatic, political, military initiative.
- 22. Increases military costs of action taken later rather than sooner.

DECLASSIFIED E.O. 12356, Sec. 3.4 NLJ 87-96 By p, NARA, Date 12-19-88

ALTERNATIVE IV

Major escalation: huge ground force, major expansion of air assault

Advantages

- 1. Maximize chance of quick solution.
- Forcibly demonstrate United States determination to throw back aggression with all the power necessary.
- 3. Destroy critical argument that we are "not trying to win."
- Increase pressure on North Viet-Nam to abandon force.
- 5. Increase internal dissatisfaction with the regime in North Viet-Nam.
- 6. Give renewed confidence to South Vietnamese military.
- 7. Raise morale of Lao, Thai and other neighbors.
- 8. Convince Sihanouk that Chinese influence is not "wave of the future."
- 9. Probably does not raise serious risk of escalation as long as survival of DRV not at stake and invasion of North Viet-Nam not undertaken or threatened.
- 10. Long-term cost might be less than that involved in Alternative III.

Disadvantages

- Sharply raise cost of Viet-Nam' effort -- in money, men, casualties.
- Risk alienating increasing numbers of Vietnamese who would feel we were "taking over."
- 3. Raise chances of Chinese Communist involvement as North Vietnamese desperation increased.
- 4. Raise fears everywhere that we were risking World War III.
- 5. Increase the volume and breadth of domestic criticism.
- 6. Deepen the already serious problems of inflation and social tension with the Vietnamese.
- 7. Raise the risk that Soviets and others would have to expand aid to North Viet-Nam.
- Increase domestic criticism based on higher costs, major mobilization, etc.
- If war were not ended within a year, Congressional action would be required to extend terms of service.

ALTERNATIVE V

Maximum non-nuclear effort, North and South: invade North, hit bases in China if used in support, ground forces into panhandle of Laos, etc.

All the advantages and disadvantages of Alternative IV would apply but in even higher degree. In addition:

Advantages

- North Viet-Nam, in face of a threat to its own survival, would be unable to continue any significant support to the Viet Cong.
- 2. Open the possibility for elimination of communist control in the North.
- 3. Would "legalize" United States position if there were formal declaration of war.
- If successful, it would deal a serious, perhaps fatal, blow to Chinese Communist prestige.

Disadvantages

- 1. High probability of war with Chinese Communists.
- Probably alienate world opinion, bring on United Nations condemnation, etc.
- Contrary to our basic principles of using only that amount of force which is necessary.
- 4. Major Soviet intervention would become a real possibility.
- 5. Might heal the Sino-Soviet split.
- 6. Raise the risk of nuclear war.
- 7. Would involve major and continuing
 United States commitment for
 post-war economic reconstruction
 of North Viet-Nam.
- 8. Short of a quick victory -- which unlikely -- raise a storm of domestic criticism and might elect a Republican President in 1968.

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E.O. 12356, Sec. 3.4

NIJ 87-96

By if, NARA, Date 12-19-88

Pres file

SENSITIVE

Tuesday, May 31, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Dominican Republic: Advisability of Surfacing Poll Results

CIA and State believe it would be unwise to surface the results of our Dominican polls at this stage because:

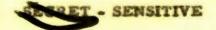
- All formal political campaigning (use of radio, television, 1. newspapers, rallies, caravans, etc.) ceased as of midnight, May 30.
- 2. Spreading the results by word of mouth will have insignificant impact.
- Local polls taken by various entities in the DR have come up 3. with figures parallel to ours, and Balaguer has been making extensive use of these polls in recent weeks. Our poll would add nothing to the picture unless the origin were revealed, which would probably have an effect opposite to the one intended.
- By holding the results of our polls in reserve, they can be used more effectively to counter charges that a Balaguer victory was achieved by fraud.

W. W. Rostow

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Authority NLT 93-180 (SCAP Appeal

Bypwico NARA, Date 6-2-98



Pres file

LIMITED OFFICIAL USE Tuesday, May 31, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Dominican Republic: Election Data

You may find the attached data sheet on the Dominican elections useful as we follow the returns tomorrow.

W. W. Rostow

Attachment

LIMITED OFFICIAL USE

Dominican Election Data Sheet

1. Elective Offices to be Filled:

President and Vice President

Congress:

	Intire Chamber of Deputies - Intire Senate -	74 members 27 "
III M	layors -	77
M III	iunicipal Councilmen -	417

2. Rrincipal Parties and Candidates

Reformist Party (PR) -	Joaquin Balaguer Augusto Lora
Dominican Revolutionary Party (PRD) -	Juan Bosch Antonio Guzman
National Integration Movement (MIN) -	Rafael Bonnelly Abel Fernandez

3. Estimated Electorate and Voter Turnout

Estimated total eligible -	1,700,000
Estimated turnout -	1,200,000
(1962 election figures were -	1,500,000
	1,054,944)

(Bosch in 1962 received 619, 491 votes, or almost 60% of the vote).

4. Voter Eligibility

All Dominicans who are at least 18 years of age or married are entitled to vote except:

- a. members of the armed forces and national police.
- those who have lost their citizenship rights or have had voting privilege withdrawn.

Identity card (cedula) is required, except for women over 25 years of age who may make a sworn statement on their age and nationality if they lack the cedula.

5. Polling Places and Voting Procedures

Number of polling places (mesas) -

3,400 (approximate)

Hours -

6:00 am to 6:00 pm

Procedure -

The voter follows these steps -

- 1. Identified and registered at mesa.
- 2. Figger marked with indelible ink.
- 3. Given envelope with set of ballots.
- Proceeds to booth, marks ballot (split voting not allowed), places it in envelope and seals, leaves blank ballots in booth.
- Returns to mesa and places envelope in ballot box.

Supervision -

Each mesa is supervised by a president and other members appointed by the Central Electoral Board (JCE).

Each Party is authorised to assign one delegate to every mesa.

6. Vote Counting

Unofficial results should be available a few hours after meas close. The JCE has established a system for prompt reporting of mesa tabulation by the municipal electoral boards.

Official results will take about ten days to certify as the ballots move from the mesas through the municipal and provincial electoral boards to the JCE.

7. Weather forecast

Ambassador Bunker reports that they had another good day weatherwise today.

The forecast for tomorrow is generally favorable. There should be scattered to broken clouds, with a possibility of rain slightly less than normal. If rain occurs, there will probably be showers rather than thunder storms.

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Pres file

SECRET

Tuesday, May 31, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Dominican Electoral Situation

In the attached memorandum Secretary Rusk asks your approval for guidelines in dealing with the winner in tomorrow's Dominican elections. The guidelines cover an oral statement of congratulations and a negotiating paper for initial talks with the Presidentelect.

The congratulatory message -- which can be used with either candidate -- is drawn up in the right tone, emphasizing the role of the OAS and our disposition to help within the framework of the Alliance, for Progress.

The negotiating paper contemplates conversations in three stages. The first two are exploratory. The topics to be probed apply equally to Balaguer or Bosch. On the basis of what these talks reveal about the President-elect's desire to work with us, we would develop our position for the third, hard bargaining round.

I recommend approval of the Secretary's recommendations.

W. W. Rostow

Approve	
Disapprove	DECLASSIFIED E.O. 12356, Src. 3.4 NIJ 87-98 By NARA. Date 9-1-89
See me	By MARA. Date 5-1-87
Attachment	

THE SECRETARY OF STATE WASHINGTON

SECRET

MAY 30, 1966

MEMORANDUM FOR THE PRESIDENT

Subject: Dominican Republic

DECLASSIFIED

E.O. 12356, Sec. 3.4

NLJ 87-97

By R. NARA, Date 10-5-88

Recommendations:

1. That you authorize Ambassador Bunker and the Charge d'Affaires to deliver your congratulations (enclosure 1) to the winner of the June 1 election.

Approve Disapprove

2. That you authorize Ambassador Bunker and the Charge d'Affaires to initiate discussions with the President-elect or his Vice President, in accordance with enclosure 2, on United States-Dominican cooperation, especially in the economic field. This would be on the understanding that economic assistance to the Dominican Republic after July 1 will have to meet the criteria of the Charter of Punta del Este -- especially the self-help criteria.

Approve_____ Disapprove _____

Discussion:

Our present estimate is that Joaquin Balaguer is leading in the presidential race although there is a significant sector that has not revealed its preference to the parties or the poll takers. Regardless of which candidate wins the June 1 election however, I recommend

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that our policy toward the Dominican Republic be essentially the same. We have considered whether it would be advisable to follow either an aloof or negative policy toward Juan Bosch if he is elected President and have rejected these alternatives.

Srankuok

Dean Rusk

Enclosures:

- 1. Suggested message of congratulations.
- 2. Negotiating Paper.

SUGGESTED MESSAGE

I congratulate you on your election as President of the Dominican Republic.

I have supported the vigorous efforts of the Organization of American States to help the Dominican people achieve peaceful and democratic solutions to their national problem and to select in free elections leaders of their own choosing. The election held on June 1 is the fruit of those efforts.

Over the last several years the United States has cooperated with the Dominican Republic under the Alliance for Progress in our mutual desire to promote the economic and social progress of the free countries in this hemisphere. I have asked Ambassador Bunker and Charge Crimmins to review our cooperative programs with you as a first step in determining how we may best promote our mutual objectives.

SECRET

Declassified if actually delivered

DECLASSIFIED

E.O. 12356, Sec. 3.4

NLJ 87-98

NARA, Date 9-1-867

Negotiating Paper for Talks with President-elect

Stage I -- Initial Contact after June 1 at our Initiative

Ambassador Bunker and Chargé Crimmins would:

- 1. in a personal visit to the President-elect extend congratulations on behalf of President Johnson;
- 2. indicate our interest in discussing future United States-Dominican relations at his earliest convenience (preferably with him, but we would be willing to begin talks with Vice President-elect but not with another subordinate.)

Stage II -- Follow-up to Initial Contact -- at Presidentelect's Initiative

Ambassador Bunker and Charge Crimmins would make these points:

- 1. What the U.S. wants to see in the Dominican Republic is a strong democratic government capable of bringing political stability, economic and social progress, and efficient administration to the country while keeping extremists of the right and left in check. We assume that this coincides with his plans.
- 2. We would like to know what aspects of U.S.-Dominican relations he wants to review. For our part, we would like to consider the following:
- a. Withdrawal of the IAPF Point out our interest in having the IAPF withdraw as rapidly as possible. If the President-elect wants the IAPF to remain a while longer, we would consider joining with him in issuing a joint statement (or request) to the Tenth MFM to this effect.

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E.O. 12356, Sec. 3.4

NIJ 92-434appea

By NARA, Date 5-5-94

- Training of Armed Forces and Police -Explain what we are doing, including the purpose of the Special Rural Patrol System, and our willingness to continue these programs, and to help him bring about a gradual transformation of the Armed Forces into a highly professionalized service responsible to civilian control. In this context counsel him on the wisdom of negotiating working arrangements with the military establishment as Betancourt did in Venezuela and Mendez Montenegro has done in Guatemala. Explore the advisability of retaining MOD Perez y Perez, Army Chief Perdomo and Police Chief Morillo until the political climate is more stabilized. (If Bosch is the President-elect, we would stress strongly the desirability of not rocking the boat on the military. and state that we would find it very difficult to cooperate on a more rapid reform of the military than is now going on because of the deleterious effects on internal security. We would caution against any precipitate move that the military would regard as a threat to its institutional status.)
- c. Security Matters Explain that one of the serious dangers which he confronts is infiltration of his administration of communist and other extreme left elements. We assume that he is fully aware of this threat in view of his strong statements on the communist question during the campaign. We would be glad to provide him with information that would help him evaluate present incumbents and his candidates for appointment within his government and in government-owned industries. Of course, this service would have to be provided in advance of appointment or confirmation in office in order to be useful and to maintain proper respect for presidential appointments. If he wishes to accept this service he would have to establish a highly secure channel.

d. Economic Assistance - Give him a complete explanation of our AID program, as it now exists in the Dominican Republic, and offer to lend our cooperation if he wishes to utilize it, or any part of it, in his planning. Explain how this program ties in with other assistance being provided by international agencies or foreign countries. Ask him if he has in mind any other programs not covered by those presently in operation. Give him our views of the fiscal, budgetary, trade and development situation as we see it and, without making any recommendations, outline the possible alternative courses of action as we see them.

It is inevitable that presentation of economic and financial problems will point to necessity for exchange rate adjustment, however, the issue should not be raised explicitly at the first meeting. In view of financial problems, especially the external debts coming due, we would point out desirability of the GODR requesting an IMF study team. If the President-elect indicates interest in solving the exchange problem, we would emphasize the need for an IMF Mission and express our willingness to coordinate with the IMF on financial assistance related to the exchange rate adjustment.

e. Collaboration with the Loser - Indicate that while this is an internal matter, we wish to counsel him on the desirability of bringing acceptable opposition representation into his government. We can think of no single measure that would promote more confidence and stability than the placing of a few members of opposition in responsible positions.

Stage III -- Review in Washington

After the above discussions, Ambassador Bunker and Chargé Crimmins would come to Washington and assist in

preparation for a possible meeting between the President-elect and Assistant Secretary Gordon. If the first two talks are held early in June and seem successful, Assistant Secretary Gordon would plan his discussion in Santo Domingo during the third week in June.

An assistance package of \$25 million loan for budget support, of which \$10 million was committed on May 24, could be made available to the new government prior to June 30 if the President-elect can get Garcia Godoy to request it as fulfillment of the \$50 million commitment made in the December agreement and to sign the loan. Otherwise, the \$25 million loan included in the FY-1967 budget now before Congress, plus possibly a limited amount from the Contingency Fund (only \$75 million worldwide) are the only resources now in sight.

THE WHITE HOUSE

CONFIDENTIAL

Tuesday, May 31, 1966 2:00 p. m.

MEMORANDUM FOR THE PRESIDENT

Secretary Rusk recommends letting Ambassador Goldberg sound out the Israelis on the proposal he recently outlined to you (attached) for settling the Arab refugee problem.

He emphasizes that this should be a very informal and tentative probe.

Since Eban took over, he has set up his own task force to study the whole Arab-Israeli problem. Eshkol is fully aboard. They are looking for ways to break down the "fortress Israel" idea and to build bridges to the Arabs. A lot of good ideas are forming.

We do not want to break this fragile reed by overloading it at the start. The steps Eban's people are considering--greater contact between Arabs and Israelis--lay them open to the charge of letting down Israel's defenses. To many sincere Israelis, repatriating Arab refugees would be their Trojan Horse. So asking Eban to accept Ambassador Goldberg's plan right now might push him too far too fast. Frankly, State does not give this idea much chance of success.

However, Ambassador Goldberg's proposal does offer some new variations on the Johnson plan worth passing along to the Israelis as long as we do not push them. A hard sell would only backfire. So if you approve, I suggest you let me read back to State that you favor a carefully prepared low-key approach but want to be sure we do not appear at his stage to be pressuring the Israelis into something against their will.

	Wald. Rostow
Approve	DECLASSIFIED E.O. 12356, Sec. 3.4 NIJ 9/- 108 By NARA, Date 11-4-9
	CONFIDENTIAL

THE SECRETARY OF STATE WASHINGTON

May 30, 1966

CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

Subject: Arab Refugee Problem

Recommendation

That you authorize me to instruct Ambassador Goldberg to sound out the Israelis, tentatively and informally, on the willingness of the Government of Israel to consider his proposals, submitted to you on May 19, 1966, for a new initiative to try to break the Arab-Israeli deadlock over the Arab refugee problem.

Approve	Disapprove	

Discussion

Ambassador Goldberg has proposed that we suggest to the Israelis that they indicate publicly a willingness to offer repatriation to Palestinian refugees on a basis of annual quotas and to offer compensation for property holdings to those who choose not to return. We would contribute to a compensation fund administered by the UN.

From past discussions with the Israelis, we know that they are concerned with the implications for their security of any sizeable repatriation. We will suggest certain modifications of Ambassador Goldberg's proposal to take this aspect more fully into account.

Although the plan may meet with some strong Israeli opposition and although the Arabs may ultimately refuse to cooperate with it, I believe that it has sufficient merit for Ambassador Goldberg to explore it with the Israeli Delegation to the United Nations.

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 98-325 By cs , NARA Date 8-26-99 Dean Rusk

CONFIDENTIAL



THE REPRESENTATIVE
OF THE
UNITED STATES OF AMERICA
TO THE
UNITED NATIONS
May 19, 1966

CONFIDENTIAL NO DIS

Dear Mr. President:

I have been giving considerable thought to your request for suggestions on how progress might be made toward settling some of the problems in the Middle East.

There are, of course, a number of strongly opposed cross-currents in the Middle East - conflicts between Arab nationalism and some of Europe's (and our) economic interests, conflicts between traditional and radical Arab forces which continue to be acute and to distort the reactions of Arab leaders to other problems, persistent attempts by the Soviet Union to make inroads in the area, currently most pronounced in Syria, and the still poverty-stricken plight of most of the people in such a harsh environment. So I think it is only realistic to expect a further protracted period of disturbances in which we will have to continue to play a fireman's role, trying to keep any particular outbreak from getting out of hand.

But overlying all these problems in intensity continues to be the Arab-Israeli conflict. This issue bedevils our relations in the area and interacts with almost all our other relationships. A principal stumbling block to an Arab-Israel settlement has always been the Palestine refugee problem. It is a very human problem, still full of anguish, and used as a powerful weapon of political disturbance, as the recent formation of the so-called Palestine Liberation Organization demonstrates. If you could find a way to pull the political sting out of it, even without hope of solving the problem as a whole, you would have made a real contribution.

The President,
The White House.

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You may know that the United Nations' Palestine Conciliation Commission (PCC), of which we are a member, made a genuine effort to solve the problem in 1961 after President Kennedy had opened the way by personal letters to the heads of states. It appointed Joe Johnson, the President of Carnegie Endowment, as a special representative and sent him to talk to all the governments in the area. He produced the most comprehensive plan yet devised; it involved giving the refugees a choice of repatriation to Israel or compensation for lost property and a resettlement payment, accompanied by provisions to protect Israel against inundation, notably agreement that Israel had the last word on which refugees could return. Unfortunately it was turned down at the last minute first by Israel and subsequently by the Arabs, in circumstances such that the plan itself is probably not revivable although many of the specific proposals might be salvagable.

We made another quiet effort ourselves in 1963. At that time we held parallel United States talks with the Arabs and Israelis, but primarily with Israel, in an effort to ascertain if agreement was possible. The effort was subsequently abandoned on our assessment that the maximum Israeli terms would not approach the minimum terms and conditions of the Arabs and that a "total solution" to which all parties were "agreeable" could not be negotiated.

The fate of the Johnson plan had previously testified to the same conclusion and I would estimate the situation to be the same today. Perhaps there is, however, a way not involving an Arab-Israel "agreement" by which we could get some movement on this problem and make it easier to manage in the future. This would be through a unilateral move on the part of Israel, and I think this might be worth exploring.

The basic Arab position on the issue is that the refugees have the "right" to repatriation by their own choice. They support this position by referring to a General Assembly Resolution (194, paragraph 11). The basic Israeli position rejects this Resolution but asserts

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instead that Israel is prepared to accept a small number of refugees (not precisely defined even to us), primarily relatives of Arabs remaining in Israel, and that it must have full control over who and how many may enter.

It seems to me that while these positions are not fully reconcilable now any more than they were in 1961 or 1963, an Israeli offer of repatriation starting from the point of refugee "choice" but with final Israeli power of decision, coupled with a new compensation offer for those choosing not to return, could help to break the political stalemate and help erode the problem more rapidly than otherwise would be the case.

Accordingly I would suggest that we might approach Israel with a proposal for a unilateral initiative along lines of this sort:

- (1) Israel would announce its acceptance of the concept that refugee choice should be the primary factor upon which repatriation of Arab refugees to Israel should be based.
- (2) It would say that accordingly it intended to offer repatriation opportunities to those who chose to come back subject to annual quotas based on absorptive capacities and subject to individual security considerations.
- (3) It would announce its intention to start this process with a two-year pilot project under which a fixed number of applicants for repatriation (about 15,000) would be processed and admitted each year and that it would then extend the program with modifications based on experience.
- (4) For those who chose not to be repatriated, it would offer to participate in a PCC-run compensation program for property holdings, and it would urge the PCC to look into possibilities of helping in resettlement of those who wished to settle in Arab states or elsewhere.

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- (5) It would welcome the cooperation of the PCC in the repatriation program, and especially in the process of preparing applications and conciliating any differences which arise between the refugees and Israel in carrying out the programs.
- (6) Israel would not put any upper limits on the number of refugees it would admit.
- (7) It would not make its offer contingent on Arab agreement. It would be a straight unilateral gesture which would be carried out to the degree feasible whether there was Arab governmental cooperation or not.

In response to such an initiative we would:

- (1) Welcome this Israeli move and say we hope it will lead toward a solution.
- (2) Say we applaud Israel's recognition of the principle of refugee choice and recognize its right to make individual decisions on security grounds and to determine a reasonable number it can absorb annually. (However, we should have in mind Israel's absorbing gradually 150,000-200,000refugees.)
- (3) Offer to contribute generously to a United Nations compensation fund and cooperate in any role the PCC might usefully play.
- (4) Offer an annual resettlement quota in the United States of a reasonable number for Arab refugees who may wish to move here, and publicly urge others to make such opportunities available as well.

Such a program might well be turned down in its totality by the Arabs and we would not thereafter want to push it at a political cost. Our support for it initially would in itself cost us some political capital in the area. But the Israelis would in the process have made a bona fide offer which would generally be seen as consistent with United Nations resolutions, and which would have a good chance of easing the political

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situation vis-a-vis the Arabs, at least in the long run. Israel, for its part, would have to contribute to the process in principle by accepting refugee choice, agreeing to a PCC role, and by not putting a final figure on the number it would repatriate. Israel's protection would lie in our recognition of its right to make the final decision on which and how many refugees it would ultimately repatriate. The PCC role would be necessary to demonstrate that the offer is genuine enough to be put to an impartial test.

I have no particular views on the timing of such an approach, and you would want to have it staffed out in the Department. The compensation costs, even spread out over some years, could be considerable, if the program should turn out to work at full steam. If and when you are prepared to move in such a direction I will be glad to give you any assistance you may deem useful.

Sincerely yours

Arthur J. Goldberg

-CONFIDENTIAL

THE WHITE HOUSE WASHINGTON

May 31, 1966

CONFIDENTIAL

WWR:

Attached recommendation comes because no one wants to shoot Ambassador Goldberg down.

NE doubts the Israelis will buy but doesn't want to squelch Goldberg's response to the President's request for new initiatives on the Arab-Israeli deadlock.

NE is admittedly war-weary, and new initiatives like this are worth trying as long as we don't let them backfire.

I gather there is a lot more staff work that ought to be done--including checking with Ambassador Barbour. Hence my last sentence.

DECLASSIFIED E.O. 12356, Sec. 3.4 NLJ 9/-/08

By NARA, Date 11-4-9.

Hal Saunders

CONFIDENTIAL

B

J. Pres

Tuesday, May 31, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Attendance at US-Japan Cabinet Meeting in Kyoto

The following cabinet officers are now scheduled to go to Japan the first week of July to attend the US-Japan Cabinet Meeting:

Secretary Rusk Secretary Freeman Secretary Connor Secretary Wirtz

Secretary Fowler will be represented by Under Secretary Barr, and Gardner Ackley will be represented by Mr. Arthur Okum.

The group will be gone from the United States about five days. This would also coincide with the Governor's Conference.

Whether Secretary Udali attends or not has not yet been decided. Secretary Rusk had no chance to talk to him prior to leaving for Europe.

Do you think Secretary Udall should go? <u>Ont</u> Stay here?	carl
Do you want me to convey your decision to him?	Yes
	No

W. W. Rostow

List of State Department Officers invited to meet the President at 1:00 P.M., May 31, 1966

I. Assistant Secretaries of State

Raymond A. Hare - Near Eastern and South Asian Affairs
William Bundy - Far Eastern Affairs
Douglas MacArthur II - Congressional Relations
Dr. Charles Frankel - Educational and Cultural Affairs
Anthony M. Solomon - Economic Affairs
Joseph J. Sisco - International Organization Affairs
Leonard G. Mecker - Legal Adviser
Record S. Kenney, Departy Legal adviser

2. Acting Assistant Secretaries of State

Walter J. Stoessel, Jr. - European Affairs (In the absence of John Leddy who is recovering from an operation)

J. Wayne Fredericks - African Affairs (In the absence of Joseph Palmer who is heading a U.S. Delegation to Tunisian celebration)
Robert M. Sayre - Inter-American Affairs (In the absence of Lincoln Gordon)
Richard I. Phillips - Public Affairs (In the absence of Dixon Donnelley)
Henry D. Owen - Acting Chairman of the Policy Planning Council

3. Presidential Appointees with the rank of Assistant Secretaries

James W. Symington - Chief of Protocol
J. K. Mansfield - Inspector General of Foreign Assistance
Howard E. Haugerud - Deputy Inspector General of Foreign Assistance

4. Officer with the equivalent rank of Assistant Secretary

George Allen - Director of Foreign Service Institute
Thomas L. Hughes - Director of Intelligence and Research
Fraser Wilkins - Inspector General of the Foreign Service
Herman Pollack - Acting Director, Scientific and Technological Affairs
Philip B. Heymann - Acting Director, Security and Consular Affairs
Benjamin Read - Executive Secretary of the Department

THE WHITE HOUSE

WASHINGTON

CONFIDENTIAL

Monday, May 30, 1966 -- 2:30 p.m.

Mr. President:

I spoke to my brother Gene at some length about the possibility of his working in Washington.

He indicated that his interest in public affairs continues as well as his deep support for your Administration.

There are three major limitations on his coming to Washington.

- l. His commitment to be Master of Trumbull College, as well as his teaching and writing commitments.
- 2. His wife has just been offered an extremely interesting research project at Yale in her field -- psychology.
- 3. Their three children are approaching college age, and this means expenses beyond those covered by a government salary.

In addition, he said he found it difficult to commit himself in principle and in the abstract given the unfortunate experience with Senator Dodd. Senator Dodd asked him to clear the decks for appointment as a Federal judge. He did this and then was considerably embarrassed when, for unforseen political reasons, Senator Dodd threw his weight behind another candidate. Therefore, Gene would like to consider the problem concretely in terms of a particular offer rather than in terms of whether he is willing to "come to Washington."

I then suggested some of the domestic and foreign posts that were open and asked whether his interests ran more to foreign than domestic policy at this time. He said: foreign policy. He is much concerned with NATO and our relations with Europe. On the other hand, he would like to feel that his views and those of the Government were in harmony before he came to Washington, since he did not wish to be as frustrated inside the Government as he sometimes felt outside.

6.12.13.15.15.25. 1.7.12.16.15.25. BY DOMESTIC ON D. 27.05

WN Rostow

CONFIDENTIAL

MEMORANDUM DECLASSIFIED THE WHITE HOUSE E.O. 12356, Sec. 3.4 WASHINGTON SECRET Monday, May 30, 1966 -- 2:30 p.m. MEMORANDUM FOR THE PRESIDENT SUBJECT: Appointment of Coordinator on Desalting Projects in Israel and the United Arab Republic In the attached memorandum Secretary Rusk recommends you name a highlevel coordinator to explore conditions under which we might cooperate on nuclear desalting plants in Israel and the UAR. (The Israelis, understandably, want the coordinator attached to the White House rather than State.) The coordinator would look into using these projects to negotiate IAEA controls on all existing and future nuclear installations in both countries. Sec. Rusk also recommends we undertake economic feasibility studies of both plants. Before acting on these recommendations, we wished you to have available a clear account of the issues the coordinator will face -- and our government -as we move forward in this matter. Dr. Hornig's staff, Charles Schultze's and mine all collaborated in this staffing exercise. Here are the four key questions. Can these projects be economic? The recently completed joint U.S. -Israeli engineering study of the proposed Israeli desalting/electric power plant shows it is technologically feasible. While establishing the cost of producing water, it did not address the economics of future water use. We know a lot less about the UAR project. Since it is primarily a nuclear electric power plant with a small desalting capability, the water economics will be secondary; but we need to know whether the nuclear power plant would be more economic than an oil-fueled one. The economic analysis we have makes clear that the Israeli plant will not produce water at currently competitive costs unless financed by grant or at heavily concessional rates. Eshkol himself has said that only if the project could be financed at "zero interest rate" could it be done without putting an unacceptable strain on the Israeli economy. SECRET

To illustrate, Israelis estimate the current maximum value of agricultural water in their remote southern Negev desert area at about 16¢ per 1000 gallons -- which happens to be the actual cost of supplying water there from the Jordan River diversion works. By comparison:

- -- At 8.4% interest (about equal to commercial rates), water from the proposed plant would cost 67¢ per 1000 gallons.
- -- At 4.6% interest (half way between AID terms for Israel and Ex-Im Bank terms) it would cost 43.4¢ per 1000 gallons.
- -- At no interest, repayable in 30 years, cost of water would be 25¢ per 1000 gallons.
- -- And each of these costs should be increased by about 7¢ per 1000 gallons to cover the costs of delivery.

An outright gift of any part of the capital would, of course, lower the cost of water. For example, if 4.6% money were replaced by grant, the cost would be lowered by 2¢ per 1000 gallons for each \$10 million. But with no concessional capital financing and at present water prices, an annual subsidy of about \$16 million would be required.

But these projections, based on present economic conditions in Israels are not a proper basis for decision. We need an authoritative evaluation of the water economics of Israel in the 1970's. After all, the plant is being considered because of future water shortage in the country. Therefore, it will be necessary to:

- -- Analyze supply and demand factors (population growth, industrial investment, agricultural expansion, decreasing natural water supply) which will determine the price of water.
- -- Project into that context the relative advantages of desalting with nuclear as opposed to non-nuclear fuels.
- -- Study alternative sources of water (such as filtered sea water for limited uses) and ways to do without water.

The study would, in addition, have to get into basic questions on water supply and use in the 1970's. Is askis one of the best case studies we have, and we would like to put the best minds in the country on it.

Note to researchers: When this collection was processed on 9/8/83 page three was missing from this document.

- any capital project in the UAR, much less a nuclear one. So it may be unwise to tie the Israeli project to a balancing project in the UAR. In any case, the UAR project is primarily an electric power plant and is, therefore, not symmetrical with the Israeli project.
- -- Wasser has little immediate hope of developing nuclear weapons. If we could strike a deal with Israel on safeguards, we might be able to persuade him to accept them without giving him a plant. After all, getting Israel off the nuclear track would be a big gain for him at little cost since he would be sacrificing no potential weapons of his own.
- -- It is probably unrealistic-to-expect Israel-to-accept safeguards on all its reactors. So a private deal with Israel-on-nuclear self-restraint may be the best we can hope for. Realistically, quiet bilateral U.S. approaches to both parties might be as good a bet as urging public commitment to safeguards. Bilateral understandings might be worked out with quite different bargaining counters in each country provided we could give each essential assurance that the other would not go nuclear.
- Gan-adequater USG financing bermade available for the Israell projector State's paper includes:\$20-45 million in grants from Interior and AEG: but is our own-proposed-plant in Los Angeles goes whead using the same technology, both-Interior and AEG agree that there would be little or no technological justification for going to the Congress for a large grant to develop the same technology in Israel. Moreover, Congressman Aspinall and other members of the House Interior Committee oppose aiding any such project abroad. Current thinking calls for \$48 million in local currency from PL 480 sales, but AID and Agriculture policy toward Israel calls for a shift to Title IV dollar sales. So no new large holdings of local currency will be accumulating, and current holdings are programmed to the hilt. Dave Bell believes AID should not finance any such project unless it can pay its own way without continuing subsidy. As nearly as we can tell from Executive Branch discussions so far, its samlikely that our coming recommendations couthe Water for Peace program will propose a new source of ILS capital aid for large-scale desalting plants. So for the \$200 million project, the only likely source of U.S. funds under current policies would be, say, \$50 million from Ex-Im. The rest would have to be raised in world money markets at interest rates which would make the project uneconomic. Based on likely sources of financing, the water cost appears closer to 47¢ per 1000 gallons than to the 35¢ cited in State's paper.



full understanding of the complex economics involved with diplomatic

To sort these questions out, we support Secretary Rusk's recommendations that:

l. You appoint a high-level coordinator. We feel that Douglas Dillon (one of Secretary Rusk's suggestions) may be the best choice. He combines

	Approve	Disapprove
	Coordinator	
2. broad-		ordinator to organize a U.S. financed independent y of the Israeli project (as Secretary Rusk
recomi	mends).	
	Approve	Disapprove
Carried States	might accept safegua	ordinator to explore the conditions under which irds on all its nuclear reactors (especially Dimona ect (as Segretary Rusk recommends).
	Approve	Disapprove
UAR be recommed while what ou UAR in the safe persua since h	You instruct the comove without your apple deferred until we know offer a feater allows, because he we agree we must do represent relation with a practical in the impractical in the im	proval. We would suggest that any approach to the now better where we stand with Israel. Sec. Rush sibility study of the UAR project when the political feels we must balance our books with the Arabs. what we can to contain Arab reaction, we feel ith Cairomakes even a semi-commitment the mediate future. We also view Israel as the key to not the UAR may eventually be far easier to re to gain by getting Israel off the nuclear track, pability.) We do not wish to commitment to reclean
UAR be recommed while what ou UAR in the safe persua since he anythin	You instruct the comove without your apple deferred until we know offer a feater allows, because he we agree we must do represent relation with a practical in the impractical in the im	proval. We would suggest that any approach to the now better where we stand with Israel. Sec. Rush sibility study of the UAR project when the political feels we must balance our books with the Arabs. what we can to contain Arab reaction, we fast the Cairo makes even a semi-commitment the mediate future. We also view Israel as the key to not the UAR may eventually be far easier to re to gain by getting Israel off the nuclear track,

5.	Voundelay amouncement of	the coordinator at least until the end
of June:	Sec. Rusk agrees that we	do not want it to follow too closely our
aircraft	sale announcement. It seen	ms good policy to space our Israeli moves
carefull	y in order to maintain stead	y momentum rather than giving too much
away at	once.	
	Approve	Disapprove
6.	-	th discussion in your presence with a
with a g	roup from the NSC staff, Bu	ndgebBureaux Science Advisor 1 office,
ONE DESCRIPTION	formal NSC meetings	
		\/
	White House-EOB Group	Formal NSC session
	No meeting necessary	

W AN Rostow

THE SECRETARY OF STATE WASHINGTON

SECRET

May 21, 1966

MEMORANDUM FOR THE PRESIDENT

Subject: Appointment of Coordinator on Desalting Projects in Israel and the United Arab Republic

The attached memorandum speaks for itself, but I wish to comment on three points:

(1) I believe Governor Harriman would be an excellent choice as the United States coordinator on the proposed desalting projects.

Other possibilities as coordinator, any of whom could perform with distinction, include Gene Black, Doug Dillon, and Mac Bundy.

All of these people not only have the sensitivity and the broad grasp required for the job, but are thoroughly acquainted with what it takes to guide a project through the Washington structure.

- (2) I consider it important to link the Israeli project to a possible United Arab Republic project with a view to making significant progress on controlling the spread of nuclear weapons development. We see a promising opportunity to work toward that goal through acceptance by both Israel and the United Arab Republic of IAEA safeguards, which provide a verifiable control system. I would stress also that in moving ahead we not lose sight of the importance of using our cooperation on this matter to obtain effective safeguards over the existing Dimona Reactor in Israel.
- (3) In view of the current state of our relations with Nasser, I believe any public announcement on the appointment of a coordinator should be related only to the possible Israeli project. (We would, however, privately

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inform Cairo at an appropriate time of our willingness to undertake an economic feasibility study in the United Arab Republic in the context of a possible understanding on safeguards with both Israel and the United Arab Republic.) Such an announcement should not be made before we have reached an understanding privately with the Israelis on what we have in mind to announce. Some delay in making the announcement would also help to mitigate a foreseeable tendency on the Arabs' part to associate the nuclear desalting issue with the announcement just made on our sale of military aircraft to Israel.

Deautuste

Dean Rusk

Attachment:

Memorandum for the President.

THE SECRETARY OF STATE WASHINGTON

May 21, 1966

SEGRET

MEMORANDUM FOR THE PRESIDENT

Subject: United States Support for Desalting Projects in Israel and the United Arab Republic

Recommendation:

That you name a high-level United States coordinator to explore the conditions under which United States cooperation on proposed nuclear desalting projects in Israel and the U.A.R., including possibly United States Government financial assistance, might be feasible and desirable. The coordinator would specifically explore the possibility of linking any United States Government assistance to the acceptance by Israel and the U.A.R. of IAEA safeguards over all their existing and future nuclear installations.

Inasmuch as various questions concerning the economics of the Israel and U.A.R. proposals need to be answered prior to any final recommendations on financing, I propose that the United States Government pay for independent economic feasibility studies of the two projects.

Approve	
Disapprove	

The above recommendation stems from a consideration of the problem by the Interdepartmental Regional Group for Near East and South Asia, in which representatives of the Department of the Interior, the Atomic Energy Commission and the Arms Control and Disarmament Agency participated.

Discussion:

I. Foreign Policy Implications

I believe the desire of Israel and the U.A.R. to construct nuclear desalting plants offers us a major opportunity to advance our broad

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NIJ 87-101

By PR NARA, Date 3-9-90

objectives in the Near East and could make a contribution to peace and development in the area that would justify considerable United States support. We recognize, of course, that nuclear reactors of the size contemplated would yield fissile material that, unless controlled, could conceivably be diverted to weapons manufacture. However, we would require IAEA safeguards over these reactors and would also seek acceptance by both Israel and the U.A.R. of similar safeguards over all of their nuclear installations in exchange for our support. We consider the IAEA safeguards system to be an effective deterrent against diversion of nuclear material for military purposes.

Israel will undoubtedly be reluctant to accept overall IAEA safeguards. Nevertheless, the desalting plant may be important enought to serve as a powerful inducement. There would seem to be little likelihood of getting Israeli agreement to comprehensive nuclear safeguards unless we get a similar commitment from the U.A.R. We believe we could probably obtain such a commitment from the U.A.R., in conjunction with our support for a desalting plant and an Israeli commitment on safeguards. Of course we cannot be fully confident that either country will accept the safeguards requirement until we approach them to sound out their willingness to enter into a "package deal." National sensitivities on this issue are so touchy that we will need to use a senior negotiator to approach both countries at the top-most levels (not over-looking the possibility of withholding official U.S. support if satisfactory safeguards provisions are not acceptable).

An approach along the above lines to both Israel and the U.A.R. would be consistent with our efforts to maintain a reasonably even-handed position in pursuit of our interests in the Near East area. The assurance of this important new source of water, particularly through the Israeli project, would in the long-run tend to lessen somewhat the tensions arising out of competitive efforts by the Israelis and Arabs to harness limited natural water resources in the area. (It is important to note, however, that economic assistance, via desalting or other projects, is not a promising avenue for resolving the bitter and deep-seated Arab-Israel dispute.)

Since the British and German Governments have shown an interest in selling desalting projects abroad, Israel and the U.A.R. may look to them, and possibly to France, for financing if our terms are unacceptable. We will approach those governments to seek their concurrence in requiring safeguards over the entire Israeli and U.A.R. nuclear programs as a condition precedent to any financing of the desalting plants.

II. Economic Factors

The Kaiser-Catalytic engineering feasibility report provides detailed estimates of the cost of the Israeli project, intended to yield 100 million

gallons of desalted water daily and 200 megawatts of electric power. However, as a project engineering report, it did not address itself in detail to possible alternative solutions to the Israeli water problem or to questions like the value of water (as well as further electric power) to the Israeli economy under varying cost, price and use assumptions.

Our involvement in the U.A.R. proposal has been limited to a preliminary survey by a United States technical team which indicated the project might be attractive in meeting its limited objectives. We need to achieve a fuller understanding of many aspects of this project. Unlike the Israeli project, which is designed to help meet a substantial portion of Israel's growing needs for water, as well as electric power, the U.A.R. project would produce a substantial increment of power (125 megawatts) but only a modest quantity (5 million gallons daily) of desalted water for use in agricultural pilot projects.

Economic feasibility studies are needed to clarify questions relating to water and power needs and costs in both projects before we can make a final assessment of the economic attractiveness of these projects. We estimate that these studies would take up to eight months to complete. Within that time period we should also have more definite information on plans for U.S. Federal contributions to a comparably large desalting and power project being considered by the Metropolitan Water District (MWD) in Southern California.

III. Financing

The Kaiser-Catalytic report estimates the cost of the Israeli project at between \$187 million and \$210 million, based on 1965 prices. U.S. firms have tendered bids on the U.A.R. project, quoting costs of approximately \$80 million.

The proposed economic feasibility studies will demonstrate whether the projects meet the tests of economic feasibility, i.e., whether they would be viable if financed solely on non-concessional terms. Such non-concessional financing could include (1) perhaps as much as \$20 million in grants from the Department of the Interior and the Atomic Energy Commission, representing research and development benefits to the United States (this amount could conceivably go as high as \$41 million if the MWD project does not go through and if the decision is made to construct the first plant of this scale in a foreign country); and (2) perhaps up to \$50 million of Export-Import Bank lending. Concessional financing could involve (1) dollar loans from AID or other sources on terms substantially softer than those offered by the Export-Import Bank; (2) an Atomic Energy Commission waiver of interest charges of about \$3.5 million on provision of fuel inventory; (3) a loan of up to \$48 million to cover local currency costs on very soft terms if

SEGRET

- 4 -

PL 480 Title I continues to be available. However, no proposal for AID concessional dollar lending for Israel for FY 1967 or subsequent years has been included in the current economic aid request now before the Congress.

AID believes that United States Government financing should be considered only if the projects would be viable if financed solely on non-concessional terms. The Department of the Interior and the Atomic Energy Commission believe that the proposed projects would make a major contribution to large-scale desalting, which would benefit both the United States and other nations, and which cannot be measured solely in economic terms.

I agree that we should not go forward if the projects would require continuing annual operating subsidies, but I do not believe we should foreclose the possibility of providing concessional dollar lending for initial capital costs, should the projects prove economically desirable within the political context outlined in I. above. In that event we might wish to seek special Congressional appropriations, perhaps under the Water for Peace program.

Economic feasibility studies could be financed by the AEC, the Department of the Interior, or AID. Because grant assistance to Israel was ended in 1962, it would be a departure from present policy for AID to finance these studies.

We should clearly reserve our final position on financial participation in the projects until we know (1) the results of our efforts to obtain safeguards, and (2) the findings of the economic feasibility studies.

A Staff Study is attached with more detailed discussion of these considerations.

Dean Rusk

Enclosure:

Staff Study

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STAFF STUDY ON ISRAELI AND UNITED ARAB REPUBLIC DESALTING PROJECTS

I. Current Status of the Israeli and UAR Projects:

- l. <u>Israel</u>: The Kaiser-Catalytic engineering feasibility report has been submitted to the Governments of Israel and the United States. A copy was sent to the President under covering memorandum on March 29, 1966. The report indicates that the proposed nuclear fueled 100 MGD desalting --200 Megawatt electric power plant is technically feasible for operation in 1972 assuming successful completion of a development program, and estimates its cost at between \$187 and \$210 million, based on 1965 prices and excluding electrical and water distribution systems. During Israeli Foreign Minister Eban's visit to Washington in February 1966 he mentioned the impending completion of the Kaiser-Catalytic report and suggested to Secretary Rusk that the United States and Israeli Governments now proceed to name high-level negotiators to examine financing possibilities.
- 2. <u>UAR</u>: The Egyptians have financed from their own resources the feasibility study done by a British firm of an \$80 million nuclear power-desalting plant for location at Borg al-Arab (5 million MGD-125 Megawatt electrical). Bids have been received and a conditional letter of intent has been sent to International General Electric (IGE) by the UAR. The letter expires June 6, 1966. The UAR has stipulated that IGE must obtain concessionary financing terms acceptable to the UAR. In addition, Deputy Prime Minister Kaissouni has written Ambassador Battle requesting USG cooperation and support for the project.

II. Foreign Policy Implications:

1. These projects may well offer a major opportunity to advance U.S. non-proliferation objectives in the Near East. In essence, if it proves to be in an acceptable range of economic feasibility, the desalting plant would be offered to Israel on concessional financing terms in exchange for an Israeli commitment to place the plant and all other nuclear installations in Israel under IAEA safeguards. Attainment of this objective would justify considerable amounts of concessionary financing. (It should be noted that such an approach could lead other potential recipients of desalting assistance to think that acceptance of complete IAEA coverage could suffice to obtain U.S. assistance for their desalting projects; while this is a possibility, it is not likely to create serious problems.)

2. The

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- 2. The proposed full safeguards coverage would advance U.S. objectives in several major ways:
- a. The nuclear weapon option for Israel would become much less feasible, both technically and politically. Safeguards on Dimona would not only defuse the Israeli weapons potential now, but would constitute a long-term commitment which would continue to have a stabilizing effect in that region for many years.
- b. In contrast to private commitments to the U.S., an Israeli commitment for IAEA safeguards would be an immediate tangible action which would publicly demonstrate good faith to its neighbors as well as to the United States.
- c. Israeli acceptance of complete safeguards coverage would help build a worldwide climate of opposition to nuclear weapon poliferation, strengthening the hand of those in India, Japan, Sweden, and elsewhere who are resisting pressures to build a bomb. Because of our special relationship with Israel, moreover, it would demonstrate the strength of U.S. determination to stop the spread of nuclear weapons.
- d. A successful program to retard nuclear proliferation must include safeguards on indigenous nuclear facilities -- coverage which we have not yet been able to attain anywhere. Israeli acceptance of such coverage would establish a precedent which would greatly assist us in pressing for similar coverage in other countries. In particular, it would provide a major boost to our efforts in Geneva to incorporate a strong safeguards provision in the non-proliferation treaty.
- 3. The Israelis may be extremely reluctant to accept such conditions. In this connection, Prime Minister Eshkol has yet to reply to the President's request of May 1965 with respect to IAEA safeguards, and articles have appeared recently in the Israeli press urging the Israeli Government to look elsewhere for desalting assistance if we attempt to attach conditions to our aid. On the other hand, there is reason to believe that the desalting plant is important enough to Israel to provide the Prime Minister with a strong inducement to accept safeguards. Early in April, Prime Minister Eshkol told reporters: "I do not say that we can carry out the desalting project only if we obtain special terms; I say that we must carry out the desalting project, and therefore we must obtain special terms. The world must help us in this matter."
- 4. Arab officials have repeatedly expressed deep concern over the possibility of Israel's building nuclear weapons. There is little likelihood of getting Israeli agreement to accept safeguards unless we get a

similar commitment

similar commitment from the UAR. The UAR is eager to construct a smaller (\$80 million) nuclear power-desalting plant at Borg al-Arab. We can probably obtain an agreement on safeguards for all UAR facilities if we can assure the UAR that Israel will accept similar safeguards and if we offer concessionary financing for the proposed UAR plant, provided, of course, as in the Israel case that this plant proves to be in an acceptable range of economic feasibility.

- 5. An approach along the above lines to both Israel and the UAR would reinforce our announced stand of "evenhandedness" vis-a-vis the Arab-Israel dispute. Failure to maintain an evenhanded position with respect to desalting assistance could result in political repercussions among the Arab states that would be harmful to our area interests. The assurance of this important new source of water, particularly through the Israeli project, would in the long run tend to lessen somewhat the tensions arising out of competitive efforts by the Israelis and Arabs to harness limited natural water resources in the area. (It is important to note, however, that economic assistance via desalting or other projects is not a promising avenue for settling the bitter and deep-seated Arab-Israel dispute.)
- 6. The United Kingdom, West Germany, and possibly France, are interested in the Israeli project and Israel may look to them for part of the financing or all of it if Israel does not wish to accept nuclear safeguards or disagrees with the results of the economic feasibility study or to terms of any financing we might offer. We should make approaches to these governments to seek their support in insisting on nuclear safeguards over the entire Israeli program (not just the desalting plant) as a condition precedent to any financing. Prime Minister Wilson and Chancellor Erhard would in all likelihood be sympathetic to our non-proliferation effort in the Near East. The attitude of France is problematical; however, the French might not be able to provide the desalting portion of the equipment and it is unlikely that they would be prepared to offer substantial concessionary financing. The multilateral approach outlined above would probably necessitate dividing up the commercial benefits among these countries.

III. Economic Policy Implications:

1. The Kaiser-Catalytic engineering study provided estimates of the construction and operating costs of the Israeli project, but did not address itself to the economic feasibility of the project. It was based on forecasts made by Israeli authorities about Israel's future water and power needs, water and power costs, etc., which have not been independently tested. The study did not address itself to such alternative means of meeting the Israeli water problem as cutting back on some present agricultural uses of water, reclamation of waste water, etc. The cost of construction could escalate considerably over the five-to-six year con-

struction period.



struction period. An economic feasibility study would examine these questions and would also evaluate the economic benefits to be derived from the proposed plant, the value which additional water may have in the Israeli economy, and the amount that farmers and other users could be expected to pay for water. The alternative of a smaller plant not necessarily using nuclear fuel has not been studied; it should be. The effect on water costs and the economic value of mixing high-quality water with more saline water needs to be examined. In addition, alternative ways of increasing or conserving the supply of water in Israel need to be looked into. AEC and Interior are convinced that the project falls within an acceptable range of economic feasibility. Other U.S. Agencies believe that a thorough economic feasibility study is the next logical step. We should in any event find out whether large operating subsidies will be required for indefinite periods of time. The scope of the economic feasibility study and the means of financing it would be worked out in consultation between appropriate USG agencies. (The same procedure would be followed in handling the economic feasibility for the UAR project.)

- 2. The Israel economy is strong, with very substantial foreign exchange reserves and large annual capital inflows from both the United States and West Germany which promise to continue for some years to come. A preliminary analysis of the economics of the project within the Israeli economy raises some doubt as to whether Israel will find the project of sufficient priority to undertake it if foreign concessionary financing is not made available.
- 3. Some of the possible sources of financing for the Israeli project within the U.S. Government at the present time include 1) \$20-\$45 million in grants from Interior and AEC (for which Congressional approval would be requested), depending on the extent to which other projects go forward, principally a proposed nuclear desalting plant in California; and 2) up to approximately \$50 million from the Export-Import Bank. The Atomic Energy Commission could, with appropriate authorization, provide the fuel inventory on a lease or deferred payment basis, with waiver of interest charges valued at about \$3.5 million - for a limited period of time; this would reduce the working capital required during the period of the waiver. The local currency cost (\$48 million) could be made available by AID if PL 480 Title I continues to be made available for the next several years and if funds are specifically reserved for the desalting project. (It should be noted, however, that we have already begun moving Israel away from Title I to dollar repayable Title IV. Our 1966 offer puts 25 per cent of the PL 480 commodities under Title IV.) Assuming Israel raised the balance on world money markets, project water would cost in the neighborhood of

\$.35 per 1000 gallons

* If the California project (MWD) goes forward, the AEC-Interior grant to the Israeli project could be on the order of \$20 million.

\$.35 per 1000 gallons at the plant boundary. It is not known whether this package would be sufficiently concessionary to be attractive to Israel. In the event that we receive acceptable assurances with respect to nuclear safeguards, we may decide to offer additional low-interest dollar loans; if so, it might be preferable to provide these under specific congressional authorization, since AID's program of development loans to Israel is being phased out.

- 4. Aside from the question of nuclear safeguards, the manner in which the United States proceeds with the Israeli and UAR projects may create a precedent for future cooperation with other countries. Can concessionary terms be justified for Israel? What precedent would thus be set for providing concessionary finance for other projects located in countries also normally considered ineligible for concessionary financing? It would be helpful to know the real cost of the U.S. concessionary assistance, and to have an independent estimate of whether the project requires U.S. concessionary assistance.
- 5. The Atomic Energy Commission and the Department of the Interior support the recommendation of the U.S.-Israeli Joint Board that the United States and Israeli Governments enter promptly into discussions relating to the terms of financing. These two agencies have a considerable technical interest in the project and they are prepared to provide financial assistance commensurate with the technical benefits the U.S. desalting program would expect to gain from it. The project is large and in a promising new field. These two agencies believe that sustained American involvement in the desalting field could advance desalting technology to the benefit of both the U.S. and other nations. It could also help the U.S. capture large segments of the ultimate overseas market for U.S. industry. It is not certain, however, that large-scale U.S. Government financial participation will be needed to bring about this result.

IV. Conclusions:

- a. The United States should make a determined effort to use financial assistance to the proposed desalting plants in Israel and the U.A.R. as a lever to obtain IAEA safeguards over all present and future nuclear installations in those countries. Attainment of the non-proliferation objective may well prove to be feasible and if so it would be worth a substantial amount of concessionary lending. The next step would be the naming of a high-level U.S. official to undertake approaches to the Israeli and U.A.R. Governments on the one hand, and to the British, German and French Governments on the other.
- b. Since there are various gaps in our knowledge about the economic soundness of the projects, thorough economic feasibility studies of both projects should be made by U.S. firms. Such studies would be useful in

determining

determining to what extent the projects fall short of normal investment criteria, and would therefore give us some idea of the "cost" of obtaining nuclear safeguards. They would also give us an independent estimate of the amount and nature of the concessionary financing each project might require. These studies might take up to eight months to complete, and could be presented as tangible evidence of on-going activity. The delay involved in conducting economic feasibility studies will not be harmful to the Israeli or U.A.R. economies.

c. During the period that discussions are under way, and while economic feasibility studies are being conducted, we should not rule out the possibility of withdrawing. It should be made clear to Israel and the U.A.R. that we are reserving final judgment on financial participation pending completion of the economic feasibility studies and satisfactory responses on the safeguards question.

Presfile 92

Monday, May 30, 1966 12:00 noon

Mr. President:

Here is Lodge's cable on the Buddhist crisis, from which I read extracts to you over the phone this morning.

W. W. Rostow

Saigon 5124

WWRostow:rln

Text of cable from Saigon (5124)

The current cynical campaign of hunger strikes, letters in blood and suicides which the extremist political bonzes and the "struggle movement" have now unleashed is obviously a desperate effort to bring maximum pressure on the U. S. to force the Government of Vietnam into conceding to Tri Quang. Quang virtually admitted as much in his May 29 press conference in Hue. The primary target is obviously the over-sized resident foreign press corps and through them, American and world public opinion.

Most of the directors of the current campaign are veterans of at least two previous campaigns: those against Diem and Tran Van Huong. They know their target and have refined the detailed actions necessary to carry out their campaign with maximum impact. They appear already to have singled out the most susceptible of pressmen for special attention and are also keeping the rest of the press corps informed about where to be when and for what.

Their publicity campaign is designed to obfuscate by emotional and irrelevant acts their true goal: the placement of the present Government of Vietnam by one amenable to their manipulation. Irrationally, they ignore the essential facts of the case that the present Government of Vietnam is not anti-Buddhist, that the majority of the Directorate and Cabinet are in fact Buddhist, and that the Government itself has recently reiterated its pledge to have elections and has actually fixed a date for these elections.

Ky is embarked on a campaign to isolate the extreme Buddhists and their supporters. He and his Directorate colleagues so far appear able to count on the support of the armed forces in their efforts. As Ky is able to consolidate past gains and find new opportunities the struggle forces will become more fanatic and desperate in their actions. The immediate outlook is for more bitter clashes between extremists and the government. It also is likely to see even more open attacks on the U. S. and U. S. policy by the struggle forces.

If Ky succeeds in his plans the struggle forces will be split and then squeezed off. At some point negotiation and elements of compromise could be brought into play. At present there is no true basis for negotiation and compromise between the government and the extremists in control of the struggle movement. Tri Quang is not to be reasoned with by this government. Nor do we find any basis for us to reason with him. Whether other Buddhist Institute elements are susceptible to the government remains to be seen and is constantly being tested by Ky and his intermediaries.

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E.O. 12356, Sec. 3.4

NLJ 87-95

By 129, NARA, Date 8-4-87

The U. S. Mission has been persistently urging discussion and unity in contact with all sides. Some success has been achieved in this regard, i.e. Ky-Thi meeting, but no dramatic results have been or are likely to be seen. It will be a slow process over time, as the relative power and support of the contenders becomes clearly apparent.

Ky and his government have maintained a determined but flexible stance on political issues. The pledge to elections has been reaffirmed and the work of preparation pursued. Enlargement of the Directorate to include civilians has been suggested, but the government is not looking to this as a cure-all. The Directorate wishes to put down the rebellion before it modifies itself. At this time the Directorate is more interested in the need to maintain unity in the armed forces than it is to create a forthcoming public posture, although it has not ignored this latter point.

Insofar as we are able we should avoid Tri Quang's efforts to draw us into the middle of his fight to bring down the government. We realize that the "struggle" publicity campaign makes this extremely difficult to do; nevertheless we should persist. Our support for the government is implicit and it should remain so. While seeking to maintain some independence of position between the contenders we should not by our actions or words appear to be withdrawing support from the Ky government.

Lodge

Pres file

CONFIDENTIAL

Monday, May 30, 1966 ll:30 a.m.

Mr. President:

Secretary Rusk proposes that Sol Linowitz succeed me on CIAP and take over also Amb. Bunker's role in the OAS Council when Bunker retires (after end of August is his wish).

I've only met Linowitz once for fiteen minutes. He seemed bright and capable of sympathetic relations with Latin Americans; but I'm not in a position to make a definitive judgment.

W. W. Rostow

CONFIDENTIAL

WWRostow:rln

NL5 79-73 (#>=)
By Dut per (w NARS, Date 8-20-86

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THE SECRETARY OF STATE WASHINGTON

May 28, 1966

CONFIDENTIAL - EXDIS

MEMORANDUM FOR THE PRESIDENT

Subject: United States Representative on the

Council of the OAS and United States Representative on the Inter-American Committee on the Alliance for Progress

(CIAP)

Recommendation:

That you appoint Mr. Sol M. Linowitz now to the position of United States Representative on CIAP and subsequently, upon Ambassador Bunker's retirement from the OAS Council, also nominate him as United States Representative on the COAS.

Approve	Disapprove

Discussion:

There are impending vacancies in two positions which are vital to the activities of the Bureau of Inter-American Affairs and of the Alliance for Progress: those of our representatives on the Council of the OAS and on CIAP. The same basic reasons which make it advisable for the Assistant Secretary for Inter-American Affairs to be responsible for both the political and economic aspects of developments in the hemisphere apply to these positions, provided that a candidate can be found who combines the necessary political and economic skills.

It is essential that the CIAP deliberations be attuned to the political currents of the hemisphere. With the separation of the COAS and the executive arm of the IA-ECOSOC, i.e., the CIAP, the importance of having the same man in both spots would be accentuated. In addition, the evolving role of CIAP within the inter-American system

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NLJ 79-74 (#+1)

By Dalpe 1 w NARS, Date 8-20 88

CONFIDENTIAL - EXDIS

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makes it likely that the Secretary General of the OAS and the Secretariat will be playing an important role with regard to CIAP.

It would also be important that the person holding these positions be a man of superior ability and recognized stature. I would like to propose Sol M. Linowitz, presently Chairman of the Executive Committee of the Xerox Corporation, to serve in both positions.

While Mr. Linowitz does not have a knowledge of Spanish, all official business of the OAS and CIAP is conducted, through simultaneous translation, in English as well as Spanish and major meetings in Portuguese and French as well. A knowledge of Spanish while useful is not imperative, as Mr. Rostow's eminently successful participation in CIAP has demonstrated. It should also be considered that most of Mr. Linowitz's civic activity has been in the international field, in the U.N. Association, the United Jewish Welfare Fund and the Foreign Aid Advisory Committee. His business and legal activities also have a strong international cast. He has travelled extensively in Latin America. I believe that these factors in addition to the happy combination of talents which make him the likeliest candidate for both positions heavily outweigh considerations as to language ability. Mr. Linowitz does speak French and German. A short biography of Mr. Linowitz is enclosed.

Dean Rusk

Enclosure:

Biography.

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BIOGRAPHY

Mr. Sol M. Linowitz, a lawyer, was born in Trenton, New Jersey, December 7, 1913. He received an A.B. degree from Hamilton College in 1935 and an LL.B. from Cornell University in 1938. He was also admitted to the New York State Bar in 1938. From 1942 to 1944 he was Assistant General Counsel for the OPA in Washington. He served as a Lt. (s.g.) in the USNR, 1944-1946. He was a partner in the firm of Sutherland, Linowitz and Williams from 1946 until 1958 when he joined Harris, Beach, Keating, Wilcox, Dale and Linowitz of Rochester, New York.

Mr. Linowitz holds the following positions:
Chairman of Executive Committee, Member of the
Board and General Counsel for the Xerox Corporation;
Director of - Fugi Xerox, Ltd. (Japan), Security
Trust Company, Veterans Broadcasting Co., Inc.,
Superba Cravats, Inc., Rank-Xerox, Ltd. (London);
Trustee for Rochester Savings Bank; Director, United
Jewish Welfare Fund; Trustee, Member of the Executive
Committee of the University of Rochester; on the
Board of Managers of the Eastman School of Music;
Trustee, Rochester School for the Deaf.

Mr. Linowitz is married to the former Evelyn Zimmerman and has four children: Anne, June, Jan and Ronni.

Pres file

Monday, May 30, 1966 ll:30 a.m.

Mr. President

I agree that you should receive Prince Bernhard. He is in touch with a very wide range of European leaders and should be able to give you a good political feel as we go into the crunch on the NATO crisis.

W. W. Rostow

WWRostow:rln

THE SECRETARY OF STATE WASHINGTON

May 28, 1966

LIMITED OFFICIAL USE

MEMORANDUM FOR THE PRESIDENT

Subject: Request for Appointment for Prince Bernhard

Recommendation

I recommend that you receive Prince Bernhard of the Netherlands, for a brief courtesy call on Monday, June 6.

Approve	Disapprove	
	D-Juppe Ovo	

Discussion

Prince Bernhard will be in the United States May 30 to June 7 to attend a benefit in New York and will come to Washington on Monday, June 6 for meetings with Secretary McNamara, Acting Secretary Ball and other officials.

An active and intelligent person, the Prince takes interest in political and military affairs, particularly, at this moment, in NATO. On his initiative the highly successful Bilderberg conferences (informal, off-the-record annual gatherings of prominent government and business leaders) were instituted to further human relations among leading personalities in Europe and the United States.

Prince Bernhard was very pleased by his brief visit with you in April 1965, and would be flattered if he were invited to see you on his forthcoming trip. I believe that a brief call on you by this distinguished personality of one of our closest allies would be a useful gesture.

Dean Rusk

He is a good friend and supporter

The U.S. of the U.S.

CONFIDENTIAL

Monday, May 30, 1966 -- 10:00 a.m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Raising the Level of State Visits: The Upcoming Case of King Faisal

We have been exploring ways of stepping up the dignity of state visits and will have more to report later.

But Faisal's visit in late June is not a good place to start, as the attached State Department memorandum makes clear.

- 1. A big show for Faisal might intensify his struggle with Cairo and worsen our own poor relations with Nasser who has already read certain of our moves as an effort to back Faisal in a bloc against him.
- 2. Faisal has made good progress in developing his country since 1962; but it is still a mighty backward place. Moreover, he has not worked for a Yemen settlement with 100% good faith.

I recommend, therefore, that we play this visit correctly, and save any Billy Rose upgrading for a less ambiguous guest.

W. W. Rostow

Play it correct and low key

Upgrade

See me

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E.O., 12958, Sec. 3.6

NLJ 98-326

HWriggins: WWRostow:rln

By Cb , NARA Date 9-27-99

10 Pres

Monday, May 30, 1966 9:45 a.m.

Mr. President:

This is the revised agenda, as of this morning, for today's 1:00 p.m. lunch meeting.

W. W. Rostow

CONFIDENTIAL

REVISED AGENDA

Lunch Meeting With the President Monday, May 30, 1966, 1:00 p. m.

- 1. State-Defense Atlantic Nuclear Paper (Secretaries Rusk and McNamara)
- 2. Brussels Meeting: Prospects and Problems (Secretary Rusk)
- 3. Harriman Trip. (Secretary Rusk)
- 4. Post-Brussels: Congressional Hearings and Possible Speech on Europe by the President (Secretary Rusk)
- 5. Dominican Republic (Secretary Rusk)

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

White House Guidelines, Feb. 24, 1983

By 3 Ch NARS, Date 5-39-85

LDX to Sec State Sec Mchamera

ec: Watson Bill Moyers

CONFIDENTIAL

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THE WHITE HOUSE WASHINGTON

TOP SECRET

Monday, May 30, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Targets, North Vietnam

You should know that State and Defense have agreed to include 7 targets in the current strike program even though they are slightly off to the side of routes authorized for interdiction. These 7 targets are along the edge of the restricted circles around Hanoi and Haiphong:

Two small POL storage sites near Dao Quan. These are part of the system of small storage facilities which North Vietnam hopes to use to disperse POL supplies. No civilian casualties are expected.

Small POL site near Thai Nguyen. DOD predicts one civilian casualty.

POL site 10 miles north of Haiphong. This is a new dispersal site which could be of considerable importance, though exact capacity is unknown. No civilian casualties are expected.

Thon Nieu POL Tank Fabrication Plant. This is the source of POL tanks being used to disperse POL. The Defense Department estimates only 3 civilian casualties since this area would receive early warning from its radar system.

Thai Nguyen Truck Park. This is a truck park two miles off the approved interdiction route. Two civilian casualties are predicted.

Thai Nguyen Vehicle Repair Facility. Located in same area as the truck park. No civilian casualties are expected.

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E.O. 12958, Sec. 3.5

NSC Memo, 1/30/95, State Dept. Guidelines
By M. J., NARA, Date 6 11-98

WOOM. Rostow

FOP SECRET

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Monday, May 30, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: U.S. Policy in the Ryukyus Islands

Mac Bundy has just returned from a visit to Japan. He has sent you a thoughtful memorandum on the Ryukyus (including Okinawa) problem (attached).

Mac's points are:

- i. The issue of our base rights on Okinawa vs. Japanese (and Okinawan) desires for Japanese administrative control over the Ryukyus is almost certain to boil up as a major political issue in Japan.
- 2. We have about six months to frame a forward-looking policy that will allow us to trade effectively with the Japanese.
- 3. State and Defense have not in the past been able to get together on this one.
- 4. "Like Panama and NATO, Okinawa by its very nature needs to have a White House push."

These are precisely the impressions I brought back from Japan after my trip last year. We may have more than six months; but it's not safe to assume this is the case.

Mac suggests you may wish to charge me with the responsibility for making sure you get "current and timely information" on this matter. I've looked into the situation and it is this: Defense has thrown a block across interdepartmental work looking to the future of the Ryukyus.

I recommend:

a. You make me responsible for supplying you with progress reports on this question.

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E.O. 12356, Sec. 3.4 NIJ 87-100 SECRET By inf, NARA. Date 1-23-51

SECRET

-2-

- b. That we instruct State and Defense to set up a working group to study alternative courses open to the U.S. in the Ryukyus.
 - c. A member of my staff participate in the working group.

W. W. Rostow

Approve	
Disapprove	
Thank Mac	
See me	

Jo Pres Sent to Pres Sunday 5/29/66

TENTATIVE AGENDA

Lunch with the President, Monday, May 30, 1966

- 1. State-Defense Atlantic Nuclear Paper (Secretaries Rusk and McNamara)
 (paper will be forwarded tonight for President)
- 2. Brussels Meeting: Prospects and Problems (Secretary Rusk)
- 3. Harriman Trip. (Secretary Rusk)
- 4. Possible Speech on Europe by the President After Brussels.

Sunday, May 29, 1966 -- 12:50 p.m.

Mr. President:

By coincidence with our own thoughts about photography, the attached arrived from State yesterday:

- -- a letter to you from N. Podgrony, Chairman of the Presidium of of the Supreme Soviet of the USSR;
- -- photographs of the moon's surface taken by the Soviet automatic moon station, Luna 9;
- -- two medallions, struck in honor of the occasion, to which Podgrony (and State) does not refer.

The receipt of these objects opens the way to a reply which might get the photography business "down to earth."

In that connection, Secretary Rusk tells me he has immediately begun staffing out the idea which we referred to him about making public U.S. and Soviet satellite photography.

W. W. Rostow

DECLASSIFIED E.O. 12356, Sec. 3.4

NLJ 87-99 By Ling NARA. Date 5-10-90

WWRostow:rln

DEPARTMENT OF STATE DIVISION OF LANGUAGE SERVICES

8759

(TRANSLATION)

LS #0. 44635 T-103/R-XVII Russian

Moscow, The Kremlin, March 9, 1966

Dear Mr. President,

It gives me great pleasure to send you photographs of the Moon's surface received from the Soviet automatic station "Luna 9" which, for the first time, made a soft landing on the Moon on February 3, 1966.

The successful completion of this new and, in its complexity, exceptional space experiment represents another step by mankind in the exploration and conquest of outer space.

The Soviet Union did in the past and will in the future exert efforts to utilize the achievements of space science, as well as science as a whole, for peaceful purposes exclusively, so that these achievements be placed in the service of creation and progress rather than that of destruction.

Respectfully

[Signed]

N. Podgorny

Chairman of the Presidium of the Supreme Soviet of the USSR

His Excellency

Mr. Lyndon Baines Johnson,

President of the United States of America

Washington, D.C., The White House.

Unofficial translation

Photographs of the lunar surface obtained by the automatic station "Luna-9" 4-5 February 1966

On January 3I, I966, the automatic station "Luna-9" was launched in the Soviet Union and made a soft landing on the surface of the Moon on February 3 at 2I hours 45 minutes 30 seconds Moscow Time. During February 4 and 5, I966, the automatic station transmitted directly from the surface of the Moon a circular panorama of the lunar landscape.

The photograph shows the automatic station "Luna-9". Visible on the body of the station are:

- 4 aerials which open automatically after the touch-down of the lunar station (I);
- 4 photometric standard plates fixed to the tips of the aerials (2);
- 4 metal petals protecting the TV system from accidental landing shocks and ensuring the station's stability on the lunar surface (3);
- 3 dihedral mirrors to take stereo pictures of some parts of the panorama (4);
 - the head of the TV system (5);
 - the heat-resistant shield of the container body (6);

The panorama shows the surface of the Moon, the horizon and the lunar sky. Due to the inclined position of the station the horizon on the Moon appears to slope. The sky on the panorama is completely black because of the lack of atmosphere on the Moon.

The pictures reveal the rough character of the Moon's surface. The scale of the panoramic photographs diminishes rapidly as the distance from the station grows. In the immediate vicinity of the station (foreground) the photographic resolving power of the camera is up to I-2 mm, but near the visible horizon only objects more than several metres in size can be discerned. The panorama reveals also separate formations resembling stones

scores of centimeters and more in size, and deep hollows-craterlets. The obtained view testifies to a comparatively solid ground of the Moon in the area of landing.

The following details are seen on the panorama (left to right):

Ist sector of the panorama. Visible on the left is a standard photometer plate fixed to the aerial to determine the brightness of objects on the lunar surface, on the right - a section of the lunar surface.

2nd sector of the panorama. In the left part of the picture is a latch securing metal petals in flight. On the right - an element of the aerial system.

3rd sector of the panorama. A dihedral mirror is visible. Ist left face reflects the black lunar sky. The right face reflects only the lunar surface. All the distances to objects seen in the mirrors are measurable. In the lower right hand corner there is an end of the strap 13mm wide attached to the petal.

4th sector of the panorama. A black band to the left corresponds to the intermission in the session during which the panorama was being transmitted. Visible to the right is the reflection of the Moon's surface in the second mirror.

5th sector of the panorama. The left part of the picture shows the tip of the opened petal of the automatic lunar station and some stones on the surface casting long shadows. On the right there is an aerial illuminated by the Sun.

6th sector of the panorama. The third mirror with reflected lunar surface is visible against the background of the black sky.

Москва, Кремль " / " марта 1966 г.

Уважаемый Господин Президент,

Мне доставляет большое удовольствие направить Вам снимки поверхности Луни, которые получены с советской автоматической станции "Луна-9", впервые совершившей мягкую посадку на Луне 3 февраля 1966 года.

Успешное завершение этого нового, исключительного по своей сложности космического эксперимента является еще одним шагом человечества в исследовании и освоении космического пространства.

Советский Союз прилагал и впредь будет прилагать усилия к тому, чтобы достижения космической науки, как и науки в целом, использовались исключительно в мирных целях, чтобы эти достижения были поставлены на службу созидания и прогресса, а не разрушения.

С уважением

Н.Подгорный

Председатель Президиума Верховного Совета СССР

Ero Превосходительству Господину Линдону Бейнс Джонсону, Президенту Соединенных Штатов Америки

г. Вашингтон, Белый дом



DEPARTMENT OF STATE

WASHINGTON

MAY 27 1966

C-219

MEMORANDUM FOR MR. WALT W. ROSTOW THE WHITE HOUSE

Subject: Letter to the President from N. Podgorny, Chairman of the Presidium of the Supreme Soviet of the USSR

Enclosed is a letter to the President from N. Podgrony forwarding photographs of the moon's surface taken by the Soviet automatic moon station, Luna 9. The photographs and an official translation of the letter are also enclosed. The letter was delivered to Secretary Rusk by Soviet Ambassador Dobrynin for transmission to the President.

A recommended response for the President's signature will be forwarded in the near future.

Ammon Bartley

for

Benjamin H. Read Executive Secretary

Enclosures:

- 1. Letter to the President from N. Podgrony.
- 2. Official Translation.
- 3. Photographs.

MEMORANDUM FOR MR. WALT W. ROSTOW THE WHITE HOUSE

Subject: Letter to the President from Chairman Podgornyy

I refer to my memorandum of May 27

S/S # 8759 which transmitted Chairman

Podgornyy's letter concerning Luna - 9.

The enclosed description of the pictures taken by Luna - 9 was inadvertently omitted and should be added to the memorandum.

Ammon Bartley

for

Benjamin H. Read Executive Secretary

Enclosure:

As stated.

Pres file

Sunday, May 29, 1966 11:45 a.m.

Mr. President:

Herewith a proposed reply to Mrs. Gandhi.

It has been carefully worked out with and cleared by State.

W. W. Rostow

Dear Mrs. Gandhi:

Your letter was a source of strength and satisfaction to me.

We are both leaders of a democracy and must put our policies to the test of national elections and carry our parties with us in the process. That means we are almost always at work in a sea of troubles. Understanding that, it is good to share our thoughts as we try to solve the problems we face.

I have been reading with admiration the reports of your spirited defense of your policies against political attack -- most recently at the Congress Party meeting at Bombay.

As you may have gathered, I am also meeting my critics at least half way as we enter our congressional campaign.

We learned much from Planning Minister Mehta about your plans for moving India ahead to faster economic progress. I was particularly pleased -- even moved -- by his account of the gathering energy and determination in evidence from the farmers in the villages to the new generation of ingenious and determined young industrialists.

It was also good to hear directly from him of his encouraging discussions with the World Bank. As I told him, I wish to be as helpful as possible to you and to your government in the period that lies ahead.

I feel the state of relations between our two countries is bright and promising. I know we both are seeking much the same thing: practical ways of achieving an economy of abundance with social justice and freedom from exploitation.

Against the background of this generally hopeful picture, I share your concern about one matter of great importance to the future of free Asia -- indeed, of the whole world community. That, of course, is the present state of relations between Pakistan and India. DECLASSIFIED

E.O. 12356, Sec. 3.4

NLJ 87-100

By isp, NARA, Date 1-23-87

I well know how difficult it is for democratic leaders to be conciliatory and moderate in the face of critical public opinion. But it seems to me extremely important that communications be maintained between the two countries, with the objective of creating a firmer basis for peace.

The process begun at Tashknet must not wither and die.

Quite apart from the overriding need for peace, any thought that last fall's hostilities might recur would provide a ready argument to political leaders in this country who are opposed in principle to any substantial aid program. More important, it would plant doubts among even the strongest supporters of our foreign assistance. This could strengthen efforts to cut back the next aid bill in general and more particularly to block the resumption of economic aid to India and Pakistan on the scale that you and I know is necessary.

As a concrete means of reversing a dangerous arms buildup, it seems to me crucial that India and Pakistan find some way of limiting their defense expenditures and starting them on parallel downward paths. This is essential to both peace and development. I know from our own experience with the Soviet Union how difficult this is to do. However, before Viet Nam both we and the Soviets -- without ever talking about it -- had begun a series of unilateral but seemingly reciprocal cutbacks in our spending.

Let me add that I remain as convinced as ever of the genuineness and depth of your own dedication to the cause of peace with your neighbor. The knowledge of your commitment to peace is a source of encouragement and strength to me as I ask the American people to help in India's development.

You suggested you might be interested in my view of the current state of affairs in Pakistan. It does seem that Pakistan is going through a difficult period. The government there is under considerable political pressure to demonstrate some achievement on Kashmir. It is hard to predict where these pressures will lead, but I believe we both have an opportunity to influence future events.

As I told you when you were here, I have confidence in President Ayub, and I believe that he intends to maintain friendly ties with the Free World. As you know, I am about to send a new Ambassador to Pakistan, a trusted and capable colleague, Mr. Eugene Locke. He has clearly in mind the necessity of peace on the subcontinent and the requirement of responsibility and flexibility on the part of both countries. I shall be most interested in his thoughts as to how the U.S. and Pakistan can go about working out a relationship that is best for all of us. I shall keep in touch with you and will hope for your support during the weeks ahead.

I have often thought, late in the night, of the burden of history and political pressure borne by you and my friend Ayub in this matter. I have only two observations: first, as I told your Minister of Planning, we have learned from our experience with Mexico the special responsibility that the larger partner must bear in making it possible for the smaller nation to live in confidence and dignity as a neighbor; second, in working forward from our present difficult position, you may have to take small steps, each then understanding the political problems of the other, each fighting loyally before his own public opinion for whatever limited agreements can be achieved.

From this distance it would appear that a forthcoming invitation for high-level talks might now be timely.

I was interested in your remarks about the Indo-American Foundation. I know from my own experience that even a project as intrinsically worthy as this one can become a source of political controversy; it is not the first time, nor will it be the last, that a good project has been strongly questioned and vigorously debated as a part of the democratic political process. Working together, however, and with a full understanding of the problems which confront us both. I am sure that we can find a way to launch the Foundation in a form which will preserve its essential character and its ability to stimulate Indian education as we both intend.

Your observations on the food situation in India were helpful to me and, on the whole, heartening. As you are aware, I am following this matter personally. Congress reacted favorably to the message I sent it toward the end of your visit here, and we will continue to do our part to help you weather this difficult season. However, our own stocks of wheat have dropped more rapidly than expected, and I have recently had to increase wheat acreage here. That will not increase our anticipated stocks until 1967.

My prayers are joined with yours that the coming rains are bountiful.

The political disturbances in Viet Nam have been disquieting. But I am convinced, in the phrase I quoted in my African talk the other day, they are "growing pains." They are part of the process by which the Vietnamese people are working out their political future in their own way. We are using our limited influence to persuade them to work these matters out by discussion rather than by violence.

The Vietnamese government has made clear its continuing commitment to elections before the middle of September and the work of the committee set up to prepare for these elections is going forward. We support the government's commitment to these elections and we continue to believe that in this way and in other ways the process of building a truly free nation in Viet Nam will go forward.

As for the war, we shall apply that minimum of our great military power necessary to convince those responsible in Hanoi that the aggression should cease, while searching every day to bring the matter from the battlefield to the negotiating table.

Before closing, let me say that I admire your courage in sticking to a policy of foregoing nuclear weapons. I think this is a wise and a good policy. I cannot believe, knowing the costs and limitations of small national nuclear systems, that they represent the wave of the future in this increasingly interdependent world.

With warm personal regards,

Sincerely,

Her Excellency Indira Gandhi Prime Minister of India New Delhi

LBJ:WWR:rln

THE WHITE HOUSE WASHINGTON

Sunday, May 29, 1966 ll:45 a.m.

Mr. President:

Herewith a proposed reply to Mrs. Gandhi.

It has been carefully worked out with and cleared by State.

Walker

Is Pres 103

SECRET

Saturday, May 28, 1966 -- 2:40 p.m.

MEMORANDUM TO THE PRESIDENT

SUBJECT: Guantanamo Incidents and Castro's Reaction

- 1. You will have seen from the intelligence summaries this morning that Fidel Castro has become quite agitated over the Guantanamo incidents. He has declared an island-wide alert and issued several blasts against us. President Dorticos called in the diplomatic representatives from the Communist countries and told them Cuba would be pleased to receive "volunteers" to help against "the threats of aggression by Yankee imperialism."
- 2. Travellers and overt sources reported that as of May 17 signs and posters were seen throughout Havana announcing a program of "popular defense combat readiness" to begin June 2. Raul Castro mentioned this program in a speech delivered at the burial of the soldier killed at Guantanamo on May 21, 1966.
- 3. Since no hard information on the reasons for Castro's statement of May 27 is available, it is believed that the following possibilities should be considered:
- a. Castro may be setting the stage to call off or reduce the airlift, although we have no evidence to this effect.
- b. It may be only another of his periodic outbursts to cover up increasingly serious internal problems.
- c. While less probable, Castro may be considering an attack against Guantanamo, or to provoke further incidents such as shooting down a U-2 reconnaissance aircraft.
- 4. I asked CIA early this morning to specify Castro's domestic difficulties. Their short paper is attached.

DECLASSIFIED

E.O. 12356, Sec. 3.4

W. W. Rostow

NLJ 87-98

NARA. Date 9-1-89

Saturday, May 28, 1966 11:30 a.m.

Mr. President:

This is urgent because Sec. Rusk wishes to extend this invitation when he visits Norway next week.

W. W. Rostow

THE WHITE HOUSE WASHINGTON

Friday, May 27, 1966, 5 PM

Mr. President:

In the attached the Secretary of State asks you to authorize him to invite King Olav of Norway to come to the United States in 1967. The King is a solid citizen and has wanted to do this for sometime.

I see no problem, and -- in terms of our Norwegian and NATO relations -it would be a good thing to do.

	Francis M.	Bator
Approve		
Disapprove		
Speak to me		

THE SECRETARY OF STATE WASHINGTON

May 23, 1966

CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

Subject: Invitation to King Olav V of Norway to Visit the United States in 1967.

Recommendation

During my forthcoming trip to Norway I will meet with King Olav privately. I would like on that occasion to extend an invitation to him on your behalf to visit the United States in 1967. Suitable dates could be worked out later. I request, therefore, that you approve in principle a visit by King Olav in 1967 and that you authorize me to extend the invitation on your behalf during my forthcoming visit to Norway.

Approve	Disapprove
---------	------------

Discussion

King Olav let it be known that he would like to visit the United States some time ago. In the past five years his Foreign Ministry has made a number of approaches to us on the subject. A visit by King Olav would be the first by a reigning Norwegian monarch and would underscore the close relations between Norway and the United States. Of even more importance, such a visit would help to counteract the persistent efforts by the USSR and of domestic left-wing groups in Norway to weaken Norway's ties with NATO and the West. The visit would be followed with great interest not only by Norwegians but also by the large Norwegian-American community in this country.

CONFIDENTIAL

DECLASSIFIED

E.O. 12356, Sec. 3.4

NIJ 87-101

By P. NARA, Date 3-9-90

CONFIDENTIAL

- 2 -

Despite the King's traditionally non-political role, he has great influence behind the scenes and enjoys popular esteem and respect in Norway. He is the psychological and symbolic leader of the Norwegian people, as well as Commander-in-Chief of the Armed Forces. In a political and/or military crisis his personal attitude would be of great importance. He last visited the United States in 1953 when he was Crown Prince.

Dean Rusk

CONFIDENTIAL

THE WHITE HOUSE

WASHINGTON

CANTTEN

SECRET

Saturday, May 28, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Balaguer's Withdrawal from the Elections

In a sudden and unexpected move, <u>Balaguer last night announced his</u> withdrawal from the elections. CIA reporting lists these reasons:

- 1. Balaguer was deeply disturbed on May 27 over the reported sale of cedulas (identity cards) which are necessary to vote.
- 2. He is depressed over heavy rains in recent days which he feels will cut into the rural vote where his strength lies; and
- 3. The Central Electoral Board's rejection of his proposal that women be allowed to vote even though they do not have their cedula.

Charge John Crimmins noted in a telephone conversation this morning that the public announcement of the withdrawal is not final and irrevocable.

We have been in touch with Ambassador Bunker this morning. He was dismayed by Balaguer's action since the previous day (Thursday) he had called on him and found him full of confidence.

Bunker reports that he learned of Balaguer's decision at 1:30 this morning, and immediately went to see Garcia Godoy about it. Bunker stated that he and his Brazilian and Salvadoran colleagues would be doing everything in their power this morning to get Balaguer back on the tracks.

Salvadoran Colleagues would be doing everything in their power this morning to get Balaguer back on the tracks.

Salvadoran Colleagues would be doing everything in their power this morning to get Balaguer back on the tracks.

Salvadoran Colleagues would be doing the same thing. And Garcia Godoy is continuing his efforts to get him to reconsider.

Bunker said that he would keep us posted and promptly would let us know if he thought that we could do something from this end to strengthen his hand.

SANITIZED

E.O. 12953, Sec. 3.5

By is , NARA Date 4-16-97

SIGNIF

Wall. Rostow

14

via watson Friday, May 27, 1986

MEMORANDUM FOR THE PRESIDENT

THRU: Marvin Watson

Secretary Freeman has agreed to go to Mexico to talk cotton June 6 - 7. He wishes to take several experts. He asks that he be permitted to take this trip in a Jet Star. Since it is a direct product of your discussions with Diaz Ordaz, and we want the trip to strengthen Tony Solomon's hand as we press Diaz Ordaz further on sulphur, I recommend that he be extended this Presidential courtesy.

W. W. Rostow

Jet Star approved

Jet Star disapproved

cc Bill Hoyers

SANITIZED E.O. 12958, Sec. 3.6 NLJ 98-328 By Cb , NARA Date 10-14-79

SENSITIVE

NATIONAL SECURITY ACTION MEMORANDUM NO.

MEMORANDUM FOR THE SECRETARY OF STATE
THE SECRETARY OF DEFENSE
THE DIRECTOR OF CENTRAL
INTELLIGENCE

SUBJECT: Alternatives to US Facilities

I have reviewed your 22 October 1965 Memorandum to me in response to NSAM 337 as updated by the Department of State's 17 May 1966 Memorandum to Mr. Restow and by my approval on 23 May of the new military sales package

E0 12958 3.4(b)(1)>25Yrs E0 12958 3.4(b)(6)>25Yrs

I approve your recommendations as updated subject to the usual review by the Bureau of the Budget before expenditures are authorized.

cc: Director, Bureau of the Budget

TOP SECRET

Theored by Kerdez

Dear Bill:

I appreciated the thoughtful letter you sent following our exchange at the Diplomatic Reception.

You are certainly right in saying that statements can be taken out of context and interpreters can draw a different meaning than you meant from your words. It's happened to me!

My hope is that we do learn from the past -including the recent past. Your analogies of
nations in history which were drunk with their
own importance are vivid. I also believe there
are some very pertinent recent analogies which
are applicable, too -- and the most significant,
as far as I am concerned, is the analogy of what
happens when ambitious and aggressive powers
are freely permitted in areas where the peace of
the world is delicately balanced, to use direct or
indirect force against smaller and weaker states
in their path.

We are not called upon to bring our power to bear in every one of the quarrels and crises which erupt in the world. I think we are called upon, by the very nature of things, to act when there is a threat to the larger security. When we also have a commitment entered into as a part of the peace-building efforts of the past, action is even more clearly necessary.

> JUN 11966 CENTRAL TILES

I know how you feel about such commitments, but from where I sit it is not an easy thing to take an indifferent attitude toward them, especially -- as I have already mentioned -- if there is also involved the broader issue of how inaction would affect the overall balance of security in the world.

I also feel strongly, as I hope you realize, about the right of small nations to develop their own political processes without interference from a belligerent nation. And belligerence is no less a reality when it involves the external support of insurgency than it is when it involves armies moving across national boundaries.

South Vietnam, in my opinion, is moving toward a government that will reflect the traditions and values of its people. I do not believe it could do so if we were not willing to contest the effort of others to take it over arbitrarily by force.

These are my views, Bill. They are not textbook abstractions but daily working convictions. In this connection, I am not sure whom you have in mind when you refer to some of my advisers. There are, of course, always differences of nuance and emphasis; but I believe my top diplomatic, military, and economic advisers are more in harmony on the course this Administration is pursuing than has been the case in most other administrations with which I have been familiar over the last thirty-five years. I would be derelict to the people who elected me to this Office if I let anyone else substitute their judgements for mine. I listen to everyone I can, but I must take the responsibility for deciding the policy -- not my "advisers."

I appreciate the courteous and friendly manner in which you approached my reference to Zephyr's note. While I have seen the leaks from the other end of the avenue about my "slighting" you at social occasions or other irrelevant matters, I cannot believe that our differences of policy have erased the friendship we have shared so long. I have a fondness for Betty and you that is real. I am sorry that careless people have appeared to paint another picture.

Sincerely,

lly

The Honorable
J. W. Fulbright
United States Senate
Washington, D. C.

LBJ:BM:cw->

To Pres 108

CONFIDENTIAL

Friday, May 27, 1966 - 8:00 pm

MEMORANDUM FOR THE PRESIDENT

SUBJECT: FBI Report on Alleged Mishandling of Funds by President Garcia Godoy

You asked me to obtain Bunker and Dave Bell's comments on the attached FBI report alleging that President Garcia Godoy has been mishandling Dominican Government funds.

Dave Bell has no information on tampering with funds which we have supplied, but is investigating.

Bunker has sent the following observations:

"All Dominican Presidents since Trujillo's time have utilized confidential funds in the presidential office for miscellaneous expenditures in which, because of political or other considerations, publicity is not desired.

In the present situation, Garcia Godoy is faced with the particular problem of keeping content the key military officers who have been sent abroad, both constitutionalist and regular. As you are aware, there are large numbers of these and many have family retinues of considerable size. It would not be surprising if Garcia Godoy chose to draw on the Suspense Fund to meet some of the expenses involved. The issue of allegedly excessive payments to the military abroad has already been introduced by Juan Bosch into the current electoral campaign.

In the absence of other evidence, I am strongly disinclined to believe that Garcia Godoy is profiting personally from the Suspense Fund. ".

W. W. Rostow

Mr. Marvin Watson

Mr. Hayes Redmon

COMPANDAMIANA

DECLASSIFIED

Authority NLJ 93-276appeal
Bylu CB. NARA. Date 6-2-98

Friday, May 27, 1966 4:15 p.m.

Mr. President:

This is the second time round for this request. It went up to you on May 17 and, somehow, got lost.

W. W. R.

CONFIDENTIAL

Friday, May 27, 1966, 4:00 p.m.

MEMORANDUM FOR THE PRESIDENT

Secretary Rusk and Ambassador Goldberg would like to bring most of the chiefs of UN delegations to Washington for a day. They recommend that:

- -- You and the First Lady receive the visitors at a late afternoon reception at your convenience, preferably this month or early in June (before they drift off on vacations).
- -- You approve use of military aircraft to fly them down.

This would be a "first" and one good way of fending off those UN enthusiasts who feel we are not 100% committed to the UN because of the tough line we often have to take on financial issues to spread the burden around.

W. W. Rostow

Approve	
Disapprove	DECLASSIFIED E.O. 12356, Sec. 3.4 NLI 87-99
and Man Water	By ing. NARA, Date 5-10- 90

MEMORANDUM

THE WHITE HOUSE

SECRET

Reta Program

Friday, May 27, 1966 -- 3:00 p.m.

Mr. President:

Here are the Viet Nam alternatives, laid out bare bones. I think that is the best way. Rather than make heavy weather of it, I put two first-class men on the job: Bill Jorden and Colonel Bob Ginsburgh who worked with me on the Policy Planning Council and will shortly be the JCS man on my staff. I hope you agree this is useful. What they are saying, in effect, is that we need something more than our present course (Alternative III) but less than a major escalation (Alternative IV). Lagree.

W and Rostow

(ac Moyers)

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E.O. 12356, Sec. 3.4

NLJ 87-96

By 12, NARA, Date 12-19-88

ALTERNATIVE I

Withdraw from Viet-Nam

Advantages

- 1. End United States casualties.
- Terminate high material costs of war.
- Free funds for domestic programs, for overseas development, etc.
- Halt criticism at home and abroad of United States military actions in Viet-Nam.
- 5. Ease worry in Japan, Europe and elsewhere that the Viet-Nam war will produce World War III.
- 6. Eliminate major irritant in United States relations with the Soviets and Eastern Europe.
- 7. Reduce strains in NATO caused by troop withdrawals, etc.
- 8. Open door to unification of Viet-Nam.
- 9. Permit the United States to exploit "peace" initiative.
- 10. Permit withdrawal from and end of involvement in Laos and Thailand since neither are more vital to the United States than Viet-Nam.

Disadvantages

- Turn 14 million Vietnamese over to Communist control.
- 2. Seal fate of Laos and Cambodia.
- 3. Turn Thailand to neutralism and eventual Chinese domination.
- 4. Heighten Chinese threat to Malaysia and Burma.
- 5. Insure Chinese Communist dominance in Southeast Asia.
- 6. Destroy SEATO.
- 7. Seriously disrupt our relations with Korea and cause an internal political crisis there. Create a major "crisis of confidence" in other friendly nations in Asia -- especially the Philippines, Australia, GRC.
- 8. Weaken United States position and strengthen Soviet position in India and elsewhere.
- Call into serious doubt the credibility of our support' everywhere -- NATO, CENTO, etc.

E.O. 12356, Sec. 3.4 NIJ 87-96 By 29, NARA, Date 22-19-88

DECLASSIFIED

Advantages

- Improve relations with Cambodia -and possibly Hanoi and Peking.
- 12. Capture "Party of Peace" label at home.
- 13. Reduce draft call and end much campus turmoil.
- 14. Eliminate SEATO involvement which would have become meaningless.
- 15. Pave the way for a total recasting of United States policy in Asia, placing onus for any failure of peaceful moves on Peking.
- 16. Demonstration that United States support of allies depends on their ability and determination to help themselves.
- 17. Withdrawal during a period of internal disruption in Viet-Nam and when we enjoyed some military advantage would not necessarily be interpreted as a military defeat.

Disadvantages

- 10. Deal irrevocable political blow to Administration domestically -appeasement, first lost war, etc.
- 11. Encourage Chinese Communists in their support of violence.
- 12. Strengthen Chinese Communist position in Communist world at expense of Soviets.
- 13. Demonstrate free world inability to cope with "wars of national liberation" and stimulate the Communists to resort to this technique elsewhere.
- 14. Strengthen deGaulle's position in Europe (and elsewhere) and weaken those who have relied on our support.
- 15. Seriously affect United States military morale.
- 16. Might trigger a move to return to isolationism.

ALTERNATIVE II

Withdrawd to enclaves

Retirement to enclaves as a prelude to pulling out would encompass all the advantages and disadvantages of Alternative I. In addition:

Advantages

- 1. Give us a better bargaining position than Alternative I.
- Save some "face" by demonstrating we cannot be defeated militarily (compared with total withdrawal).
- Permit our allies and South Viet-Nam more time to adjust and make their own deals with the Communists.
- 4. Retain temporary control over much of Vietnamese population trading space for people.
- Provide more time than Alternative I for the United States to readjust its Asian security arrangements.
- 6. Eliminate basis for charge that this is "an American war."
- 7. Placate those who charge we are too deeply involved in Viet-Nam.
- 8. Sharply reduce risk of war expanding.
- 9. Open way for new "peace offensive."

Disadvantages

- 1. More costly in lives and men than Alternative I.
- 2. No assurance that we could make a better bargain.
- Militarily more difficult and costly than Alternative I.
- Throw probably unbearable burden on ARVN.
- 5. Rather than trigger negotiations, it might lead Hanoi to decide to press its advantage with all-out "Dien Bien Phu" efforts against each enclave.
- 6. Deal irrevocable blow to morale of Vietnamese who would see this as first step to withdrawal.
- Deal heavy blow to morale of United States units forced to adopt totally defensive posture.
- 8. Turn most of countryside over to the Viet Cong.

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DECLASSIFIED E.O. 12356, Sec. 3.4 NIJ 87-96 NARA, Date 12-19-88



Disadvantages

- Encourage domestic critics who would attack our policy of past five years.
- 10. Lose our principal advantage in Viet-Nam war -- i.e. superior mobility and ability to find, fix and destroy Viet Cong.
- Strengthen Viet Cong capacity to focus on political action and psychological war.

ALTERNATIVE III

Follow present course

Advantages

- 1. Continuity and consistency of policy.
- 2. Present course has been winning the war militarily.
- Present course minimizes the practical and political problems that would attend any major shift.
- Best balance between what is desirable and what is possible.
- Gives Viet-Nam maximum help without a United States takeover.
- Reassures allies elsewhere of our determination to do what must be done to meet aggression.
- 7. Has won support of most of our friends in Asia -- Korea,
 Philippines, Australia, Thai-land, Laos, Malaysia -- who want to see Communist aggression defeated.
- 8. Has increased, not diminished, tensions among Communist states -- especially between Chinese and Soviets.
- 9. Has convinced most Vietnamese they can win.

Disadvantages

- 1. Prompts charges that we are doing too little -- or too much.
- Just successful enough to encourage internal political disruption in Viet-Nam.
- Large United States involvement has disrupted economy, promoted inflation.
- 4. Large United States presence has sharply increased tensions with Vietnamese.
- 5. Fears of escalation into broader conflict continue.
- 6. Thus far, Viet Cong infiltration and local recruitment have succeeded fairly well in balancing increments of United States power.
- Air attacks on North Viet-Nam have not slowed or stopped infiltration.
- 8. Air attacks have not brought Hanoi to negotiate.
- 9. Critics' argument that bombing the North prevents peace talks has gained credence.

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Advantages

- 10. Internal developments -- however disruptive -- greatly weaken argument that GVN is a United States "puppet."
- 11. In time, if we persist, it will permit us to achieve all our objectives.
- 12. Implements principle of using only that amount of force which is necessary.
- 13. Minimizes possibility of Communist escalation.
- 14. Supportable without mobilization or major reduction in commitments in other areas.
- 15. Places limits on war by not threatening invasion of North Viet-Nam or destruction of DRV regime.
- 16. Does not preclude taking further military measures within bounds of current strategy or of later moving to much higher levels of intensity.

Disad vantages

- Record of past five years suggests that a stalemate is most likely outcome unless additional steps are taken.
- Growing political disadvantage at home as casualties mount without clear-cut progress.
- 12. Weakening of "image" of United
 States which, with all its
 vaunted power, cannot defeat
 a relatively primitive guerrilla
 force.
- May not minimize Communist escalation if they think victory almost within grasp.
- 14. If North Viet-Nam decides to use its limited air capability offensively, it will be difficult to justify our not having previously destroyed this capability.
- 15. Implementation of our strategy has been so gradual that other side may doubt our perseverance and willingness to increase pressure
- 16. Increases in pressure may not be obvious to other side.
- Gradual increase in pressure makes it easier for Communists to adjust.
- 18. Ties us down to a long and costly war, straining our flexibility and capability to respond in other areas.



Disadvantages

- 19. United States and South Viet-Nam may become war weary.
- 20. Comparatively more expensive to us than to the Communists.
- 21. Provides too many opportunities for others to seize diplomatic, political, military initiative.
- 22. Increases military costs of action taken later rather than sooner.

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DECLASSIFIED E.O. 12356, Sec. 3.4 NIJ 87-96 NARA, Date 12-19-88

ALTERNATIVE IV

Major escalation: huge ground force, major expansion of air assault

Advantages

- 1. Maximize chance of quick solution.
- 2. Forcibly demonstrate United States determination to throw back aggression with all the power necessary.
- 3. Destroy critical argument that we are "not trying to win."
- Increase pressure on North Viet-Nam to abandon force.
- 5. Increase internal dissatisfaction with the regime in North Viet-Nam.
- 6. Give renewed confidence to South Vietnamese military.
- 7. Raise morale of Lao, Thai and other neighbors.
- 8. Convince Sihanouk that Chinese influence is not "wave of the future."
- 9. Probably does not raise serious risk of escalation as long as survival of DRV not at stake and invasion of North Viet-Nam not undertaken or threatened.
- 10. Long-term cost might be less than that involved in Alternative III.

Disadvantages

- Sharply raise cost of Viet-Nam' effort -- in money, men, casualties.
- Risk alienating increasing numbers of Vietnamese who would feel we were "taking over."
- 3. Raise chances of Chinese Communist involvement as North Vietnamese desperation increased.
- 4. Raise fears everywhere that we were risking World War III.
- 5. Increase the volume and breadth of domestic criticism.
- 6. Deepen the already serious problems of inflation and social tension with the Vietnamese.
- 7. Raise the risk that Soviets and others would have to expand aid to North Viet-Nam.
- 8. Increase domestic criticism based on higher costs, major mobilization, etc.
- If war were not ended within a year, Congressional action would be required to extend terms of service.

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DECLASSIFIED

E.O. 12356, Sec. 3.4

NIJ 87-96

NARA Date 13-19-88

ALTERNATIVE V

Maximum non-nuclear effort, North and South: invade North, hit bases in China if used in support, ground forces into panhandle of Laos, etc.

All the advantages and disadvantages of Alternative IV would apply but in even higher degree. In addition:

Advantages

- 1. North Viet-Nam, in face of a threat to its own survival, would be unable to continue any significant support to the Viet Cong.
- 2. Open the possibility for elimination of communist control in the North.
- 3. Would "legalize" United States position if there were formal declaration of war.
- If successful, it would deal a serious, perhaps fatal, blow to Chinese Communist prestige.

Disadvantages

- 1. High probability of war with Chinese Communists.
- Probably alienate world opinion, bring on United Nations condemnation, etc.
- Contrary to our basic principles of using only that amount of force which is necessary.
- 4. Major Soviet intervention would become a real possibility.
- 5. Might heal the Sino-Soviet split.
- 6. Raise the risk of nuclear war.
- 7. Would involve major and continuing
 United States commitment for
 post-war economic reconstruction
 of North Viet-Nam.
- 8. Short of a quick victory -- which unlikely -- raise a storm of domestic criticism and might elect a Republican President in 1968.

SECRET

May 27, 1966 Friday, 2:30 p.m.

Mr. President:

Herewith Secretary Rusk's present recommendation that you appoint Joseph Palmer as special representative to the Tunisian Tenth Anniversary Celebrations.

W. W. R.

up Noyen

LIMITED OFFICIAL USE

11/2

THE SECRETARY OF STATE WASHINGTON

May 27, 1966

MEMORANDUM FOR THE PRESIDENT

Special Representative to Tunisian Tenth Anniversary Subject: Celebrations June 1 and 2, 1966.

Recommendation:

That you approve the appointment of the Assistant Secretary of State for Africa, Joseph Palmer 2nd, as your Special Representative to the celebrations of the Tenth Anniversary of Tunisian Independence at Tunis, Tunisia, on June 1 and 2.

Approve_	Disapprove	
----------	------------	--

Discussion:

The request of the Tunisian Government to send an official delegation to the ceremonies on June 1 and 2 in Tunis commemorating the Tenth Anniversary of Independence has been under active consideration for several weeks. It would be highly appropriate for us to send an official representative, and we would be quite conspicuous by our absence despite the presence of several American guests who have been invited as the personal guests of President Bourguiba. Several candidates who would have been eminently suitable are, for various reasons, unavailable.

The new Assistant Secretary of State for Africa, Joseph Palmer 2nd, has not yet visited the continent since assuming his new responsibilities in early April. If you should approve his nomination to represent you in Tunis, he is planning to make an orientation trip to Libya, Algeria and Morocco as well for personal meetings with the leaders of these countries.

Dean Rusk

LIMITED OFFICIAL USE

May 27, 1966 Friday, 2:15 p.m.

Mr. President:

That long-winded fellow who used to work at the State Department Policy Planning Council has, at last, filed his analysis of the development of South American Frontiers. I recommend you read the underscored part of his memorandum to you; the summary paper full of maps and charts; and thumb through the appendices.

It has been fully cleared with Tom Mann and Link Gordon.

W.W.R.

M. Boweer's cy 112a

-CONFIDENTIAL-

Friday/, May 27, 1966

MEMORAN DUM FOR THE PRESIDENT

SUBJECT: Frontiers of South America

On January 31, 1965, you requested that I undertake urgently a preliminary assessment of the potentialities of developing the frontiers of South America.

I attache a summary report and seven appendixes. In addition, there is included a special report developed by the Department of the Army's Engineer Agency for Resources Inventories.

These represent the present state of thought and knowledge in the town. They have been assembled to provide a foundation for future systematic work. None can be regarded as definitive.

In compiling the data and writing the report, I have received the wholehearted support of every element in the government with interest in and knowledge of the problem:

Agency for International Development
Department of Agriculture
Department of Commerce
Department of Interior
Department of the Army
National Aeronautics and Space Agency.

This is, I believe, the first time this problem has been systematically examined in our government. It is evident that there is much more for us all to learn; and my first recommendation is that, under Linc Gordon's leadership, work on this problem be made a continuing account and that the various agencies capable of making a contribution continue to expand and refine their knowledge on a coordinated basis. A working party operating under the Latin American IRG might perform this function.

In addition, CIAP should set up a working group that would regularly engage the IBRD, IDB, AID, and the OAS in this field.

DECLASSIFIED E.O. 12356, Sec. 3.4

NLJ 87-98 NARA, Date 9-1-8

What emerges of substance may be briskly summarized as follows:

- South America is at a stage of historical evolution where the further development of its frontiers can contribute to food production, a widening of markets, regional integration, and the settlement of various bilateral disputes.
- 2. A rational program for exploiting these frontiers must be geared to other aspects of South American development, with careful attention to the comparative benefits to be derived from intensive investment in existing areas as opposed to extensive investment in expanding the frontiers. The opening of the South American frontiers has an important role to play in the region's future; but it is not a panacea.
- There are four major complexes which comprise the bulk of the frontier regions of South America capable of rational economic exploitation from the present forward.
 - -- The Darien Gap area of Panama and Colombia;
 - -- The Andean Piedmont, running in an irregular narrow belt for 3,000 miles from the Venezuelan border through Colom-
 - bia, Ecuador, Peru, to the Santa Cruz region of Bolivia;
 - -- The Campo Cerrado area, east and south of the Amazon basin:
 - -- The Gran Chaco and Gran Pantanal region covering portions of Bolivia, Paraguay, Brazil and Argentina.

There are special further potentialities in the toopical flood plains of the Amazon; the Guayana region of Venezuela and British Guiana; the linking of Buenos Aires to the whole region south of Rio-Sao Paulo; and the River Plate drainage system.

The character of all these regions are briefly sketched in the report.

4. There is little prospect in sight for the economic exploitation of the vast Amazon-Orinoco basin unless the proposal for making it a lake (by damming the rivers) should prove feasible.

- 5. As the survey of seventy-four projects under way or envisaged indicates (Appendix I), there is now a great deal of activity focused on the opening up of the frontiers; and it is generally following a rational pattern. The task for policy in Latin America is to make the expansion of the frontiers more effective and purposeful.
- 6. A political point of some importance: the opening up of these frontier regions could, in a number of South American countries, strengthen the sense of nationhood and contribute to political and social stability. Moreover, notably in the Andean pledmont, but elsewhere as well, the laying out of roads and organized settlements is a significant element in preventing the possibilities of Communist insurgency.
 - 7. Detailed recommendations are set out in Part Four of the attached summary report. Briefly, they are:
 - -- The Darien Gap complex be urgently examined as a whole, notably in the light of our Panamanian negotiations. Its various elements have been hitherto treated separately.
 - -- We maintain a policy of selective but continued support for road-building in each of the four countries engaged in opening up the Andean piedmont. (The report isblates the road segments judged most rational for the next phase.)
 - -- We assign specific responsibility to Line Gordon quietly to explore the possibility of exploiting work on multinational projects to ease or settle the major outstanding bilateral quarrels in South America.
 - -- We clarify our minds on the economics of frontier settlement in the light of recent experience and establish Alliance for Progress policies based on this review. No serious agreed guidelines now exist.
 - -- We examine urgently on an interdepartmental basis, perhaps under the aegis of the SIG, the security and other problems involved in a systematic use of orbital remotesensor measurement of land and geological formations in South America, providing you with a report. These methods could accelerate rapidly mineral discovery and exploitation, notably in the Andes.

- -- We intensify our support for your proposal, via CIAP, for accelerated development of chemical fertilizer production in Latin America.
- -- We set up both within the GIAP framework and within the U.S. Government continuing systematic work on the development of the South American frontiers.
- -- CIAP should consider this summer (after the report on multinational projects by the Development and Resources Corporation, headed by David Lilienthal) the publication of materials that would dramatize what is going forward in this field and its potentialities for Latin American development and integration.
- -- We re-examine (with full attention to our balance of payments position) our present policy on local cost financing of development projects with a view to permitting financing of local costs of certain infrastructure projects as part of an over-all program for opening frontier areas.

If further detailed examination of this study makes sense to you, I recommend that a NSAM be issued assigning responsibility for the task to State -- specifically to Linc Gordon. A suggested draft NSAM for your approval is at Tab A.

You may wish to weave into your statements on Latin American passages indicating an awareness of the frontier development going forward, its potentialities, and your support for it. A possible draft is at Tab B.

Should you (or the Vice President) visit Latin America, you may wish to visit certain selected frontier areas as well as the conventional cities.

W. W. Rostow

Enclosure

The Frontiers of South America, with seven appendixes.

Mr. Bowdler gay 1126

CONFIDENTIAL

NATIONAL SECURITY ACTION MEMORANDUM NO.

TO:

The Secretary of State
The Secretary of Defense

The Administrator of the Agency for

International Development
The Secretary of Agriculture
The Secretary of Commerce
The Secretary of the Interior
The Secretary of the Treasury

The Administrator of the National Aeronautics

and Space Administration

SUBJECT: Development of the Frontiers of South America

At my direction the Policy Planning Council of the Department of State has prepared a study entitled "The Frontiers of South America," containing a preliminary assessment of the potentialities of developing the heartland of the South American continent. This study provides a foundation for future systematic work. I wish to see the short and long term aspects of the study carried forward expeditiously by all Departments and Agencies concerned.

I have assigned to the Secretary of State responsibility for directing this project, using the mechanism established by National Security Action Memorandum No. 341 of March 2, 1966. Within the framework of NSAM No. 341 and because the project relates exclusively to the Latin American area, it is understood that the Secretary of State will delegate action responsibility to the Assistant Secretary of State for Inter-American Affairs.

DECLASSIFIED

By NARA, Date 9-1-89

E.O. 12356, Sec. 3.4 NIJ 87-98

The study should be examined in the first instance with a view to selecting and developing the most appropriate proposals for presentation as topics of discussion at the proposed meeting of Chiefs of State of the American Republics. Subsequent consideration of the study will seek to determine the feasibility of the remaining proposals and establish priorities for their implementation within the over-all program of assistance for Latin America.

A report on the progress made in carrying forward the South American frontiers project is to be submitted to me at six month intervals beginning on December 31, 1966.

cc - W. H. Central Files NSC Files

LBJ/WGB:mm May 25, 1966

Draft Material for Presidential Statement on

Frontier Development for South America

The Ailiance for Progress is being carried forward on many fronts.

One exciting front is the opening up of the frontiers of South America.

In a world of modern cities, it is good to know there are new lands to open; new mines to find and develop; new deposits of gas and oil to supply energy and chemical fertilizers.

Great enterprises have already been undertaken by the Latin Americans themselves, backed by the resources of the Alliance for Progress.

The acceleration of this effort in the months and years ahead could contribute to four great objectives:

- -- An increase in agricultural production;
- -- The widening of Latin American markets for industrial products;
- -- The exploitation of minerals and other natural resources necessary for industrialization and expanded Latin American foreign exchange earnings;
- -- And, perhaps above all, the binding together in closer association of the Latin American countries themselves.

South of the Panama Canal there is not only the question of a sea-level canal but of the opening up of new productive lands and the re-linking of Central and South America across the Darien Gap.

The 3,000 miles from the border of Venezuela to Santa Cruz in into into into arich and promising strip of arable land. Already four South American nations are working together to build a road network which would link these new regions to each other, to the coastal cities, and to the broad Amazon which reaches from the Atlantic to the foothills of the Andes. In a great arc east and south of the Amazon basin there are the lands of the Campo Cerrado capable of development for cattle and food. Deep inside Venezuela there is arising the industrial complex at San Tome de Guayana: Its hydroelectric works, its steel plant, with many other enterprises in sight. There are great dreams being dreamt in Latin America. We are determined to help them come true. They will require a new kind of cooperation among the Latin American countries themselves; for most of these frontier areas involve more than one nation.

We have already contributed to the formation within the Inter-American Bank of a Special Fund to finance feasibility studies for multinational projects. We are already supporting feasibility studies looking to the completion of the Panamanian highway. We are already supporting the road building projects necessary to open up the fertile eastern slopes of the Andes. We are already supporting the study of the soils of the Campo Cerrado to find ways to make them more productive.

Along with the other dimension of the Alliance for Progress, we are prepared to do more in this field.

THE WHITE HOUSE WASHINGTON

file 113

K

Friday, May 27, 1966

11:00 a.m.

Mr. President:

I need your help.

The problem is William (Red) Duggan, whom, I understand, you met last night with his remarkable wife, Bunny. He is one of the few really great Foreign Service Officers on Africa. He lost his sight partly because he would not leave his post (then, Tanganyika) until Independence Day; and the operation was too late.

I hired him in the Policy Planning Council conscious that it was taxpayers' money -- not mine -- but confident that he and his remarkable wife would be able to perform fully. They did.

They traveled all over Africa as well as Israel and Europe, sending in first-class reports.

He has successfully managed interdepartmental groups and turned out more national policy papers than anyone else in the Government -- not an easy task.

He and I started in the State Department the work which finally yielded, under your stimulus, yesterday's speech and the new African track.

He would certainly, by this time, be an ambassador in East Africa if he were not blind.

He is the kind of man who lit out with his wife, about two months ago, to visit the South and get a feel for the race situation down there.

I have been battling to get him a regular foreign service career, including overseas duty.

I think he could operate as an Ambassador with a particularly chosen DCM.

The State Department bureaucracy says he's 'handicapped.' We're all handicapped in different ways; but this man and his wife (they have no children) are among the least handicapped people I know.

What I want for him as a starter is the London post of African specialist. The British know and greatly respect him.

TRANSFERRADO TO HAMEWAITING FIL-

Ambassador Bruce, in a rare stiff mood, says:"No. " His grounds are, simply, he's blind.

John Macy and Bill Crockett agree the London post is right.

Quite simply, I want Ambassador Bruce overridden on this.

If Red makes good in London, we could then consider other normal posts.

It is now essential that he not get typed as a back-room staff man.

Walk. R.

Diseun With Rusk m Rostow Tacket with Dec Rusk of 2966. Friday, May 27, 1966 -- 10:30 a.m.

Mr. President:

As you will see from the attached, there are many precedents for making a speech at the Arlington National Cemetery on the occasion of the Memorial Day wreath laying. There is no reason why you could not make that speech.

I am sending the attached draft now to give you a chance to go off in another direction if I am not on the right track.

You should know that the idea of listing those first killed in various postwar crises and battles was Secretary Rusk's. I think it a good and imaginative way to begin.

By the end of the day I should have the missing names and home towns.

W. W. Rostow

WWRostow:rln

Jo Pres

SECRET

Friday, May 27, 1966 -- 10:15 a.m.

Mr. President:

You will wish to read Lodge's reasons for opposing an early visit by Sec. McNamara, et al. I understand from Ben Read of the State Department, that the two Secretaries have talked and, according to Ben, they agreed to postpone the trip; although McNamara earlier in the day felt Lodge was wrong.

W. W. Rostow

Attachment Saigon 5024

cc: Mr. Bill Moyers

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E.O. 12356, Sec. 3.4

NLJ 87-96

By 199, NARA, Date 12-19-88

WWRostow:rln

SECRET

PERSONAL FOR THE SECRETARY FROM LODGE (Saigon, 5024)

Broadly speaking, a visit by Bob McNamara and others listed in your 3660 is always an event which I would personally welcome on general principles.

But when all these high-ranking men come as a group, careful preparation is required -- which means more time.

And the present situation here particularly argues for a postponement of at least two weeks, at which time we could take another look. That situation can be described as follows:

At this moment Ky and his Government are locked in a basic political struggle with the militant Buddhists. The Buddhists are out to bring the Government down and are attempting to use pressure on U.S. as a fundamental tool in this effort. The Government is trying to build a nation; the Buddhists are trying to fragment it.

Ky has reestablished the Government's authority in Danang and is applying pressure on Hue. He is seeking to split off military elements backing Tri Quang in Hue, and right now is meeting with Thi. He has made some progress.

In Saigon, the Buddhist Institute is trying to drum up the mobs but has not yet succeeded in the face of effective use of police and troops.

We can expect Buddhist fanaticism to come on even stronger, the aim being to impress U.S. opinion. The library in Hue is only one step. We can expect immolations and further steps at inflaming the situation. Ky appears determined to hold the line against Buddhists' demands to get out.

If McNamara comes here with a prestigious group right now, I believe it will further stimulate Buddhist agitation and excesses and feed sensational press and TV reports at home. There will be hordes of reporters covering the visit who can be counted on to take everything the Buddhists do at face value. It will be looked upon by the Buddhists as the occasion for an all-out effort to get the U.S. to force the Government out in the face of a fanatic opposition. I do not believe it wise to risk weakening the Ky Government at a crucial moment.

DECLASSIFIED

E.O. 12356, Sec. 3.4 NLJ 87-95 By 100, NARA, Date 8-4-87

McNamara's presence will draw demonstrations of all sorts. It will be almost impossible to get the attention of the Government of Vietnam focussed on the range of practical matters set out in your telegram. All attention and all concern will be of political implications.

The subjects listed in paragraph 2 of your telegram are either under intensive study or are in the course of being dealt with at this time. The imponderable at this time is the political situation and I think the proposed visit at the moment can only complicate matters.

As you know, Bill Porter is due to leave for the U.S. tomorrow. He could come to Washington without delay and discuss these matters with you. In any event, he will phone Komer from the St. Francis Hotel, San Francisco, the evening of the 29th.

This has been discussed with Westmoreland, who agrees with me.

(TEXT, Saigon, 5035)

Further to my previous telegram, I would like to stress the absolute necessity for me to clear this visit with Thieu and Ky if it takes place according to the schedule outlined in Deptel 3660. Not only must we consult the Government of Vietnam about the timing of the visit, we should also appear to give them all the time they need to prepare for it.

I hope that these considerations will be kept in mind whenever the visit takes place.

MEMORANDUM

DECLASSIFIED E.O. 12356, Sec. 3.4 NLJ 88-55 By 12-9-6

THE WHITE HOUSE

WASHINGTON

Friday, May 27, 1966 10:00 a.m.

MEMORANDUM FOR THE PRESIDENT

Herewith an important idea which will need careful staffing -- but deserves it.

We should approach Moscow (via a special mission by, say, Clark Clifford), and

- 1. Tell them you wish to propose that we make public and available to the U.N the results of our satellite photography.
 - 2. Ask them to join us in the enterprise.

The pros and cons follow:

Pros

- -- Both we and the Russians have made the world a small, open community, through satellite photography; and it would be an historic, irreversible event to make this clear.
- -- It would open the way to using satellite photography for mapping, mineral exploration, and other constructive purposes.
- -- It would make it easier to gain acceptance for manned reconnaissance vehicles.
- -- It would <u>not</u> solve, but it would narrow the problem of international inspection with <u>respect</u> to arms control, and give arms control discussions a powerful lift.
- -- It would dramatize the limitations -- and irrelevance -- of Mao, de Gaulle, and other narrow nationalists -- and put tense quarrels (India-Pak; Arab-Israeli) in a new perspective by making available facts and reducing inflated fears.

Cons

- -- It is possible, but unlikely, that the Russians would kick like steers at explicit acknowledgment to their own people (and the Chinese) that they are being photographed.
- -- It may be hard to hold the line on the margin of international inspection that will still be required for arms control measures.

116

There are other, lesser problems.

I recommend, therefore, that you ask Clark Clifford to chair a committee of, say:

Cy Vance Tommy Thompson Dick Helms Andy Goodpaster (?) Alex Johnson

to staff this out.

It is just about eleven years since President Eisenhower made his aerial inspection proposal.

In those years we and the Russians have come to do it and accept it; but the enormous psychological and political meaning for the world has not been acknowledged and exploited.

To crack this problem could be one of the great international achievements of your administration.

Walk. R.

Friday, May 27, 1966 10:00 a.m.

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E.O. 12356, Sec. 3.4

NEJ 88-55

By 10, NARA, Date 7-36-94

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W. W. R.

CONFIDENTIAL

Friday, May 27, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Dominican Situation

You will be interested in Bunker's report on Garcia Godoy's conversation with Bosch last Sunday.

Garcia Godoy is approaching the three Presidential candidates to obtain advance agreement on post-election harmony.

W. W. Rostow

Attachment

Embassy Santo Domingo's 2550, May 26, 1966.

DECLASSIFIED

E.O. 12356, Sec. 3.4

NIJ 87-98

NARA, Date 9-1-89

cc - Mr. Bill Moyers/Mr. Hayes Redmon

COMPONITIAL

MESSAGE FROM AMBASSADOR BUNKER IN SANTO DOMINGO (no. 2550) DATED MAY 26, 1966

- l. During the course of a general review of the situation with the OAS Committee on May 25, Garcia Godoy revealed that he had met privately last Sunday with Bosch for more than three hours. The meeting took place on neutral ground in an unidentified house north of the city, marking a third time since October we know of that Bosch has left the safety of his own home. The President said he had previously had a similar confidential session with Balaguer and was in the process of arranging a talk with Bonnelly.
- 2. Garcia Godoy said that his objective was to work out a modus operandi that would provide the elected government with maximum possible support from the opposition parties. He is understandably concerned that a "bad loser" might endanger the survival of the new government. The President proposed to Bosch and Balaguer that the three presidential candidates meet jointly with him prior to the elections in an effort to reach specific agreement. Balaguer reportedly welcomed the idea of getting together with Bosch, but was noncommittal regarding the inclusion of Bonnelly. Bosch said he would have to clear the proposal with the PRD Central Executive Committee.
- 3. According to Garcia Godoy, Bosch displayed a moderate and forthcoming attitude in discussing the necessity for post-election political harmony. He spoke highly of Balaguer and professed to recognize that the chances for future political stability here depend in large measure on a peaceful accommodation between election winners and losers. Garcia Godoy came away from the meeting with at least a hope that in the event of a Balaguer victory, Bosch will swallow defeat for the good of the country.
- 4. The President reported that he also talked frankly to Bosch about the latter's problem with the Dominican Military. He explained his view that the Armed Forces leaders would not attempt to overthrow a Bosch government as long as they were handled with prudence and intelligence. Garcia Godoy urged Bosch to attempt to gain the confidence of the military if he wins, recalling his own prolonged, but apparently successful, efforts in that regard.
- 5. Garcia Godoy thought Bosch was responsive to this approach and seemed to have been thinking along the same lines. As in other private

DECLASSIFIED

Authority NHT 93-27 appeal

By your NARA, Date 6-2-98

conversations. Bosch had high praise for Generals Morillo (Police Chief) and Perdomo (Army Chief of Staff). He was less certain of Navy Chief Jimenez and suggested that Amiama Castillo might make a better Navy Chief. Also, according to form, Bosch expressed deep suspicion regarding the attitude and ultimate intentions of Air Force Chief Folch Perez. Garcia Godoy conceded that a troglodyte military still existed in the Air Force and that unfavorable reports about Folch had been circulating. Nevertheless, he expressed confidence that Folch would stay in line and pointed out to Bosch that the Air Force Chief of Staff is a tough disciplinarian who can be expected to control his men. President said he also made/strong pitch for Befense Minister Perez y Perez, describing him to Bosch as the best man available to head the Armed Forces.

May 27, 1966 Friday

Mr. President:

Herewith a draft of a quick reply to Prime Minister Wilson.

State agrees that we are not yet ready to put to him our constructive proposals.

I checked with Bob McNamara before referring to the oil targets briefing.

W.W.R.

ars Moyen

SCERET (via private wire)

Jers to Rush Michaniera

5/27/66

FOR THE PRIME MINISTER FROM THE PRESIDENT

It was really good and strengthening to know that your meeting with Erhard went well.

I understand the political strains on your side in making this relationship solid, as well as the financial issues which you as well as we have to face with the Germans. On the other hand, as you clearly perceive and express, right now -- and far into the future -- the three of us must lean in and stay together.

Our next test -- and it is clearly critical -- is Brussels.

But we have every reason to go into it in reasonably good heart.

On some of the longer range issues raised in your letter, I am awaiting the completion of staff work before putting to you some constructive possibilities. I am determined that, if at all possible, we shall accompany the difficult defensive moves we have to make with evidence that the Fourteen, at least, can move forward on many fronts.

Let me say that I was very pleased to hear that you and Erhard had a good talk about your EEC situation.

At my instruction Bob McNamara will be sending over an officer to brief you fully about the two oil targets near Hanoi and Haiphong.

I am coming to believe it is essential that we reduce their oil

supply in the light of the radical increase in the flow of men and materiel

DECLASSIFIED

by truck to South Vietnam.

E.O. 12356, Sec. 3.4

NLJ 87-99 NARA. Date 5-10-90



For me the calculus is, simply, whether they shall have less oil or I shall have more casualties.

But I am determined that their civilian casualties be 19w and minimal.

As you may have noticed, I spoke yesterday about Africa.

I sense in my bones that a powerful tide of moderation is running through Africa, despite Rhodesia and all the rest. I feel we all have a responsibility to help these people prove to themselves that they can make progress, otherwise out of frustration we may face extremism down the road. I hope your experts will be collecting their best ideas about sensible next steps in African economic development and exchanging views with mine. I greatly respect Britain's experience and good sense in that continent.