

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

187

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#1 memo	more released Sanitized 4-3-89 NLS 88-45 to President from Rostow re: Cuba Sanitized 7-20-01 NLS 88-45 confidential some sanitization 1 p 09/30/66 A MORE INFO RELEASED 9-30-04 NLJ 0414		
#4a message	from Amb. Dungan in Chile secret <i>Open 6-6-88 NLS 88-47</i> 1 p 09/29/66 A		
#3 memo	to President from Rostow re: Israel confidential <i>Open 9-7-89 NLS 88-46</i> 1 p 09/30/66 A		
#7a report	presidential schedule secret <i>Open 7-7-88 NLS 88-43</i> 2 p 09/28/66 A		
#7b report	possible presidential itinerary secret <i>Open 7-7-88 NLS 88-43</i> 2 p 09/28/66 A		
#8a memo	for record by Rostow re: England <i>Open 7/30/98</i> confidential Sanitized 9-9-89 NLS 88-46 1 p 09/29/66 A		
#10a cable	text of London 2505 secret <i>Open 6-6-88 NLS 88-47</i> 3 p 09/26/66 A		
#11a message	to President Khama of Botswana from Pres. Johnson possible classified info <i>Open 3-27-89 NLS 88-45</i> 1 p undated A		
#12 memo	to President from Rostow re: Vietnam <i>Open 7/30/98</i> confidential 1 p 09/29/66 A		
#12d report	re: Korean troop commitments to Vietnam <i>Open 7/30/98</i> confidential 1 p undated A		
#13 memo	to President from Rostow re: Vietnam confidential <i>Open 6-8-89 NLS 88-44</i> 1 p 09/29/66 A		
#13d report	re: Korean troop commitments to Vietnam confidential <i>Open 6-8-89 NLS 88-44</i> 1 p undated A		
#14 memo	to President from Rostow re: Mexico confidential <i>Open 3-27-89 NLS 88-45</i> 3 p 09/29/66 A		
#18a report	re: Vietnam <i>Open 7/30/98</i> secret [sanitized 8/7/79] 5 p 09/20/66 A		
#19 memo	to President from Rostow re: AID confidential <i>Open 6-8-89 NLS 88-44</i> 1 p 09/28/66 A		
#19a memo	to President from Wm. Gaud re: AID confidential <i>Open 8-4-89 NLS 88-160</i> 3 p 09/27/66 A		

FILE LOCATION

NATIONAL SECURITY FILE, Memos to the President
Walt Rostow, vol. 13 September 15 - 30, 1966
Box 10

RESTRICTION CODES

- (A) Closed by Executive Order 12356 governing access to national security information.
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WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

2167

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#22 memo	to President from Rostow re: Pakistan secret <i>open 9-7-89 NLJ 88-46</i>	2 p 09/28/66	A
#22a cable	text of Rawalpindi 1148 secret	1 p 09/27/66	A
#24 memo	to President from Rostow re: NATO secret <i>sanitized 9-7-89 NLJ 88-46</i> <i>Open NLJ 98-414 4-26-99</i>	1 p undated	A
#24a memo	to SecDef from Rostow confidential <i>sanitized 9-7-89 NLJ 88-46</i> <i>24, 24a duplicates in files of W.N. Rostow, Box 15, NONVIETNAM, July - Sept. 1966, docs 23 a-23 d</i>	1 p undated	A
#25a cable	text of Vientiane 1854 secret <i>Open 11-4-99</i> <i>Exempt NLJ 88-43 NLJ 98-413</i>	1 p 09/28/66	A
#25b cable	text of Vientiane 1826 confidential <i>Open 7-7-88 NLJ 88-43</i>	1 p undated	A
#26a memo	to President from Rostow secret <i>open 6-8-89 NLJ 88-44</i>	1 p 09/22/66	A
#26b memo	to President from George Ball re: U.N. secret <i>sanitized 7-7-88 NLJ 88-43</i> <i>open 7/30/98</i>	3 p 09/21/66	A
#28a cable	text of Saigon 7128 secret <i>sanitized 7-7-88 NLJ 88-43</i> <i>open 7/30/98</i>	8 p 09/28/66	A
#34 memo	to President from Rostow re: Senhor Visit confidential <i>open 3-27-89 NLJ 88-45</i>	4 p 09/27/66	A
#37 memo	to President from Rostow confidential <i>sanitized 9-7-89 NLJ 88-46</i> <i>open 7/30/98</i>	1 p 09/27/66	A
#38 memo	to President from Rostow confidential <i>open 9-7-89 NLJ 88-46</i>	1 p 09/27/66	A
#40a memo	to President from Dean Rusk confidential <i>sanitized 6-5-89 NLJ 88-43</i> <i>open 7/30/98</i>	2 p 09/26/66	A
#41a memo	to President from Rostow re: UN secret <i>open 7/30/98</i>	1 p 09/22/66	A
#43a cable	text of Saigon 6937 top secret <i>open 9-1-88 NLJ 88-54</i>	3 p 09/26/66	A
#45 letter	to Pres. Marcos from Pres. Johnson possible classified info <i>open 6-8-89 NLJ 88-44</i>	1 p 09/26/66	A

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Walt Rostow, vol. 13 September 15 - 30, 1966
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Walt Rostow, vol. 13 September 15 - 30, 1966
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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#56e report	re: Burma <i>open 7/30/98</i> secret	undated	A
#57 memo	to President from Rostow re: Panama secret <i>Exempt NLS 88-45</i> <i>Sanitized 2-9-00 NLS 98-416</i> <i>3 p</i> <i>SAME SANI. 9.30.04 NW 04.14</i>	09/22/66	A
#57a report	re: Panama secret <i>Open 6-6-88 NLS 88-47</i>	09/16/66	A
#57b report	re: Panama secret <i>Open 6-6-88 NLS 88-47</i>	undated	A
#57c report	re: Panama confidential <i>Open 6-6-88 NLS 88-47</i>	undated	A
#57d memo	to President from George Ball re: Panama secret <i>Open 6-6-88 NLS 88-47</i>	09/10/66	A
#60a memo	to President from Dean Rusk confidential <i>Open 6-6-88 NLS 88-47</i>	09/16/66	A
#64a mem cable	text of Saigon 6414 <i>Open 11-4-99 NLS 98-413</i> secret <i>Sanitized 7-7-88 NLS 88-43</i>	09/21/66	A
#65a letter	to Gene Locke from Chester Bowles <i>open 7/30/98</i> confidential <i>Sanitized 6-6-88 NLS 88-47</i>	09/16/66	A
#66a memo	to Walt Rostow from Helms <i>Sanitized 2-23-00 NLS 98-415</i> secret	09/20/66	A
#68a memo	to Rostow from Wm. Jordan secret <i>Open 6-8-89 NLS 88-44</i>	09/20/66	A
#72a memo	to President from Rostow re: Japan confidential <i>Exempt NLS 88-44</i> <i>Open 1-27-97 NLS 95-341</i> <i>(dup of #92a, China Vol 9, Box 240)</i>	09/20/66	A
#72b cable	Tokyo 2072 <i>open 7/30/98</i> confidential <i>Sanitized 1-7-88 NLS 88-43</i> <i>(dup of #92b, China Vol 9, Box 240)</i>	09/17/66	A
#74 memo	to President from Rostow confidential <i>Sanitized 2-9-00 NLS 98-416</i> <i>SAME SANI. 9.30.04 NW 04.14</i>	09/20/66	A
#74a memo	to President from Rostow re: China confidential <i>Sanitized 6-8-89 NLS 88-44</i>	09/20/66	A
#74b memo <i>dup # 74a</i>	to President from Rostow re: China <i>Sanitized 2-9-00 NLS 98-416</i> confidential	09/20/66	A

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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#74c cable	TDCS 314/10883-66 Sanitized 2-23-00 NLJ 98-415 confidential 6 p	08/30/66	A
#75a memo	to Rostow from Wm. Jordan re: Cambodia open 10-27-99 NLJ 98-412 confidential Exempt NLJ 88-44 2 p	09/20/66	A
#78a cable	text of Hong Kong 1988 sanitized 11-4-99 confidential [sanitized 2/28/81] NLJ 98-413 4 p (dup. of # 96a, China, VI, Bx 240)	09/19/66	A
#79 memo	to President from Rostow secret Exempt NLJ 88-46 open 10-27-99 NLJ 98-412 1 p	09/20/66	A
#79a cable	text of cable from Amb. McGhee secret open 11-4-99 NLJ 98-413 2 p	09/19/66	A
#81 cable	text of New Delhi 4243 open 7/30/98 secret sanitized 6-6-88 NLJ 88-47 3 p	09/20/66	A
#80 report	agenda lunch meeting secret open 9-7-89 NLJ 88-46 2 p	09/20/66	A
#82 memo	to President from Rostow open 7/30/98 secret sanitized 9-7-89 NLJ 88-46 1 p	09/29/66	A
#82a cable	text of Bonn 3361 secret open 6-6-88 NLJ 88-47 4 p	09/20/66	A
#83a cable	text of Saigon 6366 secret open 7-7-88 NLJ 88-43 3 p	09/19/66	A
#85 memo	to President from Rostow re: NATO confidential open 9-7-89 NLJ 88-46 1 p	09/19/66	A
#85a memo	to SecDef and Chairman AEC from Rostow re: NATO open 10-27-99 NLJ 98-412 confidential sanitized 9-7-89 NLJ 88-46 2 p	undated	A #85b memo
85a, b, c DUPES	IN Files of W.W. ROSTOW, Box 15, "IN VIETNAM JULY-SEPT. 1966" DOCS 206-20E		
#85b memo	to President from Seaborg & McNamara secret sanitized 12-26-89 NLJ 88-58 2 p	08/25/66	A
#85c report	re: NATO sanitized 12-26-89 NLJ 88-58 Secret - more info released 12-31-02 NW 96-135 SANITIZED 6-19-05 NLJ 98-417 & 96-134 4 p	undated	A
#87 memo	to President from Rostow re: Vietnam Vol. 59 open 4-18-96 NLJ 93-159 top secret (dup. of # 89, NSF, Country File, Vietnam) 2 p	09/19/66	A
#88 memo	to President from Rostow confidential		

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677

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#88 memo	to President from Rostow confidential <i>Open 9-7-89 NLS 88-46</i>	1 p 09/19/66	A
#89 memo	to President from Rostow <i>Open 9-22-94 NLS 93-275</i> secret <i>Sanitized 9-7-89 NLS 88-46</i>	1 p 09/19/66	A
#90 memo	to President from Rostow re: Colombia confidential <i>Open 3-27-89 NLS 88-45</i>	2 p 09/19/66	A
#91 letter	to Pres. Senghor from Pres. Johnson possible classified info <i>Open 3-27-89 NLS 88-45</i>	1 p 09/19/66	A
#93 memo	to President from Rostow re: Thailand secret <i>Open 6-8-89 NLS 88-44</i>	2 p 09/19/66	A
#98 memo	to Rostow from Johnson <i>Open 3/12/03</i>	1 p 09/15/66	C
#104a letter	to President Senghor from Pres. Johnson possible classified info	1 p 09/19/66	A
#100 memo	to President from Rostow re: Vietnam secret - <i>Sanitized 4/26/00 NLS 98-418</i> <i>Sanitized 6-22-04 NLS 04-13 more released</i>	1 p 09/17/66	A
#100a memo	for record re: Vietnam secret - <i>Sanitized 4/26/00 NLS 98-418</i> <i>Sanitized 6-22-04 NLS 04-13 more released</i>	1 p 09/17/66	A
#100b map	XXXXXXXXXXXXmap secret - <i>Exempt 4/26/00 NLS 98-418</i>	1 p undated	A
#106 memo	to President from Rostow re: nuclear test secret <i>Open 9-7-89 NLS 88-46</i>	1 p 09/16/66	A
#106a memo	to President from Dean Rusk re: nuclear test secret <i>Open 5/26/00 NLS 98-413</i>	2 p 09/16/66	A
#107 memo	to President from Bator secret <i>Open 9-7-89 NLS 88-46</i>	1 p 09/16/66	A
#108a memo	to President from Rostow re: Philippines confidential <i>Open 6-8-89 NLS 88-44</i>	7 p 09/16/66	A
#109 memo	to President from Rostow secret - <i>Sanitized 4/26/00 NLS 98-418</i> <i>Open 6-22-04 NLS 04-13</i>	1 p 09/16/66	A
#109a memo	for record secret - <i>Sanitized 4/26/00 NLS 98-418</i> <i>Sanitized 6-22-04 NLS 04-13</i>	1 p 09/16/66	A

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#110 memo	to President from Rostow confidential <i>open 9-7-89 NLS 88-46</i> 1 p	09/16/66	A
#110a cable	text of Moscow 1221 <i>open 7/30/98</i> confidential <i>sanitized 6-6-88 NLS 88-44</i> 1 p	09/15/66	A
#114a report	re: German <i>Sanitized 2-23-00 NLS 98-415</i> secret <i>Same sani 12/18/01 NLJ/RAC 01-50</i> 1 p	09/16/66	A
#118a cable	Moscow 1270 secret <i>open 6-6-88 NLS 88-47</i> 1 p	09/14/66	A
#118b cable	Moscow 1280 <i>open 7/30/98</i> secret 2 p	09/14/66	A
#120 memo	to President from Rostow re: Yemen <i>open 10-27-99 NLS 98-412</i> confidential <i>Exempt NLS 88-45</i> 1 p	09/15/66	A
#125 memo	to President from Wm. Bundy re: Philippines possible classified info <i>open 7/30/98</i> 2 p Exempt NLS 88-43	09/15/66	A

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Friday - September 30, 1966

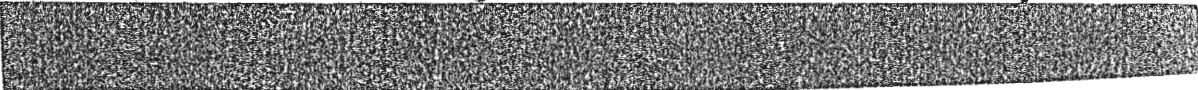
MEMORANDUM FOR THE PRESIDENT

SUBJECT: Bombing of Cuba by Unidentified Plane

You have probably seen on the news ticker that the Cubans are claiming that a twin-engine aircraft "proceeding from the north" dropped bombs on two north coastal towns. There were no casualties or damage reported. In Miami spokesmen for two allied Cuban exile organizations claimed credit for the raid.

At present, we have no indication where the plane came from, although Florida or the Bahamas are the likely places.

In the past, our enforcement agencies in Miami have generally had advance indications that a raid was in the works. This time there was no prior intelligence. Customs, FBI and CIA are checking to see whether the aircraft might have come from U. S. territory.



3.3(b)(1)

W. W. Rostow

SANITIZED
E.O. 13292, Sec. 3.5
NLJ 04-14
By iso, NARA, Date 9-30-04

cc - Bill Moyers

~~CONFIDENTIAL~~

Friday, Sept. 30, 1966
6:15 p. m.

2

MR. PRESIDENT:

Herewith Bob McNamara's response
to Bob Nathan's judgments on Vietnam.

In fact, one of the main purposes of
his trip to Vietnam will be to come to
grips with the organizational problem
involved in effective pacification.

W. W. Rostow

(log 3563)

3563
2a

THE SECRETARY OF DEFENSE
WASHINGTON

30 SEP 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Robert Nathan's Views on the Situation in
Vietnam

I agree with Robert Nathan's judgement that the organization of our effort in Vietnam must be substantially improved and strengthened to meet the challenges we face there. As a result of some close study of this organizational problem, I am developing some recommendations which I expect soon to have ready for your consideration.

Robert S. McNamara

RECEIVED
RUSTOW'S OFFICE

1966 SEP 30 PM 4 12

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

Friday, September 30, 1966
8:30 a.m.

~~CONFIDENTIAL~~

MR. PRESIDENT:

On the phone I told you yesterday that we were holding, awaiting your decision, a routine Export-Import Bank loan to Israel for \$5.6 million for one Boeing 707 for the Israeli airline. We require your guidance:

Go ahead on routine basis ✓

*copy given
to Hal Saunders*

Arrange White House release _____

Hold it _____

Incidentally, we now have dramatic figures showing that we support scientific research in Israel at the level of \$8 million a year -- about 25% of all the funds Israel spends on non-military research and development. This represents the work of 15 USG agencies supporting 350 science projects in fields ranging from health and education to weather and vocational rehabilitation. On top of that, we loaned almost another \$8 million to four Israeli universities and technical institutes over the past year. A total of \$16 million for keeping Israel's most talented citizens challengingly employed and for keeping its technology far ahead of the Arabs' is no mean contribution. There is no special handle for a White House release, but at the right time we ought to be able to get a couple of good stories with some pointed backgrounding.

W. Rostow Rostow

DECLASSIFIED
E.O. 12556, Sec. 3.4
NLJ 88-46
By inf NARA, Date 8-30-89

~~CONFIDENTIAL~~

~~SECRET~~

Friday - September 30, 1966

Mr. President:

You will be interested in this message from Ralph Dungan describing President Frei's stand on the admission of Communist China to the United Nations.

We are making sure that Secretary Rusk and Ambassador Goldberg follow up as Ralph recommends.

W. W. R.

*set 12 col
give me a report on action
taken by Rusk + Goldberg.
L*

Attachment

DECLASSIFIED
R. 1-1-86 (b)
White House
By DCA Date 8-18-86

cc - Bill Moyers

~~SECRET~~

4a

~~SECRET~~

Message from Ambassador Ralph Dungan in Santiago, Chile (No. 1171)
dated September 29, 1966

"Subject: Chinese Representation

1. I am very reliably informed that Frei communicated this week with his Foreign Minister in New York instructing him to vote negatively on any resolution referring to the admission of Communist China. Foreign Minister Valdes remonstrated by cable with President Frei and interpreted the President's order as a lack of confidence. The President's position has hardened considerably over the past few days, and he considers that a reversal of Chile's abstaining vote of last year would be possible, given recent events in China and increasing tension between the USSR and China.
2. The Council of the PDC (Christian Democratic Party) recently visited Frei urging very strongly on him the recognition of China, and he reportedly told them that their position was stupid, in the light of present circumstances.
3. Comment: President Frei believes that Valdes (Foreign Minister), Tomic (Chile's Ambassador to Washington) and Fuentesalba (Chile's Representative to the United Nations) feed on one another and have convinced themselves that this is an important issue for Chile and that an abstaining vote would not cause the United States Government any serious problem. I repeat what I have said before, that if the U. S. Government wants a negative vote, representations by Secretary Rusk or Ambassador Goldberg should be made to Foreign Minister Valdes or Ambassador Tomic, backing what we have said here. I also wish to underscore that this cannot be done in a polite way. It has to be done in a manner which is unmistakably clear."

DECLASSIFIED
E.O. 12356, Sec. 3.4
NY 88-47
By ing, TARA, Date 6-2-88

~~SECRET~~

Friday, Sept. 30, 1966
7:45 p. m.

MR. PRESIDENT:

I have talked with Nick Katzenbach. He wishes to be sworn in on Monday, October 3, any time between 9:00 a. m. and 5:00 p. m.; he has no preference as to place: White House if you thought it a good idea, 8th floor of the State Department just fine. He wishes you to decide.

He would like a decision about time and place tomorrow, Saturday, so that his children and a few friends might be invited.

I have checked with Ben Read, who says that Monday morning would be better for Secretary Rusk than Monday afternoon; but in fact anything could be juggled during the day to fit Nick's swearing in.

W. W. Rostow

White House ✓

State Department _____

I will attend _____

Set time at _____

*Set the time to suit
Nick & get Sec & Harro
to OK. 4:30 Oct. 3*

CONFIDENTIAL

Friday, September 30, 1966
10:00 a.m.

MR. PRESIDENT:

My brother Gene's suggestions for Attorney-General are:

Hardy Dillard, Dean, University of Virginia Law School

Lewis Powell, Richmond, Virginia, lawyer, former President
of the American Bar Association. (Gene urges
you check with Bernard Siegel of Philadelphia
if you're interested)

Gerhard A. Gesell, Washington, D. C. lawyer (Covington & Burling)

W. W. Rostow

RECEIVED
SEP 30 1966
U.S. DEPT. OF JUSTICE
BY DCU ON 8-18-86

SECRET

Thursday, September 29, 1966
10:30 a.m.

MR. PRESIDENT:

Here for your consideration is a first cut at a schedule for the Asian trip. Bill Bundy has set it up on an October 18-November 5 basis; but it obviously can be pushed forward or backward, expanded or contracted.

Its main purpose is to give you a sense of the essential elements for an itinerary in terms of: flight times, time changes, and visiting times.

The most urgent decisions before you are these:

1. Is Baguio acceptable as the place for the meeting in the Philippines?

The Philippines recommended Baguio. It is a cool, quiet, hill station with excellent security and communications. The small airport sometimes fogs up in the afternoon. If you had to, you could get out rapidly -- a chopper might be necessary, or even a 1-1/2 hour drive to an airfield on the west coast, at San Fernando. The altitude is about 5,000 feet -- roughly like Denver. I have talked to Dr. Burkley, who sees no problem; although he would like us to budget, as we have done, for some rest periods en route to the Philippines so that you can absorb the time changes and enter the conference fresh.

Baguio O. K. _____ Manila _____ See me _____

2. Should we schedule the conference October 24 - 26? _____

If not, what dates? _____

It is important that we go out quickly to all the countries involved on this matter.

3. You should note that this possible itinerary includes an afternoon and night in Manila, which would permit you to pay a call on Marcos; and that the "day of rest -- October 27" is really budgeted for a quick trip to Saigon, which Bill wished to leave off a document which might get considerable circulation.

4. I am assembling in the Situation Room tomorrow morning at 11:15 the whole group (Moyers, Komer, Bundy, etc.) to begin to organize systematic staff work on the substance of the conference and the trip as a whole. I will keep you regularly informed of how it is moving so that you can guide us at each stage.

DECLASSIFIED	
NSC 3-31-80 (#9)	
By DCH	NARS, Date 8-22-86

W. W. Rostow

~~SECRET~~

3517
7a
DECLASSIFIED

E.O. 12356, Sec. 3.4

NIJ 88-43

By ing, NARA, Date 6-23-88

Considerations Affecting a Possible Presidential Schedule

1. Following is our rough estimate of specific country attitudes:

Japan: Sato left an open invitation to the President in January 1965. They would understand omission from a very short schedule, but not from a longer one.

Korea: Very strong feeling that the President must stop there if he goes anywhere.

Taiwan: Will be significantly hurt if omitted from a long schedule, but would say nothing about it.

Thailand: Would feel very hurt if omitted from an extended schedule.

Malaysia: Will not appear to press, but has been omitted from all high-level trips this year and would therefore greatly welcome a visit.

Australia: Totally positive.

New Zealand: Positive.

Laos: Would not expect a visit.

Burma: Would not expect a visit.

Indonesia: Not ready for a visit at this level.

Singapore: Would not expect a visit.

2. Inclusion of at least Japan and Malaysia would substantially dilute the image of the trip as purely concerned with troop contributors.

3. In virtually every case, any visit of less than 24 hours would be regarded as slightly beneath the dignity of a state visit at the Presidential level. An exception might be made in the case of Seoul, if the stop were arranged on the way to Manila and President Park were offered a chance to ride down in the Presidential plane.

4. Although Laos need not--and we believe should not--be included as a stop, a Presidential inspection by air of the Mekong Valley would

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-2-

have considerable dramatic impact and, we tentatively believe, no significant military hazard.

5. Although consideration might be given to India and Pakistan, it must be recognized that the distance between these points and Australia and New Zealand is very great. At the very least, inclusion of India and Pakistan would lengthen the trip by 4-5 days.

FE:WPBundy:mk 9/28/66

~~SECRET~~

3517
76

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NLJ 88-43
By 148, NARA, Date 6-23-88

Possible Presidential Itinerary

(numbers in parentheses represent flight times and time changes in that order.)

Leave Washington		October 18	2000
Arrive Anchorage	(7 minus 6)	October 18	2100
Leave Anchorage		October 19	1000
Arrive Tokyo	5 plus (7-1/2 minus/24)	October 20	1230
Leave Tokyo		October 21	1430
Arrive Seoul	(2 minus 0)	October 21	1630
Leave Seoul		October 22	1200
Arrive Manila	(3-1/2 minus 1)	October 22	1430
(Baguio Airport not reliable after 1400)			
Leave Manila		October 23	1000
Arrive Baguio	(1 minus 0)	October 23	1100
(Afternoon for consultation with US and GVN participants)			
Baguio Conference - October 24 - 25, a.m. 26th			
(afternoon of 26th for final bilateral talks if desired, especially with GVN)			
Day of rest - October 27			
(return to Manila evening of October 27 or early morning October 28)			
Leave Manila		October 28	1000
Arrive Bangkok	(3 minus 1)	October 28	1200

~~SECRET~~

~~SECRET~~

-2-

Possible Mekong inspection - October 29

Leave Bangkok	October 30	0900
Arrive Kuala Lumpur (2 plus 1/2)	October 30	1130
Leave Kuala Lumpur	October 31	0800
Arrive Townsville (7 plus 2-1/2)	October 31	1730
Leave Townsville	October 31	1830
Arrive Canberra (2-1/2 plus 0)	October 31	2100
Leave Canberra	November 2	1200
Arrive Ohakea, N. Z. (3 plus 2)	November 2	1700
(Drive to Wellington approximately 1-1/2 hours)		
Leave Ohakea	November 4	0930
Arrive Fiji (3 plus 0)	November 4	1230
Leave Fiji	November 4	1400
Arrive Honolulu (6 plus 2 minus 24)	November 3	2200
Leave Honolulu	November 4	1700
Arrive Washington (9 plus 6)	November 5	0800

FE:WPBundy:mk 9/28/66

~~SECRET~~

Thurs., Sept. 29, 1966
1:00 p.m.

8

MR. PRESIDENT:

Attached is for information.

By the end of the day we ought to have a draft message to Wilson for your consideration, asking him to hold off troop decisions until the tripartite exercise is completed.

W. W. Rostow

~~CONFIDENTIAL~~ attachment

8a

~~CONFIDENTIAL~~

September 29, 1966

MEMORANDUM FOR THE RECORD

Last night, Wednesday, September 28, 1966, at the State Department reception for monetary people, John Stevens, British Embassy, said, when I underlined the importance of the tripartite talks, "You must give London something before October 13 if immediate announcement of troop withdrawals is to be prevented." I said, "What do you mean by something?" He said the tripartite talks must be under way before October 13 so that the Prime Minister will have some credible excuse for Parliament.

Comment: This is the first indication I have had that the price might be that low.

W. W. Rostow

cc: The President
Sec. McNamara
Mr. Ball
Sec. Rusk
Mr. Leddy
Mr. Bator

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By ju, NARA, Date 7-15-98

WWRostow:rln

~~CONFIDENTIAL~~

Restow 9
Pres file

Thursday, September 29, 1966 - 6:15 pm

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Request that you see UK Foreign Secretary and
Deputy Prime Minister George Brown

Attached is a memorandum from Dean Rusk strongly recommending that you see British Foreign Secretary George Brown on either October 14 or 15. I have held up on sending this to you until after the hectic days of the Erhard and Senghor visits.

As you know, Brown has only recently taken over the Foreign Office. He is one of the most interesting (and entertaining) men in English politics. It would be most useful if you could see him while he is here.

Francis M. Bator

OK to set up date _____

No _____

Speak to me _____

LSE/vmr

Ref. Log 3345-

1, 33x5
9a

THE SECRETARY OF STATE
WASHINGTON

September 16, 1966

LIMITED OFFICIAL USE

MEMORANDUM FOR THE PRESIDENT

Subject: Request that you see George Brown,
British Foreign Secretary and
Deputy Prime Minister

Recommendation

I recommend that you agree to see British Foreign Secretary and Deputy Prime Minister George Brown at a time convenient for you on October 14 or 15, if your schedule permits.

Approve _____ Disapprove _____

Discussion

George Brown, the new British Foreign Secretary, will be in Washington from late on October 13 until October 16. He will previously have been in New York for several days to attend the session of the UN General Assembly.

Brown took over his new duties in August following an unexpected Cabinet reshuffle. He was formerly Minister for Economic Affairs but retained the title of Deputy Prime Minister on moving to the Foreign Office.

I hope it will be possible for you to see Mr. Brown. He is one of the most interesting men in English politics. He has long been a power in the Labor Party and is one of the few Party leaders with a personal following. He is a man with very little pretense and has made almost no effort to hide the weaknesses of which the British public is by now well aware.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

- 2 -

Brown's political demise has appeared imminent on numerous occasions but he has always bounced back. His forceful personality and his keen intelligence have served him well. I believe he will bring new vigor to the conduct of British foreign relations and will have a greater personal impact on the Foreign Office than was the case with his predecessor, Michael Stewart.



Dean Rusk

LIMITED OFFICIAL USE

Thurs., Sept. 29, 1966
1:00 p. m.

MR. PRESIDENT:

George Brown, the new British Foreign Secretary, will be coming to town October 13-15.

It is important for many reasons that you meet him at this critical early stage in his post. A formal request, I am sure, will soon be coming over from Secretary Rusk.

As background, I commend to you this portrait of Brown by David Bruce.

How I wish all our Ambassadors could write like this!

W. W. Rostow

~~SECRET~~ attachment

(cc: Bator)

~~SECRET - EXDIS~~

Tuesday, September 26, 1966

10a

TEXT OF CABLE FROM LONDON (No. 2505)

Subject: When George Brown Comes to Washington

George Brown, the new British Foreign Secretary, is looking forward with zest to his October stay in Washington. I think it important for the President to see him. He has been a staunch and useful supporter of major United States Government policies. It is also obviously wise to consolidate the goodwill he has always manifested toward Americans. Moreover, I am sure the President would enjoy an encounter with a politician so singular in deportment and speech.

He is intellectually gifted, forceful, courageous, able, indefatigable, mercurial in temperament, unpredictable in behavior, frank, salty, voluble, entertaining, gregarious, a curious mixture of humility and vanity. Of a loving nature, he considers that most males merit being called "brother."

Certainly the Foreign Office here has never before been headed by such an unorthodox diplomatist. His abounding vitality, inquisitive absorption of briefs, informality, boisterousness, already amaze, inspire, or appall his staff, as they did those previously associated with him in official life.

On the Hustings, he is an influential figure, perhaps the most popular Labour orator. In the House of Commons, he considers himself as ineffective debater, and says he feels physically ill when he has to address its members. Harold MacMillan, in the first volume of his memoirs, observes that he invariably suffered from similar apprehensions, so Brown may derive comfort from the example of one who was ultimately famous for his mastery of the House.

It is in the area of personal conduct that doubts are expressed of the likelihood of his controlling his uninhibited personality. His brain, in contrast to his appetites, has little tolerance for alcohol. Four ounces of whiskey, taken within an hour, will enliven him to a pitch where those unfamiliar with his weakness assume he is a sot.

I once had the opportunity to make an almost clinical study of his reaction to strong drink, and guessed it was possible he might, at

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E.O. 12356, Sec. 3.4
NJ 88-47
By sig, NARA, Date 6-2-88

some period, have suffered a severe concussion; polo players, fox-hunters, and others so injured are often unable to support a normal measure of alcohol without appearing intoxicated.

Fortunately, he is not a victim of hangovers, but springs into action early in the morning with all faculties alert, complexion like an Elizabeth Arden advertisement, countenance beaming, eyes flashing, spilling over with life.

His manners with women occasionally startle those on whom he bestows his courtly, but innocent, favors. He is the most Catholic kisser of feminine hands in the Kingdom, and when especially expansive, dips onto a knee in the process.

He enlivens the dullest social or official occasions by his humor, and even by his indiscretions, though never charged with betraying Governmental secrets. In the ordinary course of playful conversation, his robust expressions attract fascinated attention. I heard him matched against Groucho Marx in convivial persiflage, and he convincingly bore off the laurels.

His idol was Ernest Bevin, whom he once served as private secretary. Except for an earlier ambition to be Prime Minister, a post he now realizes he is forever unlikely to occupy, his present assignment satisfies long-cherished aspirations. It will be tragic for him if he fails in his task, for it would then be improbable for him to be offered another office.

He has a tendency to want to play every instrument in the orchestra, as well as conduct it. His attention concentrates on whatever momentarily is before him, whether determining a tricky policy, or stocking his table with English rather than imported cheeses.

The marble corridors of the Foreign Office resound with his cheerful hails and farewells to visitors; the ancient frock-coated receptionists reproachfully drink their tea in peace while the Foreign Minister, with unflagging gusto, does their work for them.

He is thoroughly honorable, if he can master those idiosyncracies that in the 18th Century would not have been deemed unbecoming, and subdue them to more conventional patterns, he will be a responsible, valuable ally, for that is his inclination and desire.

My own speculation is that he will not succeed in curbing his conduct and will blurt out wrong expressions in wrong places to unsympathetic ears. His style is unlikely to commend him to Messrs. Couve de Murville and Gromyko.

I believe his trip to Washington will be successful from the United States Government point of view. If he does not beguile his auditors, he will at least amuse them. Secretary Rusk will, no doubt, be told the error of some of his political ways, Secretary McNamara will again be instructed how to run the Defense Department, Secretary Fowler will be offered the secret for correcting our imbalance of payments, the CIA, in whose craft he is intensely interested, will find him an enthusiastic mentor, but when this boreas of a man has blown his wind through our Departments, I think we will find it has been a refreshing draught.

BRUCE



Thursday, September 29, 1966, 3:35 p.m.

Mr. President:

Attached, for your approval, is a congratulatory message to President Seretse Khama to be read at the ceremony declaring the independence of Bechuanaland -- now to be called Botswana. It will be read by your representative at the ceremony, Governor Burns of Hawaii.

I am afraid State lagged a bit in getting the draft over. It should go out by this evening if Burns is to have it before the Friday celebration.

W. W. Rostow

Approve _____

Disapprove _____

Speak to me _____

EKH:mst

1a

MESSAGE FROM PRESIDENT TO PRESIDENT KHAMA OF BOTSWANA

Dear Mr. President:

I extend to you and to the people and Government of Botswana, the best wishes of the American people on the occasion of your independence.

During the past decade the United States has welcomed many African states into the community of independent nations. As we welcome Botswana to this community, we wish especially to express our admiration of you, Mr. President, for your vital role during the years of preparation for this joyous occasion.

The American nation seeks constantly to foster the development of free nations cooperating for their mutual benefit. We believe that this community of free nations can fully achieve the universal goals expressed in the United Nations Charter only when all governments are based on the consent of the governed. We know that Botswana shares these objectives with us. We greatly admire the mutual cooperation and understanding you have achieved among the racial elements in your own country. This achievement should be taken as a lesson and example by the entire world.

We look forward to close cooperation between our two countries in pursuance of these mutual objectives in the councils of the world and in our relations with each other. On behalf of the American people, I am happy to extend the hand of friendship to you, Mr. President, and to your new nation.

Sincerely,

Lyndon B. Johnson

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E.O. 12356, Sec. 3.4
NIJ 88-45
By inf NARA, Date 3-15-87

THE WHITE HOUSE

~~CONFIDENTIAL~~

WASHINGTON

Thursday, September 29, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Collection of Congressional Statements Re Vietnam

You asked for a collection of Congressional statements on the following subjects related to Vietnam:

- Importance of Economic Aid (Tab A)
- Emphasis on Pacification as opposed to military action (Tab B)
- Support for Asian peace initiatives (Tab C)
- Desirability of more Asian participation in Vietnam (Tab D)

A collection of statements on each of these subjects is attached. Because of the limited time available, we were not able to go very far back through the Record or search through other sources.

Also attached is a summary of Korea's performance in meeting its troop commitments in Vietnam (Tab E). With the arrival of a Korean regiment expected on October 16, their agreements to furnish two infantry divisions and a regimental combat team will have been fully met.

W W. Rostow

Attachments

Tabs A, B, C, D & E

P.S. There are several Mansfield quotes; Fulbright, strangely enough, had been silent on these themes in public.
W

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E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By *W*, NARA, Date 7-15-98

~~CONFIDENTIAL~~

CONGRESSIONAL STATEMENTS SUPPORTING ECONOMIC AID

PROXMIRE (February 10, 1966)

"...a dramatic and sharp step-up--well beyond the budgeted program for nonmilitary action in Vietnam--is needed for two reasons:

First. To shorten the war and permit us to win a victory that would leave a Vietnam not totally devastated by war.

Second. To have a fighting chance for freedom and independence to win the election that we now recognize we must face after the cease-fire becomes effective."

TOWER (March 10, 1966)

"...the present conflict in Vietnam has, indeed, had a negative effect on the economy of that country.

"I view the present authorization request as not essentially different from requests for our other aid to South Vietnam. This money will be used to stabilize the economy and thereby the Government in this time of war. It is certainly to our interests to assure that the economy and the Government of South Vietnam remain steady.

"We could not effectively assist these peoples militarily while being plagued with shifting political and deteriorating economic situations."

ALBERT (January 19, 1966)

"That mission requires military support--but not military support alone.

"It requires that while we resist aggression, we continue to provide the social and economic support that will guarantee a more decent life for a valiant people!"

JAVITS (January 28, 1966)

"The big deficiency in U. S. activities is not military, but economic and social. We have failed to sufficiently identify ourselves with those who favor economic reform and with the social revolution in South Vietnam."

Congressional Statements Favoring Asian Peace InitiativesCASE (Aug. 23, 1966)

"The primary responsibility for achieving and maintaining peace and stability in Asia must, in the final analysis, lie with the Asians. And we shall be derelict in our duty to ourselves and the Asians if we fail to shape our policies accordingly."

MANSFIELD (Aug. 8, 1966)

"The experienced and astute Foreign Minister of Thailand, Thanat Khoman, has advanced the suggestion that the Asian nations themselves should seize the reins of the Vietnamese and other problems of their continent. He has urged that a peace conference be held, not in Geneva, but in Asia, and by the parties concerned... That is an admirable suggestion, Mr. President, and I see no reason why it should not have the support of all concerned."

JORDAN (Aug. 12, 1966)

"Recently there has been encouraging news of a movement for Asians to band together in an effort to find an acceptable settlement. Certainly no one's interest in ending the war exceeds that of the Asians themselves."

Congressional Statements on the Desirability of
More Asian Participation in Viet-Nam

CHURCH (Feb. 21, 1966)

"I am afraid that choosing Viet-Nam as a place to make a stand, and importing, from the opposite side of the globe, a vast Western army to fight against the revolutionary leader who secured Vietnamese independence from the French, reflects a failure to comprehend the great historical forces which have been at work in Asia."

HARTKE (Feb. 21, 1966)

(Commenting on a trip he and others made to the Far East)

"There we had the opportunity to listen to the opinions of those people at first hand, and there we found out that no matter how hard we tried ... no matter how much we asked them to join us, they turned their heads and said: 'This is your problem. This is your concern.'

"Any thinking American knows that these people are living within a stone's throw of being threatened by this same Communist aggression; yet they say: 'We are not concerned. We are not going to put one soldier beside your soldier. We are not going to send any material for you.'

"... The fact is, these people are not going to help us there. They are not going to do so, at least as far as I can see."

PELL (Jan. 31, 1966)

"... I believe our fighting load should be far more greatly shared there with our Asian allies. By doing this we could dispel the impression held by so many Vietnamese that this is a white man's colonial war..."

MANSFIELD (January 6, 1966)

"Each of the countries of Asia has its own internal problems. Each has varying degrees of internal stability. Each has as a principal concern, the avoidance of direct involvement in the Vietnamese conflict."

12d

~~CONFIDENTIAL~~

FULFILLMENT OF KOREAN TROOP COMMITMENTS TO VIETNAM

The Korean government announced in July 1965 that it was sending one combat infantry division to Vietnam in response to a request from the South Vietnamese government. In February 1966 agreement was reached between ourselves and the Koreans on an additional combat infantry division and a regimental combat team. The Korean action was announced on February 28, 1966. The first infantry division arrived in September-October 1965 and the regimental combat team in April 1966. The second infantry division began arriving in Vietnam in August of this year and its last regiment is expected on October 16. The latter arrival will bring the total number of Korean troops actually on the ground to 40,850 and will complete the Korean commitment.

In addition to the major combat units, the Korean forces include several non-combatant groups as follows:

<u>Type</u>	<u>No. of Personnel</u>	<u>Date of Arrival</u>
Karate Instructors	10	September 1964
Mobile Army Surgical Hospital	130	September 1964
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E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By gw, NARA, Date 7-15-98

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~~CONFIDENTIAL~~

Thursday, September 29, 1966

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W. W. Rostow

Attachments

Tabs A, B, C, D & E

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E.O. 12356, Sec. 3.4
NJ 88-44
By af NARA, Date 6-7-89

~~CONFIDENTIAL~~

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PROXMIRE (February 10, 1966)

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CONGRESSIONAL STATEMENTS EMPHASIZING THE
IMPORTANCE OF PACIFICATION

SPARKMAN (March 10, 1966)

"If the Ky Government does not live up to its promise (economic and social reform) we may find ourselves in the position of defeating the Vietcong and losing the war."

JAVITS (March 10, 1966)

"Speaking of political action training - "I know of no effort that should have higher priority in all of Vietnam. . . I urge our government to maximize this program promptly, because it deserves parity equal to the valorous effort which our country is making in Vietnam."

BOGGS (February 7, 1966)

"But military success by the United States and the South Vietnamese forces is just one part of the battle. In this new kind of war. . . civil actions on both sides are often more important in the long run than military actions."

TYDINGS (March 10, 1966)

"But in this economic aid bill we look beyond the narrow military task to the broader, and ultimately more important task of economic and social construction and transformation."

STRATTON (April 27, 1966)

"But South Vietnam will not be completely free and secure until an orderly society can be created there, and a start made on building a stable economy and political structure."

ROYBAL (February 24, 1966)

"Success in this progressive and forward-looking program of social reform and economic development, together with an end to the conflict in Vietnam, could help build strong and firm foundations for peace among all the nations of the world."

Congressional Statements Favoring Asian Peace Initiatives

CASE (Aug. 23, 1966)

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NLJ 88-44
By inf NARA, Date 6-7-89

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E.O. 12356, Sec. 3.4

NJ

88-45

By

NARA, Date

3-15-89

Pres. file 14

~~CONFIDENTIAL~~

Thursday - September 29, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Status Report on Your April 15 Agreements with President Diaz Ordaz

Secretary Rusk and Linc Gordon will be in Mexico this weekend for the inauguration of the new Mexican Foreign Office Building.

I thought you would like to know where we stand on implementation of the decisions you reached with President Diaz Ordaz last April 15, some of which will be discussed by the Secretary and Linc during the visit.

Measures to Expand Border Trade

Ambassador Turkel will make this study. He has for the past several weeks been briefing himself on a part-time basis. Next Monday, October 3, he starts full-time work on the project. Professor James Gander will be working with him. Professor Gander has developed a bibliography and collected information on border trade which will serve as the starting point for the project. After briefings and research in Washington, Ambassador Turkel will move his base to El Paso. He plans to have his study completed in about three months. The Mexicans have also named their man.

Consultation on Cotton

Secretary Freeman visited Mexico City June 6-7. He had a full and frank exchange of views with President Diaz Ordaz and other high officials on the cotton pricing problem. He reassured the Mexicans that the U. S. would: (1) not dump cotton, (2) not sell cotton below 22 cents a pound for the marketing year 1966-67, and (3) continue to support Mexico on an international cotton commodity agreement. This trip fulfilled your commitment to the Mexican President.

Since then, the problem of limiting cotton textile imports from Mexico has arisen, with which you are familiar. Discussions with the Mexicans continue. Their latest response indicates movement in the direction of a negotiated settlement.

~~CONFIDENTIAL~~

Expeditious Transfer of Chamizal

Commissioner Friedkin is close to completing acquisition of lands now in private hands to be transferred to Mexico under the Chamizal settlement. Federal agencies are also letting bids for the relocation of public utilities now on those lands. Once these tasks are completed, we will be in a position to set a date for the formal transfer. We would like to hold the ceremony on September 25, 1967. This is the anniversary of your meeting with President Lopez Mateos in 1964 for the symbolic transfer. It also gives us time to get the Chamizal Memorial Park and Memorial Highway projects underway so that their dedication can be made part of the ceremony. We have informed the Mexicans of this time-table.

The House has passed a bill authorizing 100% federal financing of the Chamizal Memorial Highway. The Senate Foreign Relations Committee has reported out a bill requiring the State of Texas to pick up 50% of the tab. Senator Yarborough will try to have this amount reduced to 10% when the bill goes to conference.

Commission to Raise Living Standards in Border Communities

State and OEO have developed a comprehensive plan for establishing the Joint Commission including negotiations with the Mexicans (Stage I), an initial study of economic and social problems of the border communities (Stage II), and specific proposals for administering and financing our part of the program likely to emerge from the study (Stage III). You have authorized action on Stages I and II. State reviewed the proposals with the House and Senate Latin American Subcommittees and ran into no significant problems. Secretary Rusk and Linc Gordon will be discussing them with the Mexicans this weekend. On his return next week, Linc will call Ambassador Telles to express your wish that he take the chairmanship of the U. S. Section of the Commission.

Creation of Lincoln-Juarez Scholarship Funds

State has worked out a plan for funding our part of the program and selecting the scholars. It has also prepared detailed proposals for the creation of a Joint Commission to supervise the operations of the two funds and has asked Ambassador Freeman to discuss them with the Mexicans. Secretary Rusk and Linc will be following up on this matter.

~~CONFIDENTIAL~~

- 3 -

Increase in Cultural Exchange

Charlie Frankel has done an excellent job of stepping up the flow of U. S. cultural programs to Mexico. I sent you his first report last May. At Tab A is his most recent account of what he has done. Getting the Mexicans to reciprocate looms as a problem.

Rio Colorado Salinity

The Mexicans have been concerned that (1) our ground water recovery program on the lower Colorado River would reduce the underground water flows to Mexico and (2) our substituting these recovered waters for surface waters in the river water delivered to them under the 1944 Water Treaty would leave Mexico with poor quality water.

State and Interior have reached agreement on the nature of the assurances to be given to Mexico on these points. Secretary Udall is going to Mexico in November to present the assurances.

This summer Mexico asked us for additional water to cover an acute shortage. Despite our tight situation, Interior agreed to lend them 40,535 acre feet to be repaid over a period of time depending on the adequacy of our runoffs next year.

Gulf of California Nuclear Desalinization Plant

The Joint Study Group is continuing its pre-feasibilities studies. The pace of their work has moved more slowly than we would like. Our members have virtually completed their assignments. But the Mexicans have not kept pace. At their request, a meeting of the Group scheduled for October has been postponed to January, or later.

W. W. Rostow

Attachment
Tab A.

cc - Bill Moyers

~~CONFIDENTIAL~~

LIMITED OFFICIAL USEStatus Report on Implementation of Proposed Increased
Exchanges with Mexico

I refer to my memorandum to Assistant Secretary Gordon on expanded cultural exchanges with Mexico which was forwarded to the White House on May 3, 1966. Various specific actions under consideration at that time have been completed and others are moving forward, as outlined below.

A. Cultural Agreement

On June 22, the Bureau of Educational and Cultural Affairs (CU) sent a third draft of the proposed cultural agreement with Mexico to the Office of the Legal Adviser in the Department, to USIA, and to ARA for clearance.

B. Cultural Presentations

1. Music Theater in the Round will perform in Mexico for two weeks beginning September 22, 1966.

2. The Hamline University Choir will go to Mexico on a date yet to be determined.

3. The Eastman Brass Quintet has tentatively agreed to go to Mexico, subject to the ability of all five members to be absent from Eastman simultaneously. (All are professors at that institution.)

4. Pianist Robert Hamilton, who is now performing in the Tchaikowsky Competition in the Soviet Union, is being considered for performances in Mexico.

5. The Stern-Istomin-Rose Trio will be in Mexico under commercial auspices in May or June 1967. We are exploring the possibility of its playing in additional cities under our auspices.

We are considering other cultural presentations in Mexico in addition to those listed above.

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-2-

C. Olympic Team Coaches

CU has managed to reallocate program funds to meet the Embassy's request for five grants to U.S. coaches and trainers to assist the Mexicans in preparing its various Olympic teams. We note that the Soviet Bloc already has a substantial number of coaches functioning in Mexico.

D. Plans for Symposia

Plans are being developed for a number of specially tailored seminars and symposia under the FY 1967 exchange program with Mexico.

E. Structural Considerations

Efforts to increase cultural exchanges with Mexico will quite likely draw increasing attention to the question of a more equal flow in both directions. We are exploring a suggestion that the Mexican government may expand state-financed cultural presentations in the United States on the basis of "reciprocity". We are also seeking further information regarding a recent request made by the Mexican Actors' Union to our Embassy in Mexico City for help in obtaining equal rights for members to perform before U.S. audiences.


Charles Frankel

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MEMORANDUM

15

THE WHITE HOUSE

WASHINGTON

September 29, 1966

MEMORANDUM FOR THE PRESIDENT

I forward for your recommended signature this letter to General George Decker discharging the United States panel of the Joint Philippine-United States Veterans Commission. You agreed earlier that the panel's work was completed, and that it could be discharged.

As you know we are proceeding separately to settle the two war claims which General Decker brought to your attention.

 W. A. Rostow

Att.

Ltr to Gen. Decker for signature

September 30, 1966

Dear General Decker:

As you know, we recently had the pleasure of a visit by the President of the Philippines and Mrs. Marcos, and I want you to know that the efforts and accomplishments of the United States panel of the Joint Philippine-United States Veterans Commission, under your able and dedicated leadership, contributed significantly to the success of that visit. Please express to every member of the United States panel my gratitude for their contribution and my satisfaction with your report.

I was glad indeed to hear that you are recovering rapidly from the illness which struck you in Manila during the veterans talks, and wish to express my personal appreciation for your willingness to carry on the work of the United States panel despite that illness.

As I am sure you are aware, I told President Marcos that in addition to the veterans benefits legislation which your panel recommended, and on which the Congress has already taken favorable action, we would be willing in principle to settle the two Philippine war claims mentioned in your letter to me which accompanied the United States panel's final report. For this purpose, our Government will soon enter negotiations with the Government of the Philippines.

While the work of the United States panel of the Joint Commission would appear, therefore, to be complete, I hope that in the course of the forthcoming negotiations representatives of our Government may feel free to call on you and on other members of the United States panel for advice. In discharging the United States panel, may I express again my sincere

-2-

appreciation for the essential contribution which it has made
to our relations with the Philippines at this important juncture.

With very best wishes to you and Mrs. Decker.

Sincerely,

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General George H. Decker, USA (Ret.)
Chairman, U. S. Panel, Joint
Philippine-U.S. Veterans
Commission
1825 Connecticut Avenue, N. W.
Washington, D. C.

LBJ:WJJ:pas

September 29, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: 7-Nation Conference on Viet-Nam

The purpose of the conference in the Philippines was defined by President Marcos as follows:

"...the proposed conference would presumably include a review of the military situation, but would stress the non-military, economic and political situations and programs being carried forward by the South Vietnamese Government, together with a review of the prospects for a peaceful settlement of the conflict."

In announcing your acceptance of the invitation, Bill Moyers quoted from the Marcos description. He said in addition that "further details would evolve in the process of consultation and an agenda would be fixed in that process."

Australian Prime Minister Holt, in his acceptance, said:

"Since this is a conference of heads of government whose forces are joined in resisting Communist aggression in South Viet-Nam, there will naturally be an assessment of the military situation. But also the Australian Government sees the conference as one which will look towards the attainment of a just and enduring peace, and towards the further development of programs of civil aid and economic reconstruction in South Viet-Nam, and in the area generally, which would buttress freedom and progress."

Prime Minister Ky said:

"This conference will be an opportunity to examine again the problems connected with Viet-Nam and to inform the allies about activities which Viet-Nam is presently carrying on as well as future projects. The conference will tighten the bonds of understanding and

strengthen the support of the allies for Viet-Nam's endeavor to defend its national independence and provide for the well-being of our people. This conference will help Viet-Nam have confidence that the Vietnamese people are not alone in the struggle to defend freedom and resist communist aggression. This conference will also evidence the unity of purpose of the nations which are beside us in the struggle of the Vietnamese people."

Korea and Thailand used the Marcos formulation in their announcements. New Zealand followed Holt's general line.

Thus, the conference can be said to offer an opportunity for the heads of governments most directly involved in Viet-Nam to:

1. review the military situation;
2. hear detailed reports on the current economic and political situation in Viet-Nam;
3. consider ways in which the participants and others can most effectively help the Vietnamese achieve improved security and provide economic progress for their people;
4. study plans for Viet-Nam's future economic development and methods for increasing the economic cooperation of Southeast Asia and other nations;
5. explore possible avenues for achieving a just and honorable settlement to the conflict.

W. W. Rostow

P. S. I am increasingly convinced that we should add the general theme of Asian regional development. It is necessary if you are to touch down in Japan and Malaysia. And it is, simply, right to widen out beyond Viet Nam in the wake of your Baltimore speech, the Asian Development Bank, the Mekong, etc.

W. W. R.

The quotations from members of Congress will be coming along very shortly.

Wednesday, September 28, 1966
5:30 p.m.

Mr. President:

Here is the strategy paper which Bob Komer and I put together and talked over with Bill Bundy. We are all in basic agreement.

It is a strategy which fits our forthcoming meeting. In fact, the headings represent a pretty good preliminary agenda for the meeting.

W. W. Rostow

WWRostow:rln

~~SECRET~~

20 September 1966

DRAFT

A Strategy for the Next Phase in Vietnam

Barring either a diplomatic breakthrough in the conversations between Gromyko and Secretary Rusk, or a major increase in North Vietnamese forces in South Vietnam, our position in South Vietnam can be described as follows:

We have frustrated the VC and North Vietnamese main force units; we are imposing a painful but not decisive cost for continuing the war on North Vietnam through our bombing; we have moved politically and economically in the South to make increasingly unlikely a political disintegration which the VC might exploit.

Meanwhile, at home, whatever the debates, Hanoi cannot count on a political cave-in of US public opinion which would destroy the foundations of the President's policy towards Vietnam. Thus, all western logic would indicate that the NLF/Hanoi should start negotiating now, before they lose even more bargaining counters. Perhaps they will do so at some point after the US elections, at least putting out feelers.

On the other hand, the VC have not yet come to a point of either military or political disintegration; the burden of bombing in the North, however awkward and painful, has not yet been decisive. Present evidence is that we have come to a point where Hanoi cannot win, but obviously we have not yet forced it to accept negotiations on our terms.

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E.O. 12958, Sec. 3.5
State Dept. Guidelines
By fw, NARA, Date 7-15-98

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~~Our problem is to present them with a situation where, whatever~~
~~their will to hold on and sweat us out, they have no realistic option but~~
~~to accept our terms.~~

There are, in conception, two major routes to this objective short of occupying North Vietnam:

First, to increase the weight of our bombing in the North so radically that the whole economic, social, and political infrastructure of North Vietnam is endangered. I believe this course of "bombing them back to the Stone Age" should be rejected. The pressures at home and abroad we would have to bear would likely be excessive. The possibilities of much deeper Chinese Communist involvement in the war would be increased if they thought our objective were to destroy the Communist regime in North Vietnam.

A more temperate buildup in the pressure on the North, however, could play a significant role in the alternative strategy outlined below.

~~The second way to force acceptance of negotiations is to produce~~
~~a palpable process of political and military disintegration of the~~
~~Viet-Cong. This is the recommended strategy.~~

The elements of such a strategy must be more than military. It is increasingly apparent that political, psychological, and economic factors -- as well as the civil/military problem of pacification -- have

~~SECRET~~

an ever more important role to play. A strategic plan should be developed on an across-the-board basis. Moreover, many of its components might conflict with each other unless adequately coordinated.

~~On the military side, the ARVN/US ground campaign and bombing offensive will be stepped up. Barrier possibilities will be explored intensively.~~ But perhaps the major new development should be a stepped-up attempt to deal with the "weak sisters" of the NLF/Hanoi combination, the VC. Their morale is already declining more rapidly than that of the NVN infiltrators. Their strength has stopped increasing. Most of the rising number of defectors are VC. They are probably hardest hit by food and medicine shortages, and by the increasing success of the GVN in establishing itself. ~~By focussing on their vulnerabilities, we can accelerate their decline and possibly split them off from Hanoi, which could be a decisive step toward winning the war.~~ At the same time by continuing the cost to Hanoi, Hanoi might be more willing to accept such a splitting off.

Disintegrating the Viet Cong

The headings for a policy to produce an accelerated disintegration of the Viet Cong should include the following:

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A. A dramatic and sustained political and psychological appeal to the VC to join in the making of a new South Vietnamese nation

(i) an amnesty offer.

(ii) enlarged and sustained efforts to defect VC leaders.

(iii) an expanded psywar effort to split the VC from Hanoi.

(iv) a radical expansion in Chieu Hoi efforts.

(v) Agreement on a Constitution followed by elections in accordance with the Constitution in which the VC who had accepted amnesty would be allowed to vote.

B. Accelerated Pacification

(i) new organizational arrangements providing more unified US/GVN civil/military management.

(ii) size of forces to be allocated.

(iii) converting appropriate ARVN forces to pacification functions.

(iv) 1967 targets to be set, including rapid pacification of certain key areas (as recommended by Sir Robert Thompson).

(v) contributing programs to be expanded, e. g., RD cadres, agriculture, land reform, police.

C. An accelerated, workable land reform scheme

D. Pressing forward rapidly and dramatically with formulation of post-war development program

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- E. Assuring good military-civil political relations in post-election period, including creation of a national political party embracing both elements
- F. Avoiding another round of severe inflation
- G. US/GVN military offenses against VC/NVA Main Force maintaining the capacity to deal with present or enlarged North Vietnamese military formations introduced into the South, plus whatever we can do about infiltration.
- H. Bombing offensive in the North continuing to impose a cost on the North for continuing the war.

~~CONFIDENTIAL~~

Wednesday, September 28, 1966 -- 9:20 a. m.

Mr. President:

I communicated to Bill Gaud your instruction to produce a plan to take some heat out of the economy from the AID side.

He has been a good soldier.

He has come up with a serious proposal to defer some \$400 million in program actions until after the end of the year. He believes the foreign policy consequences will not be unmanageable.

My recommendation is that we tell him to go ahead, but let us know:

- if he finds further opportunities to save;
- if particular hold-ups produce politically "unmanageable" situations.

You could then personally review them.

W. W. Rostow

Go ahead with deferral program with reservations as you suggested _____

Go ahead with deferral program without reservations _____

See me _____

WWRostow:rlh

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 88-44
By ijg NARA, Date 6-7-89

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

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DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON 25, D. C.

OFFICE OF
THE ADMINISTRATOR

SEP 27 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Program Deferral Actions - Balance of 1966

As you requested, I have looked into the matter of what A.I.D. can do--exclusive of Vietnam--between now and the end of the calendar year to reduce inflationary pressure on the U.S. economy.

I. Actions To Defer Expenditures:

Our programs call for the expenditure of roughly \$450 million between now and the end of the calendar year--mostly to honor outstanding irrevocable letters of credit.

I believe that we can defer about \$50 million of these expenditures until January without causing unmanageable political complications. For example:

-- \$37 million by deferring the processing of certain voucher payments to New York banks.

-- \$6 million by deferring certain cash payments to Jordan.

-- \$1.6 million, by reducing and deferring expenditures for personnel recruitment, promotions, overtime, and travel.

I have issued instructions to defer the above expenditures until after the first of the year.

II. Other Actions We Might Take

There are a number of other actions we might take between now and the end of the year which would have a minimal impact on expenditures over the next four to six months but which might have a cooling effect on the U.S. economy by delaying the expectation of contracts and orders.

A. Loan Agreements: Our loan program calls for the signing of loan agreements totalling \$500 million--\$205 million of which has already been authorized from FY 66 funds. We have reviewed

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E.O. 12356, Sec. 3.4

NJ 88-160

By 418 NARA, Date 7-10-89

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- 2 -

these loans carefully to determine the foreign policy consequences of deferring loan signings until after the end of the year. While any such deferrals will cause difficulties, I believe we can stand those involved in the deferral of \$220 million. Examples of such deferrals include:

-- \$160-180 million for program loans to Brazil, Chile and Colombia.

-- \$15.5 million for electric power and waterworks in Korea.

-- \$7 million for malaria eradication and university projects in Ecuador.

B. Grant Assistance - Our grant program calls for the obligation of grants totalling about \$165 million. I believe that about \$35 million of this amount could be deferred without causing unmanageable foreign policy difficulties. These deferrals would include:

-- \$8 million for measles eradication in Africa.

-- \$5 million for regional Mekong development.

-- \$1 million for commodity imports and road construction in Rwanda.

C. Slowed-down Program Implementation - Our present program calls for routine implementing actions which, while involving no immediate expenditures, could have a heating effect of roughly \$580 million. Of this amount, I believe we could defer actions involving \$125 million until the end of the year without severe foreign policy complications. For example:

-- \$25 million by delaying the issuance of letters of commitment for a number of Korean loans and feasibility surveys.

-- \$95 million by delaying contract awards and comparable actions across the board.

D. Investment Guarantees - I believe we can postpone investment guarantee contracts affecting private sector investment decisions totalling \$20 million until after the first of the year without serious difficulties.

~~CONFIDENTIAL~~

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- 3 -

RECOMMENDATION:

There are roughly \$400 million in A.I.D. program actions which could be deferred until after the end of the year without producing unmanageable foreign policy consequences. These deferrals would have little or no effect on expenditures during the next four to six months. They could, however, take some heat out of economy. As you direct, we will:

Take the deferral actions mentioned _____

Carry out the program as presently planned _____

William S. Gaud

William S. Gaud

~~CONFIDENTIAL~~

THE WHITE HOUSE
WASHINGTON

September 28, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Appointment for Ambassador
Bohlen

Secretary Rusk suggests that you see Ambassador Bohlen, who is now in Washington, prior to your appointment with French Foreign Minister Couve de Murville next week.

I share the Secretary's view that talking with Ambassador Bohlen would be very helpful preparation for your meeting with the French Foreign Minister.

W. W. Rostow

L. Rusk

*appointment set for
Mon. 3 Oct.
11:30*

*per BKS
Bator has been informed*

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20a

THE SECRETARY OF STATE
WASHINGTON

September 28, 1966

MEMORANDUM FOR THE PRESIDENT

Subject: Call by Ambassador Charles E. Bohlen

Recommendation

That you receive Ambassador Bohlen prior to your October 4 appointment with French Foreign Minister Couve de Murville.

Approve ☒

Disapprove ☐

Discussion

Ambassador to France Charles E. Bohlen is in Washington in connection with the visit of the French Foreign Minister, Couve de Murville. You have agreed to receive the French Foreign Minister, and a tentative time has been set for noon on October 4. I believe you might find it useful to talk with Ambassador Bohlen before then, and to have his views on the present state of and future prospects for our relations with France, as they relate to the problems of NATO, Europe and Viet Nam.

Dean Rusk

Dean Rusk

Wednesday, Sept. 28, 1966
12:00 noon

Mr. President:

Attached, for your approval, is
a friendly departure message for
Chancellor Erhard.

His message to you is at Tab A.

Francis M. Bator

Approve ✓

Speak to me

21

Mr. Bator

*L. [unclear]
2 P. [unclear]*

*LDX
Sent to
State
S/S
B/S
9/29*

PROPOSED FAREWELL MESSAGE

Dear Mr. Chancellor:

Mrs. Johnson and I were delighted that we were able to visit with you and Mrs. Erhard, and your colleagues. We were particularly happy that Mrs. Erhard and your very nice daughter were able to accompany you, and that they saw at least a part of the United States.

As always, my very good friend, our time together was well spent. I value the opportunity we had to renew our friendship and discuss together the issues that so deeply concern us both. Let our meeting stand as a symbol of the partnership of our two countries, which is so essential to world peace.

I look forward to the time when we can meet again. Mrs. Johnson joins me in sending you and Mrs. Erhard our warmest best wishes for the coming months.

Sincerely,

Lyndon B. Johnson

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

Wednesday/9:15 am
September 28, 1966

~~SECRET~~

22
took to David

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Pending Decision on Military Supply for Pakistan:
A Message from Gene Locke

Gene Locke cables you and Secretaries Rusk and McNamara asking that he be authorized to explore with Ayub the returns we might gain, however limited, if we sold him military spares for equipment originally procured from the United States.

In this cable, the text of which is attached, Gene says we are losing our chips in Pakistan by our indecision. He reports that the sale of spares is the number one issue with the Pakistan government and he believes it could be used to promote Indo-Pakistan arms limitation discussions and limiting Pakistan arms purchases from China. Further waiting (a) encourages Ayub's domestic opponents, (b) promotes the belief that the US does not care about Pakistan's security and (c) permits both the Government of Pakistan and India to conclude that India can dictate our policy toward Pakistan. He reminds us that further waiting is in itself a decision.

As background, you will recall that before Gene left for Pakistan in July, staff papers were prepared on this subject. They would have authorized him to explore with Ayub how the sale of spares might be used to define more precisely Ayub's relations with China and encourage him to enter serious discussions with the Indians on arms limitation.

Ambassador Bowles' reaction was so strong that Secretary Rusk held the recommendation for further thought. Newspaper leaks led Indian officials to protest publicly in the Indian Parliament.

You requested Ellsworth Bunker and Arthur Dean to look into the matter. They reported to you in mid-August, recommending we go ahead, but with somewhat more caution than the earlier proposal.

Since then, no decision has been reached. Secretary Rusk has been reluctant to proceed until he talked with Ambassador Bowles. Secretary McNamara has not yet focussed on the problem but his Deputy for International Security Affairs, opposes the idea.

~~SECRET~~

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E.O. 12356, Sec. 3.4

NJ 88-46

By *inf* NARA, Date 8-30-89

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Page 2

I agree that further delay in a decision is eroding our position, and we should face this one shortly, perhaps toward the end of Chet Bowles' visit.

Walt Rostow

I agree, ask Secretary Rusk to review the bidding and give me DOD/State - *Bunker - Katzenbach, The Rostow* recommendation--*Arthur Dean* agreed or split-- by October 5 _____

Meet Gene Locke's difficulty and approve the Dean/Bunker recommendation _____

Tell Gene now we can't sell spares to Pakistan _____

See me _____

*let's discuss this
weekend--
take to David
L*

~~SECRET~~

~~SECRET~~

FROM AMBASSADOR LOCKE (Rawalpindi's 1148 September 27)

FOR THE PRESIDENT AND SECRETARIES RUSK AND McNAMARA

Pending US Military Supply Policy Decision

1. I believe current delay in decision to permit US sales of lethal spare parts to Pakistan is working increasingly to US disadvantage.
2. Immediately prior to my late July departure from Washington I had participated in preparation of a draft memorandum to President entitled "US military spare parts to India and Pakistan." In my judgment adoption of policies set forth in that memorandum offered real and perhaps unique opportunity to encourage Indo-Pak relations and promote US interests. Lacking instructions during subsequent eight weeks in Pakistan, and including two meetings with President Ayub, I have been unable to explore this subject in depth. However, I am confident sale of American lethal spares is currently a number one issue to Pakistan Government, and possibility continues that US responsiveness this regard could be used effectively as important step in promoting Indo-Pak arms limitation discussions and in limiting Pak purchase of Chinese equipment.
3. By continuing delay we leave Ayub wide open to internal sniping at his currently restrained foreign policy and to temptation of turning to China again for more arms. We risk erosion of Ayub's strong military power base. We promote suggestion of American indifference to Pak security problem. We permit GOP (and GOI) to conclude India can dictate US policy toward Pakistan in this and other matters as well.
4. There should be no doubt US failure to take decision pro or con on this matter is itself a decision. For reasons set forth in numerous discussions and messages (Rawalpindi 580, 602, 835, and 803) and well-known in Washington, I seek early instructions authorizing me to inform Ayub of positive US response his military requirements in line with above-mentioned draft memorandum to the President.

LOCKE

~~SECRET~~

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E.O. 12356, Sec. 3.4

NJ 88-46

By gup, NARA, Date 1/15/93

Wed., Sept. 28, 1966
4:45 p. m.

23

MR. PRESIDENT:

This is what we filed with Gale McGee --
a shorter version of the same theme
with Claude Pepper.

You may want to have it handy for
your own purposes.

W. W. Rostow

9/28/66 23a

Mr. President:

As you know, there will be a conference in the Philippines next month attended by our President and the heads of governments of those nations who are contributing troops to the defense of South Viet-Nam. This conference, initiated by President Marcos of the Philippines, will offer an unusual opportunity for the Vietnamese and their friends to review the current situation in Viet-Nam -- and to lay out plans and programs for the future.

I am sure that every member of this body wishes the highest success to this conference. We all must hope that it will bring closer a peaceful and honorable settlement to the conflict -- and that it will pave the way for a better future for the Vietnamese people.

In connection with the coming conference, Mr. President, I noted with some interest -- and with some surprise -- the comments yesterday of my learned colleague from New York, Senator Javits.

He said the proposed conference was "certainly desirable." But he then went on to hope that it would not promise much and accomplish little -- as he said the Honolulu meeting did earlier this year.

I was interested in that statement because I strongly feel that it does not represent the facts of the case. I don't know whether the Senator from New York has really looked at what was forecast at

the Honolulu meeting -- and at what has been done in the brief period of six months since. If he hasn't, he should.

And for this purpose, I commend most strongly to him the report which was made recently to the President by his special assistant, Mr. Robert Komer. That report sets forth in detail some of the truly encouraging things that have been happening in Viet-Nam in recent months. It is not a report of meaningless generalities. It is packed with facts and statistics. And it underlines some of the more difficult problems that remain to be faced and met.

But it is a progress report -- and progress there most certainly has been.

Let me refresh Senator Javit's memory.

At Honolulu, the Government of Viet-Nam pledged to develop a democratic constitution and to move toward civilian government.

What has happened?

The Saigon Government was as good as its pledge. Elections have been held -- and more than 80% of the registered voters went to the polls to elect delegates to a constitutional convention. That Constituent Assembly is meeting right now in Saigon.

And the process of democratic political development is underway.

The two governments at Honolulu pledged to take concrete steps to combat inflation.

What has happened ?

The Government in Viet-Nam courageously devalued the piaster by 50%.

Port congestion has been reduced and the volume of imports has doubled.

Import procedures were reformed.

Custom duties and domestic taxes were increased.

By late summer, the cost of living index stopped rising; money in circulation declined slightly; confidence in the currency has risen.

At Honolulu, we and the Vietnamese pledged to emphasize the building of democracy in the rural areas.

What has happened?

I mentioned the large turnout in the recent elections.

More than that, the largest budget in Vietnamese history was committed in support of rural development. Rural Development cadre teams are now operating in all provinces.

Training of these cadres -- who are helping encourage both democratic development and economic improvement in the villages -- has expanded sharply.

At Honolulu, it was promised that new efforts would be made to invite the Viet Cong rank-and-file to join the rest of the nation.

What has happened?

Since that call, more than 12,000 VC have moved to the Government side -- more in seven months than in all of last year.

At Honolulu, it was pledged that there would be continued emphasis on rural construction to meet the people's needs.

What has happened?

Electric power has gone to 135 new localities.

Rural electrical coops will bring electricity to 144,000 people in three new locations -- beginning this month.

Much of the U. S. aid obligated this year has gone into fertilizer, tools, machinery and the like to boost agriculture and industry in the provinces.

Refugees are being taught new skills.

At Honolulu, steps for more rapid land reform were promised.

What has happened?

A pilot program for distribution of 14,000 acres in one province -- An Giang -- is moving forward.

80 per cent of an aerial survey for land reform purposes has been completed.

The Government in Saigon is proceeding with distribution of 1,200,000 acres of expropriated and government-owned land to new owners, including refugees.

Mr. President, I could go on -- and on.

My point is that Honolulu produced a number of promises of action in Viet-Nam -- particularly in the areas of economic reform and construction -- and political development.

Those promises have been kept. And if a conference was ever a success, it was that meeting only six short months ago in Honolulu.

If the Manila conference is equally successful -- we and the Vietnamese people can be truly grateful.

#

THE WHITE HOUSE

WASHINGTON

~~SECRET~~

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Release of Restricted Data to NATO on Atomic Demolition Munitions (ADM's)

Secretary McNamara has requested your approval for the release of certain Restricted Data on atomic demolition munitions principally to SACEUR and the FRG but also to certain other NATO countries for which ADM support may be required. The Secretary has worked out an agreement with Minister von Hassel under which our Joint Chiefs will work with the FRG military authorities to make a new joint study of the potential military effectiveness of ADM's. The Secretary's request has been concurred in by State and AEC.

Your approval of the Secretary's recommendation is endorsed because the pros and cons of ADM's have been debated in this Government and within NATO without a consensus having been reached as to the desirability of deploying them as a regular part of the nuclear arsenal for the defense of the Alliance. The Secretary's study should go a long way in settling this issue once and for all.

If you agree, I will sign the attached memorandum for the Secretary authorizing him to make certain Restricted Data needed for the study available to those who will be participating therein.

Walt Rostow

Approved _____

Disapproved _____

See me _____

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 98-414
By *is*, NARA Date *4-26-79*

~~SECRET~~

THE WHITE HOUSE
WASHINGTON

~~CONFIDENTIAL~~

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: Release of Restricted Data to NATO on Atomic
Demolition Munitions (ADM's)

The President has noted your memorandum of September 14, 1966, on the above subject and has approved the release of relative information to SACEUR, the FRG, the UK, Belgium, Canada, Italy, Greece, Turkey and the Netherlands as you have recommended and for the purposes you described in your memorandum.

W. W. Rostow

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 98-414
By iso, NARA Date 4-26-99

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THE SECRETARY OF DEFENSE
WASHINGTON

14 SEP 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Release of RESTRICTED DATA to NATO on Atomic Demolition Munitions (ADMs)

NSAM 197 required the Department of Defense to "submit to the President, for approval in principle, proposed programs of cooperation with other nations which will involve communication of RESTRICTED DATA ... together with the views of interested agencies, including the Department of State and the Atomic Energy Commission, on those parts of the proposed programs which will affect their responsibilities."

An ADM program of cooperation for our NATO Allies has been discussed with the Department of State and AEC, but I am not yet prepared to recommend your approval in principle of such a program. Since ADMs occupy a special place in the nuclear arsenal, and because of their unique capabilities, I have asked that further study efforts be initiated to assist me in formulating a final NSAM 197 program recommendation to you in accordance with the usual procedures. Studies so far completed on a bilateral basis with the Federal Republic of Germany have been relatively ineffective, partially because of our inability to disclose RESTRICTED DATA on ADMs, and partially because the study was subject to unrealistic restrictions and assumptions that made the studies of little or no value.

Pursuant to an agreement with Minister von Hassel, I have asked the Joint Chiefs of Staff to cooperate with the military authorities of the Federal Republic of Germany in a new joint study of the potential military effectiveness of ADMs. The study will be conducted in two parts, the first being an analysis free of any political guidelines or constraints, of the maximum possible military effectiveness of ADMs as compared with conventional demolition munitions; the second part of the study will be an analysis of the extent to which that maximum possible military effectiveness will be affected by observance of a likely set of political guidelines or constraints regarding the control and use of ADMs. This two-fold study will enable us to examine the cost in terms of military effectiveness of political constraints which may be imposed in any ultimate ADM program of cooperation.

In order to perform an adequate study it will become necessary to release RESTRICTED DATA on ADMs to SACEUR, the FRG, and to certain other countries

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

DECLASSIFIED
Group 4 - DOD DIR 5200.10
By DCB NARS, Date 8-19-86

~~SECRET~~

Sec Def Cont Nr. X- 5851

~~SECRET~~

2

having forces for which ADM support may be required. Accordingly, I request your approval for release of relevant information to the UK, Belgium, Canada, Italy, Greece, Turkey and Netherlands as well, as an exception to the usual NSAM 197 procedures.

The Department of State and the Atomic Energy Commission concur in this request.

Robert S. McNamara

~~SECRET~~

Wednesday
September 28, 1966
5:25 p.m.

Mr. President:

This cable from Sullivan will interest you in its own right. It also underlines the need for a decision, in principle, as to whether you would be willing to see Souvanna Phouma.

W. W. Rostow

*permed note: A second cable is
attached for more
background if you want it*
W

Vientiane 1854

SECRET

Vientiane 1826

DECLASSIFIED
E.O. 11652, Sec. 3.4(b)
White House Classification, Feb. 24, 1983
By DCB NAME, Date 8-19-86

WWRostow:rln

SECRET - EXDIS

Wednesday, September 28, 1966

TEXT OF CABLE FROM VIENTIANE (1854)

25a

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 98-413
By CB, NARA Date 10-21-99

Souvanna told me in confidence this morning that he had just received a visit from the Soviet Charge, who had three specific points to raise:

A. The Soviet Government is sending a considerable quantity of relief supplies to the Royal Lao Government for distribution to flood victims. (There had been much speculation that Soviet failure to make such a gesture previously had political implications).

B. Gromyko would very much like to see Souvanna in New York when the latter comes to the UN General Assembly. In making this pitch, the Charge pointed out that the Soviets regarded Souvanna as a "statesman who had much to contribute to peace in the Southeast."

C. Finally (and this Souvanna asked to be held in closest confidence), the Soviets would like to change routing of their "air line" to Hanoi in order to avoid overflights of China. Their preferred route would be Delhi, Rangoon, to Hanoi, with overflight of Lao territory.

This proposed change in air routes has, of course, several interesting implications. Whatever it may portend in triangular relations among Moscow, Peking and Hanoi, it certainly will give a new criticality to attitudes of Indians, Burmese, and Laotians in this equation.

I questioned Souvanna on the explicit request and on his reaction. He said the request was phrased in terms of "air line", which he presumed to be commercial Aeroflot services. Nothing, of course, was said about military airlift.

As for his reaction, Souvanna said that "officieusement", he would see no objection to "airline" overflights. However, he asked Charge to put matter in writing as an official request to which he would then consider an official reply.

Comment: The Department will doubtless wish to repeat this message, or editorialized version of it to other posts. If there is any immediate Washington reaction which you wish me to convey, please send soonest since Souvanna will spend weekend (beginning Friday A.M.) in Luang Prabang for consultations with the King. My own suggestion is that best reaction would be invitation for Souvanna to meet with the President and Secretary either immediately before or immediately after his session with Gromyko, withholding any official reply to the Soviet request until he has had a chance to hear the U. S. views.

SULLIVAN

256

~~CONFIDENTIAL~~

Text of Cable from Vientiane (1826)

Souvanna has just sent word to me that he plans to leave Vientiane on or about October 5 for onward travel to New York. He expects to transit Bangkok, and spend a couple of days in Paris (his birthday is October 7 which he wishes to spend with Princess Souvanna). He would thus plan to arrive in New York to attend the UN General Assembly session from the beginning of the week of October 10.

I believe he has not yet fixed an exact date with the UN Secretariat for his appearance before the UN General Assembly. However, as I have previously suggested, I am sure he can adjust this to fit the convenience of President Johnson if a meeting can be arranged in Washington. Of course, the earlier the adjustment, the better for all concerned.

I have not taken advantage of your suggestion expressing hope a meeting can be arranged, because I would much prefer to make a positive offer rather than a conditional one.

Today's announcement of Marcos' invitation for the President to visit the Philippines October 18 in order to meet with Asian leaders makes a Souvanna visit with the President even more desirable, both from the Lao point of view and our own. In meeting with Souvanna, the President would have the opportunity to obtain a solid endorsement of his policies from a non-aligned Southeast Asian leader prior to the Manila session. Souvanna, for his part, would be able to demonstrate that the political risks he is taking by active collaboration with the U. S. entitle him to have his views heard even if, by definition, he can not participate in a Manila-type meeting.

I would therefore urge a positive response to this request soonest, so that appropriate adjustments can be made in Souvanna's schedule. I need not add that a gesture of this dimension, coming at this time, could make a significant contribution to resolving the current Vientiane political impasse.

Sullivan

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 12356, Sec. 3.4

NLJ 88-43

By ing, NARA, Date 6-23-88

Monday, Sept. 26, 1966
4:45 p. m.

MR. PRESIDENT:

On these recommendations State tells me a half-hour of your time would suffice, in the circumstances.

It is particularly important to see Souvanna Phouma, who is under political attack in Vientiane. His opponents say the U. S. is "losing faith" in him.

As for other interview requests arising from the U. N. session, I have told State to have Sect. Rusk go over them all as a package; apply priorities; and make a personal recommendation to you -- thus avoiding piecemeal requests.

W. W. Rostow

Razak O. K. for a half-hour _____

Souvanna Phouma O. K. for a half-hour _____

See me _____

~~SECRET~~ attachments

~~SECRET~~

Mr Rostow
26a
—
Thursday, September 22, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Office Calls by Foreign Officials attending the UN
General Assembly in New York

Acting Secretary Ball asks your approval to schedule office
calls during October for:

Deputy Prime Minister Razak of Malaysia

Prime Minister Souvanna Phouma of Laos

Both officials will be in New York attending the UN sessions.
They would like to come to Washington to talk to you and other
Government officials. One hour's conversation in your office would
be allotted to each of the two visitors.

I share Secretary Ball's view that it is important for you to see
both Razak and Souvanna Phouma.

W. W. Rostow

_____ Schedule Razak of Malaysia

_____ Schedule Souvanna Phouma of Laos

_____ See me

DECLASSIFIED
E.O. 12356, Sec. 3.4
NIJ 88-44
By sig NARA, Date 6-7-89

~~SECRET~~

DEPARTMENT OF STATE
WASHINGTON

September 21, 1966

SECRET

MEMORANDUM FOR THE PRESIDENT

Subject: Appointments with you for Certain Foreign
Officials Visiting the United States in
Connection with the U.N. General Assembly

Recommendation:

I recommend that you agree in principal to meet with the following foreign officials who are visiting the United States during the period of the U.N. General Assembly. The specific dates and times of these appointments could be arranged later, although I have indicated below the dates when they will be in Washington.

1. Deputy Prime Minister Razak of Malaysia (In Washington October 4-9)

Approve _____ Disapprove _____

2. Prime Minister Souvanna Phouma of Laos (October-November)

Approve _____ Disapprove _____

DECLASSIFIED
E.O. 12958, Sec. 3.5
State Dept. GuidelinesBy gW, NARA, Date 7-15-98~~SECRET~~

~~SECRET~~

-2-

Discussion:

In addition to the officials listed above, you have approved an appointment with Foreign Minister Couve de Murville of France, and the Department has recommended that you see Foreign Minister George Brown of the United Kingdom.

Justifications:

1. Deputy Prime Minister Razak of Malaysia:

After attending the U.N. General Assembly September 21-26, Razak tentatively plans to be in Washington October 4-9. Razak is the heir apparent to Prime Minister Rahman. Only one senior U.S. official has visited Malaysia since the Tunku's state visit here in 1964. Presidential reception of Razak would be a good occasion to reaffirm our support for an Asian conference on Vietnam which Thailand, in collaboration with Malaysia and the Philippines, proposed in early August. Razak may feel disappointed if unable to obtain a firm commitment on military assistance while here. A call on the President could go a long way to assuage such disappointment. ~~Razak is our most difficult and important case.~~

2. Prime Minister Souvanna Phouma of Laos:

We expect that Souvanna will address the U.N. General Assembly in October or November, and will probably wish to pay an informal visit to Washington thereafter. With the Lao problem increasingly overshadowed by the temper of the Vietnam war, such a call would ~~demonstrate our steady, continuing support for Souvanna.~~ His country is the victim of military aggression and

~~SECRET~~

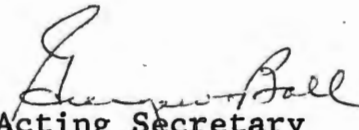
~~SECRET~~

-3-

beset by basic economic problems compounded by the current flood disaster, and his personal position as Prime Minister remains important to U.S. policy objectives but is increasingly threatened by domestic opposition. In private, Souvanna enthusiastically supports U.S. military action against North Vietnam.

In accordance with your known wishes, ~~we are making every effort to limit requests for appointments with you to Chiefs of State and Heads of Governments who are in the United States in conjunction with the UNGA.~~ George Brown and Couve de Murville are obvious exceptions to this rule. For special reasons which need not be detailed here we may also request an appointment for Foreign Minister Thanat of Thailand. We do not wish to make a final decision on this matter, however, until we have been able to analyze public reaction to his visit and television appearances here and the climate in Congress after the Fulbright hearings on Thailand. Foreign Minister Malik of Indonesia will be in Washington from the 22nd to the 27th of September, and it might be advisable for you to see him; we may be making a further recommendation on this matter.

We expect several other Chiefs of State or Heads of Government to be in New York during the General Assembly period. The only two which we would recommend that you see, King Hassan of Morocco and President Sunay of Turkey, will be calling on you in the course of their visits to Washington. Prime Minister Sadiq of the Sudan and Prime Minister Obote of Uganda have indicated that they might come to New York and if they do we might possibly request appointments for them.


Acting Secretary

~~SECRET~~


~~SECRET~~

-3-

beset by basic economic problems compounded by the current flood disaster, and his personal position as Prime Minister remains important to U.S. policy objectives but is increasingly threatened by domestic opposition. In private, Souvanna enthusiastically supports U.S. military action against North Vietnam.

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Acting Secretary

~~SECRET~~

September 28, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Appointment with Australian Treasurer

You agreed to receive William McMahon, Treasurer of Australia tomorrow, September 29, at 11:00 a.m. He is here for the World Bank meetings. The purpose of the call is simply to pay respects and get acquainted.

Ambassador Clark strongly recommended the appointment. He noted we have "no better friend in Australia." McMahon is a likely successor to Prime Minister Holt.

Mr. McMahon may inquire about your trip to the Pacific, and specifically about the possibility of your visiting Australia.

Talking Points: You may wish to:

- say that you are pleased to be seeing Prime Minister Holt in Manila next month;
- reiterate your admiration for the gallant role which Australians are playing in Viet-Nam;
- review the present situation and the prospects in Viet-Nam;
- observe that we are encouraged by the trends in Indonesia, and by its recent return to the United Nations and other international organs. The economic outlook is bad, but progress made in Tokyo on the debt problem is a necessary and heartening first step. There is great need for economic rehabilitation, but we do not want to take on the predominant share in this. We hope that Australia, Japan, the Netherlands, the Germans and the World Bank will play an important part;
- ask McMahon how he sees prospects for the Australian elections on November 26. (Elections scheduled same day for New Zealand also.)

-2-

Political observers here appear almost unanimous that the present Australian government will be returned to office.

Brief biographic data is attached.

W. W. Rostow

Att.

As Deputy Leader of the Liberal Party, Mr. McMahon serves as Leader of the House. Born February 23, 1908. Saw service in World War II. Was Minister for Labor and National Service until January of this year, when he replaced Prime Minister Holt as Treasurer. Holds a degree in economics from Sydney University and is a practicing lawyer. Said to have made a special study of the Smith Act, the Taft Hartley Act, and the Internal Security Act of 1950. He is skillful in debate, energetic, with a keen, well-trained mind. His recreations are golf and music.

Wednesday
September 28, 1966
5:25 p. m.

Mr. President:

Herewith Lodge's weekly
telegram.

W. W. Rostow

Saigon 7128
~~SECRET~~

DECLASSIFIED
E.O. 12553, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1933
By DCW NARS, Date 8-19-86

~~SECRET~~ - NODIS

Wednesday, September 28, 1966

FOR THE PRESIDENT FROM LODGE (Saigon, 7128)

DECLASSIFIED
E.O. 12958, Sec. 3.5
State Dept. Guidelines 8-16388-4
By jm, NARA, Date 7-15-98

Herewith my weekly telegram:

A. Constituent Assembly

The opening of the Constitutional Convention came off on the 27th in good style and even with some spirit. What was to have been a ceremonial opening became a hot debate. In less than half an hour, a dozen deputies took the floor, and on one occasion, two speakers physically contested possession of the microphone for a moment.

During the past week, there was much behind-the-scenes political activity, most of it centering on attempts to form blocs within the Convention, said blocs mostly being formed along regional lines. The southern bloc has a number of would-be leaders, including Tran Van Van, Phan Khac Suu, and The Hoa Hao. Fourth Corps Commander General Quang has both publicly and privately sought to put together an alliance of southern deputies responsive to his direction. General Vinh Loc has done the same in the Second Corps. There is a small group of south-central deputies who call themselves the "24/24" group; the name means that if all work 24 hours a day, the Convention can complete its work in 24 days. They are trying to assert leadership of the deputies from the Hue-Danang areas, but I doubt whether they can.

These regional blocs may play an important role in the selection of the Chairman and organization of the Convention. Once the Convention gets down to hammering out a Constitution, they may fade and the deputies may divide on the basis of their preferences for the nature of the future government.

The first major issue to be decided by the Convention will be the election of a Chairman and other officers, probably not before October 10. The principal candidates remain Tran Van Van, Phan Khac Suu, Dr. Pham Quang Dan, and La Thanh Nghe. The government reportedly opposes the election of Van because of his extreme regional bias. La Thanh Nghe has told us that the Government of Vietnam favors him for the job, but we have no confirmation of this.

~~SECRET~~ - NODIS

The majority appear to favor a strong executive and to oppose a straight "revolving door" parliamentary system. Many think of the present Korean Constitution -- as may some members of the Directorate.

There is danger that the Convention and the military leadership will get into a public struggle. Some deputies, including the most experienced ones, have had virtually all of their political training as members of a permanent and virtually outlawed opposition. Some of them, notably Dr. Sung, are likely to cling to the role even in the Convention. There are also many who tend toward automatic antagonism against the military.

Disagreement is likely on Article 20 of the Electoral Law, freedom of the press, and the touchy subject of government "pressure" on the Convention. Article 20 provides that government modifications of the Constitution can be overturned by the Convention only by a two-thirds vote. Some of them campaigned on this issue. Both Prime Minister Ky and Chief of State General Thieu are determined to keep Article 20 as a check on the Convention. Military leadership will do all they can to avoid trouble, but they are not going to abdicate what they think are their responsibilities.

B. Peoples-Army Congress

While the Constitutional Convention holds the spotlight there is another body also in session in Saigon, the Peoples-Army Congress, whose members hold their offices by appointment. The Congress reacted strongly to the French News Agency report of U Thant's remarks about the Vietnamese elections. They were by no means mollified by the correct version of his remarks, and they demanded to know why Vietnamese representatives in Washington and New York did not respond promptly. (Vietnamese press reaction was outraged and insulting.) The Congress passed a resolution which does not directly criticize U Thant but takes note of the "partial judgments" of "some international statesmen" on the September 11 elections and protests opinions which distort the truth and help the Communists. The Congress is also slated to consider the American presence in Vietnam.

C The Flood

The Delta is experiencing a severe flood which could result in a loss of as much as ten percent of the rice crop. A preliminary survey shows a loss of 50,000 tons of milled rice in Chau Doc province alone. Farmers are also taking heavy livestock losses because they are selling at reduced prices for fear the livestock will drown. Hardest hit are the provinces of Chau Doc, Kien Tuong, and Kien Phong. Hundreds of families have already been evacuated, and if the water continues to rise, many more will be forced out of their homes.

As in the last big Delta flood, in 1961, the people are reacting stoically. JUSPAO reports that morale is "high and dry" even though many have taken heavy losses. Some peasants resisted evacuation because "the fishing was good."

One reason for high morale is prompt relief action by the Government of Vietnam -- and Americans. The USAID Disaster Relief Coordinating Committee has arranged for daily airlifts of emergency supplies, and immunization against cholera and typhoid is under way in the affected areas. The Government of Vietnam has set up a Flood Relief Committee in every province, and a number of high-ranking officials have personally surveyed the stricken area. About 20,000 people are flood victims to date. If waters continue to rise, 150,000 people could be affected. "After-the-flood" as well as disaster relief is being stressed.

Prompt emergency relief and adequate follow-up can turn the flood into a good-will builder. It provides the Government of Vietnam with an opportunity to show the rural population that it is concerned about their needs and can do something about them. The Viet Cong will not be able to compete in this area -- and the rising waters should also tend to inhibit their military activity.

D. Economic

The Saigon Retail Price Index dropped six percent since last week largely as a result of restored transportation after the spurt of Viet Cong terror against the elections. The sale of frozen pork imported from Europe also helped drive down prices. However,

the Retail Index remains five percent above the level of one month ago. Prices of imported commodities were down again this week, largely as a result of tight credit. Dollars dropped slightly from 170 last week to 169 this week.

E. Psychological

JUSPAO's "Evaluation of Attitudes" for the week is as follows:

"There were no major issues of a local or national nature that acutely shaped public attitudes, not even in the Fourth Corps, where the steadily rising waters formed a vast inland lake, promising to produce the worst flood of the century.

"Grumbling over food prices diminished except in a few pockets as prices stabilized, and in many cases, dropped.

"As the excitement of the elections faded into yesterday, people found themselves still facing the practical hazards of a war-ravaged nation, but there was an indefinable feeling of higher morale and more security."

F. Chieu Hoi

We have a report of the help which Chieu Hoi defectors have given recently to military operations, as follows:

A. September 1 -- Vietnamese 21st Division Intelligence Officer received a report that a Chieu Hoi rallier, Huynh Van Hiep, had turned himself in with one carbine in Soc Trang. He reported a Viet Cong weapons cache at Hoa Tu hamlet.

B. September 2 -- On the basis of this information, Division made contact with one Viet Cong company, of whom 56 were killed and two captured. The Chieu Hoi rallier located the arms cache, which consisted of:

- 1 81 mm mortar
- 4 20mm machine guns (anti-aircraft)
- 1 carbine
- 5 German rifles

- 10 Russian rifles
- 2 submachine guns (K-50)
- 2 Thompsons
- 1 MAS 36
- 13 pistols
- 1 shotgun
- 5 tons of assorted munitions

C. The same defector reported another cache at Vinh Hung, Bac Lieu, but did not know its exact location. He stated he would know by sight the Viet Cong cadre there who did know the exact location.

D. September 3 -- A heliborne operation was launched against Hao Xen hamlet. Contact was made with one company of Viet Cong, of whom 31 were killed and 4 captured, plus 12 suspects. The Chieu Hoi defector recognized among the prisoners, Duong Van Dieu, who knew the locations of the weapons cache. In return for being accorded Chieu Hoi treatment, Dieu led a patrol to two caches which contained:

- 1 machine gun 34
- 4 automatic rifles
- 9 submachine guns
- 2 carbines
- 86 rifles
- 1 shotgun
- 5 tons munitions, including ammo for recoilless rifles, mortar, and also mines.

E. September 4 -- Chieu Hoi defector, Nguyen Van Thanh, a native of Kien Giang, turned himself in at Chuong Thien and reported an ammunition cache at Hoa Dong. The resulting 21st Division heliborne operation established contact with 1,000 Viet Cong and conducted a six-hour battle in which 221 Viet Cong were killed and 10 captured, along with 57 rifles, one 60mm mortar and 10 inoperative Russian rifles. (In this case, the main cache had previously been moved away by the Viet Cong.

F. The three defectors received a total of 25,000 piasters from the 21st Division as a reward. (They are also entitled to weapons rewards under the regular Chieu Hoi program.)

We also hear that the role of Chieu Hoi defectors is often concealed or underplayed by ARVN intelligence officials for bureaucratic reasons and that there are considerably more instances of Chieu Hoi giving helpful information.

G. Military

The enemy continues to build up his forces in I Corps while our forces mounted spoiling attacks. Near the demilitarized zone in Quang Tri province a Marine landing force found extensive field fortifications and concrete bunkers for the first time. Of the four enemy division equivalents believed to be in the general area, elements of two are now apparently south of the demilitarized zone. Increasing truck movements north of and inside the demilitarized zone suggest that the enemy is continuing to improve his capability for a multi-division attack across the DMZ. I cannot help but think about an attempt at a "Dien Bien Phu" -- type American defeat before our elections -- which I am sure will fail.

Other occurrences of the last few days are:

A) In Tay Ninh province, elements of the 1st U.S. Infantry Division conducted a local operation with Popular Force units, killing 15 Viet Cong, capturing 5, and detaining 17 suspects. There were no friendly casualties.

B) In Binh Dinh province, the Capital ROK Division inflicted the following losses on the enemy September 27: 92 killed, 3 captured, 64 individual weapons taken, 5 crew serviced weapons, and 25 hand grenades.

C) In Tan Duc Hamlet, 8 kilometers southwest of Saigon, 5 Viet Cong assassinated assistant hamlet chief and finance chief, and injured another civilian.

D) In Binh Duong province 25 kilometers north-northwest of Bien Hoa, elements of the U.S. 1st Infantry Division found a cache of 6,000 lbs. of rice. Since it could not be evacuated it will be destroyed.

E) In Go Cong province, elements of the ARVN 11th Reconnaissance Company discovered an arms cache containing 600 rounds for 60MM mortar, 400 rounds for 8MM mortar, 200 rounds of 75MM recoilless rifle, 160 rounds of 40MM anti-tank rockets, 7,000 grenades, 4,000 anti-tank mines, and 70,000 rounds of small arms ammunition.

In the round-up of deserters and draft-dodgers in the capital military district, the following were apprehended one 24-hour period: 105 deserters, 282 draft-dodgers, and 47 military without pass. The cumulative totals since the operation began on September 19 are: 699 deserters, 1,132 draft-dodgers, 149 military without pass, and 224 civilians without proper identification.

H. Americans and Vietnamese Killed

In the period September 17-24, the Viet Cong killed 17 Vietnamese civilians, including one hamlet chief. They also wounded 54 civilians and kidnapped six. This compares with 40 killed, 175 wounded, and 20 kidnapped last week.

The number of enemy killed this week was once more over 1,000 - 1,165 as compared with last week's 725.

I. Pacification

Ambassador Porter reports that during the month of August the GVN and its armed forces secured 67 new hamlets. This represents an increase of 0.4 percent of the total population and 0.1 percent of the total area over that which was secure in July. At the end of August the GVN had extended security to 4,155 hamlets out of an approximate total 11,449; 8,298,800 people or 55 percent of total population; and 11.5 percent of nation's total land area.

At the time of the Honolulu conference in February, the Government controlled 3,928 hamlets contained a population of 7,807,100. Since Honolulu the GVN has extended its control over 227 new hamlets with an additional population of 491,700. These gains are significant when one considers that the hamlets lie in economically rich, population-dense, critical areas. In the four designated national priority areas alone, government control has been extended to 54 hamlets with 105,800 people since the Honolulu conference.

The second class of revolutionary development cadre, comprising 5,182 new cadre of 87 teams, graduated on September 19 and returned to their provinces of origin for local orientation before beginning to participate in pacification effort. The third class of 5,200 cadre, representing all provinces, will start on October 17 a 13-week intensive course. Concurrently six hundred cadre, specially selected from teams previously trained and already at work in the provinces, will begin a 13-week leadership course. This is the first leadership training to be organized, and we have high hopes that the graduates will give the revolutionary development program the type of inspired and competent direction necessary to make the program successful.

General Westmoreland has proposed that beginning November 1, if possible, each Vietnamese Army division be retained, a battalion at a time, to make them more effective in revolutionary development. Stress would be placed on political indoctrination and behavior of troops. MACV staff officers are working to develop this program, particularly the formation of training cadre and the schedule. General Westmoreland said that U.S. units could take over ARVN missions if necessary while this training program was being conducted. This is progress.

Wednesday, September 28, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: News Media Contacts

Thursday, September 22, 1966

Jess Cook, LIFE, came in to discuss the new State Dept. appointments. We also got into background for the Erhard visit.

Jack Sutherland, US NEWS & WORLD REPORT, came in to see me on the background for the Erhard visit.

Friday, September 23, 1966

Robert Spivack, the Spivack Report, telephoned at the suggestion of Marvin Watson to get background information on the new appointments to State Dept.

Monday, September 26, 1966

Jean-Louis Clement, Enterprise magazine, came in for a deep background interview on U. S. concept of partnership with Europe.

Tuesday, September 27, 1966

At the suggestion of Bill Moyers, I telephoned Chalmers Roberts, Washington Post, to brief him on the Erhard visit communique.

Wednesday, September 28, 1966

As suggested, I briefed AP and UP on the Erhard communique. Bob Fleming was present.

Charles Bartlett, News Focus, came in and asked where we are on the non-proliferation agreement with the Russians. I told him that we are still trying to find a formula which meets both legitimate Russian anxieties and the broad interests of the West.

W. W. Rostow

WWRostow:rlh

Pres file

September 28, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Get well message to Afghan Prime Minister
Maiwandwal

While on a visit to Turkey, Prime Minister Maiwandwal had an emergency operation last Saturday for an intestinal blockage. Like a previous operation, this was successful and he is doing nicely.

State recommends you send the following message:

"Accept my best wishes for a prompt and successful recovery from your illness. All of us look forward to seeing you here in November in better health than ever."

He is very much looking forward to his visit here on November 21. Such a message will reaffirm in his eyes your concern for his well-being and will help pave the way for a friendly visit.

W. W. R.

O. K. ✓ 9/28/66See me

Att: File # 3479

HW:lw

Wednesday, September 28, 1966 -- 4:40 p. m.

Mr. President:

For your appointment with Foy Kohler, 5:00 p. m. today.

You may wish to:

1. Thank him for his fine job in Moscow and ask his judgment on the present position of Soviet foreign policy with respect to Viet Nam, non-proliferation; bilateral relations with the U. S. , etc.

2. Take him up on a mountain about his new job (his wife is a little sad because she wanted him to retire in about a year).

-- You remember his great performance during the Berlin crisis;

-- He is clearly one of the finest Foreign Service Officer we have produced in this generation;

-- You want him to throw himself wholeheartedly into building a team around Sec. Rusk, which will permit the State Department to fulfill to the limit its great responsibilities for leadership and coordination at this critical time in the nation's history.

-- You are bringing in some new men of great distinction but you wanted also to bring in a wise and experienced Foreign Service professional.

W. W. Rostow

Wednesday,
September 28, 1966
11:20 a. m.

Mr. President:

I am following the wheat price.

W. W. Rostow

Tuesday, September 27, 1966 -- 1:45 p. m.

Mr. President:

With your permission, I am anxious to take off on Friday, Oct. 7 and drive up to my son Peter's school for parents' day, Oct. 8.

It is the one day a year when parents are welcome. Since this is his first term away, both Peter and his parents are counting the days.

W.W. Rostow

Take off ✓

Hold it

See me

WWRostow:rlh

~~CONFIDENTIAL~~

Tuesday, September 27, 1966 - 7:30 pm

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Senghor Visit - September 28, 1966

SCHEDULE

- 11:40 AM - Senghor arrival and ceremony on White House Lawn
- 12:00 AM - Alone (advisers standing by in Cabinet Room)
- 1:00 PM - Luncheon

GENERAL OBJECTIVES

This visit is largely ceremonial. Senghor wants to (1) dramatize his (friendly) independence of France, (2) maintain his image as a major figure in Africa and the less-developed world, (3) talk to you -- he is an outspoken admirer -- and (4) see something of America. It serves our interests to help him along on each count. He is a moderate and constructive voice in an area where such influences are rare and valuable. Moreover, his visit provides an opportunity to reemphasize your interest in Africa and African progress.

SPECIFIC TOPICSI. Food Aid

Situation Senegal has suffered a serious drought. The full effects are not yet clear. Senghor wrote you early this month to request 193,000 tons of millet (sorghum). You replied that we were giving his request careful consideration and that you hoped to be ready to discuss it with him when he arrived.

Senghor will ask you for an answer. (He will probably do it in a very low key -- he is determined not to appear to have arrived with a shopping list.)

You might reply that:

- we are ready now to promise an immediate donation of 36,000 tons of sorghum for drought relief; shipments to begin within six weeks. (This is fully agreed around the Government.) Senghor's people have said that this will get Senegal through December;

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NLJ 88-45
By inf NARA, Date 3-15-89

~~CONFIDENTIAL~~

- 2 -

- you understand that it is not yet clear precisely how much more will be needed after December. We have a special Agriculture man in Dakar working with Senghor's people to develop solid estimates. As soon as we have the numbers, we will let him know what more we can do.

II. Economic Aid

Senghor may complain that the AID administrative procedures are more complex and time-consuming than those of other donors. He may also ask specific assurances that we will push ahead on three projects: (1) a new high school being built with U. S. -controlled local currency, (2) a new agricultural project in southern Senegal, and (3) a new hotel in Dakar, to be financed by the Ex-Im Bank.

You might reply that:

- AID's administrative procedures are largely prescribed by law, and are about the same as the World Bank's;
- we have made a special review of the high school project; it should now proceed quickly;
- AID expects to move ahead with the new agricultural project;
- you understand that the Sheraton Corporation is studying the hotel proposal and that the next move is theirs.

III. French - U. S. Relations

Senghor is greatly distressed by the split between France and the United States. His broadest political vision has been of a greater Atlantic Community of nations, expanding from the NATO area to include most of Africa. He may ask assurance that you will do whatever is consistent with U. S. interests to heal the breach.

You might reply that:

- we bear neither DeGaulle nor the French people any ill will;
- we have made it crystal clear throughout the NATO negotiations that we stand ready and willing to welcome France back to the fold whenever they are ready;

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

- 3 -

- our relations with France continue to be those between friends and allies who, despite honest disagreements, retain a fundamental harmony of values and cultures; and
- we will continue to oppose the French only where we regard it as absolutely necessary to our security and that of our friends.

(You could also flatter Senghor -- and perhaps get some useful insights -- if you were to ask him for a candid assessment of DeGaulle and his politics.)

IV. Viet Nam

Senghor understands and sympathizes with the U. S. position. However, he is under constant pressure to criticize us. (Foreign Minister Thiam -- who will accompany Senghor to Washington -- is highly critical in private, and Senghor has a number of classmates and other friends from his Paris days who are in the Ho Chi Minh Government.) These conflicting influences have produced a quiet public posture and repeated private efforts to assure that every possible route to peace is explored. You may recall that Senghor wrote you last February suggesting a new Geneva Conference without preconditions. He may have another proposal to offer now.

V. Southern Africa

Senghor may ask what the U. S. position will be in the General Assembly concerning sanctions against Rhodesia and/or revocation of South Africa's mandate over South West Africa. On Rhodesia you may wish to reply that we have full confidence in Prime Minister Wilson, and that we plan to wait to decide our position on sanctions until we see whether progress is made through the current visit to Salisbury by the British Minister for Commonwealth Affairs.

On South West Africa, you might:

- strongly reaffirm the U. S. position on the moral question at issue;
- suggest that we all carefully examine the limited prospect for success of economic sanctions against South Africa to be sure that they offer enough benefit to be worth their considerable cost. (Our calculations indicate that even the complete blockade of South Africa would not really bind for 2-3 years, and only then if it were applied by all major traders. Meanwhile, South Africa could inflict very serious damage through reprisals.)

~~CONFIDENTIAL~~

- 4 -

- suggest that every government keep in mind the damage to the UN if an ineffective majority were to pass an extreme resolution which could only be enforced by an ~~unwilling~~ minority;
- conclude that we are also greatly troubled by this group of problems, and that we have not yet reached final positions.

VI. CHIREP

Senegal has maintained a "two-Chinas/two-votes" position. Senghor has no love for the ChiComs, but it looks now as though Senegal will vote for giving the Nationalist's seat to Peking on the ground that the communists are in de facto power, and peace depends upon adversaries talking to one another. It would be useful for you to get Senghor's personal reasoning on this question and to explain our own position.

VII. Other Topics

Each of the following may be worth a mention in your conversation:

1. You will note that the list does not include any mention of the Korry Report or our push to get the World Bank more involved in Africa. George Woods has raised this only today with the caucus of African Finance Ministers. If you raise it with Senghor, it could reduce the ^{impression of} Bank/African initiative which we have tried to create. If he raises it, you will want to urge him to go along.
2. The first world Festival of Negro Arts was held in Dakar last April. Senghor is most grateful for the help of the American Government and American artists in making ^{it} a success. He will probably want to thank you for it.

* * * * *

At Tab A is a memorandum from George Ball commenting on the scope and purpose of the visit. Also attached is the standard State briefing book (less the draft public statements; Bob Kintner will clear those with you.)

W. W. Rostow

EKHamilton/vmr

~~CONFIDENTIAL~~

Tuesday/2:30 pm
September 27, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Message of Condolence to Dr. Weizmann

For the second time this month we have occasion to send condolences on the death of a private Israeli citizen. Mrs. Chaim Weizmann, widow of Israeli's first President and one of its greatest founding fathers, died Saturday.

Since Israel is holding a state funeral for her, I believe it would be appropriate for you to send a message to her son. If you approve, we will ask Ambassador Barbour by telegram to convey the following:

"I was saddened to learn today of the death of your mother, Mrs. Chaim Weizmann, whose long partnership in marriage with your late great father has been an inspiration to the Israeli nation and the world. Mrs. Johnson joins me in sending you our deeply felt condolences."

W. W. Rostow

Approve ✓

Disapprove _____

Tuesday, September 27, 1966, 3:00 p.m.

Mr. President:

Attached is a warm Fifth Anniversary congratulatory message to the Secretary General of the OECD. All other member governments have agreed to send messages, which will be read at a special Council meeting on Friday, September 30. (The OECD has asked that all messages be received as early as possible so they may be given to the press simultaneously.)

Francis M. Bator

Attachment

Approve ☒

Disapprove ☐

Speak to me ☐

FMB:LSE:mst

PROPOSED MESSAGE FOR OECD FIFTH ANNIVERSARY

Dear Mr. Secretary General:

The fifth anniversary of the Organization for Economic Cooperation and Development is a proud day for all mankind. It reminds us of the great strides all member nations have made in building their own economies and strengthening the bonds of international cooperation which are so vital to lasting prosperity.

But this day should also remind us of the challenge of the future. Most of the world's peoples still live in the shadow of hunger and disease. Many still face a future dark with deprivation and shorn of hope. The spectre of violence born of want is still to be banished from the earth. Until we have eliminated these ancient adversaries, none of our accomplishments will be secure.

We have learned much in the past five years. Most important, perhaps, we have learned the power of unity, of a common approach to common problems. This will be our strength in the future as it has been in the past. I know that the OECD will play its part in shaping the cooperative efforts necessary to meet our responsibilities to the hundreds of millions whose destinies hang in the balance. You may be assured of our strong and continuing support.

Lyndon B. Johnson

~~CONFIDENTIAL~~

Tuesday, September 27, 1966
9:40 a. m.

311 F
Jesse
Marvin
Watson

MR. PRESIDENT:

Secretary Rusk believes that it would be constructive for you to raise at the final communique meeting the setting up to Bonn of a direct line for quick consultation. (It should not be a "hot line," to distinguish it from the Russians. Moreover, we should make clear in the communique and in briefings that it is not primarily for nuclear consultation.) The matter has thus far not been raised with the Germans because it was felt this is peculiarly a matter to be dealt with directly between heads of government.

Communique language will be available at 11 o'clock if you and Chancellor Erhard agree.

Agreement on this direct consultative line would give the whole visit an unexpected lift at its close.

Secretary Rusk points out that we would have to do the same for Italy, which is in any case disturbed by the talk of tripartite committees. But that would be, in any case, good, reducing Rome's feeling that it's off in right field.

W. W. Rostow

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By ju, NARA, Date 7-15-98

~~CONFIDENTIAL~~

Tuesday, September 27, 1966 -- 8:40 a.m.

Mr. President:

I gather from Sec. Rusk that you have agreed to see Adam Malik this morning.

Herewith talking points:

1. Welcome Indonesia's reentry to the United Nations and other world organizations.
2. Indicate general interest in Indonesian economic reconstruction within multilateral context. Express satisfaction at tentative rescheduling agreement reached last week in Tokyo. (It represents \$750 million of relief in Indonesia's balance of payments problem.)
3. Express interest in Indonesia's constructive approach to Southeast Asian regional cooperation (Philippines - Thailand - Malaysia).
4. Ask his views on future of Asian regional organization.

As Sec. Rusk may have told you, Malik is a courageous Asian nationalist who is as much responsible as any single man for reversing Sukarno's policies.

W. W. Rostow

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 88-46
By ijf NARA, Date 8-30-89

~~CONFIDENTIAL~~

September 26, 1966
12:10 pm

MEMORANDUM FOR THE PRESIDENT

FROM: Walt Rostow

Mr. President:

State raises with you the following question:

Should Senators Mansfield, Dirksen, Fulbright,
Speaker McCormack and Cong. Morgan be
informed of the Asian meeting an hour before
the announcement in Honolulu?

Doug McArthur would do it. The advantage is to minimize
statements that they never heard of it and weren't consulted.
The disadvantage is risk of a leak.

Arrange briefing as suggested _____

No _____

See me _____

WWR:yb

Monday, September 26, 1966
7:00 p. m.

Mr. President:

Sec. Rusk has sent this over urgently requesting that you briefly see Foreign Minister Adam Malik of Indonesia, after his 9:30 a. m. appointment with me tomorrow morning, Tuesday, Sept. 27. Sec. Rusk's case is stated on top of page 2.

*President saw
Malik 9/27/66*

He also suggests that you meet briefly for a half hour jointly with two important Thais, Minister of National Development Pote Sarasin and Minister of Foreign Affairs Thanat Khoman.

W. W. Rostow

40a

THE SECRETARY OF STATE
WASHINGTON

September 26, 1966

CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Request for Appointments with you for
Certain Foreign Officials Visiting the
United States in Connection with the
UN General Assembly

RECOMMENDATION:

1. That you arrange to greet briefly Indonesian Foreign Minister Adam Malik during or after his September 27, 9:30 a.m. appointment with Mr. Rostow.

Approve _____ Disapprove _____

2. That you meet briefly with Minister of National Development Pote Sarasin and Minister of Foreign Affairs Thanat Khoman of Thailand at your convenience during the period October 6-12.

Approve _____ Disapprove _____

DISCUSSION:

George Ball's September 21 memorandum requesting appointments for Malaysian Deputy Prime Minister Razak and Laotian Prime Minister Souvanna Phouma, indicated that we are making every effort to limit requests for appointments with you by visiting Cabinet Ministers during the present session of the UN General Assembly. George Brown and Couve de Murville are obvious exceptions to this rule, and you have already agreed to meet with Couve. For special reasons outlined below, I would also like to request a joint appointment for two Thai Cabinet Ministers and a brief greeting for the Indonesian Foreign Minister.

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E.O. 12958, Sec. 3.5
State Dept. Guidelines
By fw, NARA, Date 7-15-98

~~CONFIDENTIAL~~

-2-

(a) Foreign Minister Malik of Indonesia - Foreign Minister Malik is a key figure in the triumvirate ruling Indonesia and our principal point of contact in influencing that country's foreign and domestic policy. A tough, hard-headed, activist, Malik is trusted by General Suharto and the Indonesian Army, and is in a key position to influence Army policy. It would strengthen Malik's position considerably with his military colleagues if he has even a brief, off-the-record meeting with you during his current visit to the United States. Such a meeting would also strengthen Ambassador Green's hand in his future dealings with the Foreign Minister.

(b) Two Thai Cabinet Ministers: Pote Sarasin and Thanat Khoman - As you know, we have had some difficult discussions in New York with Foreign Minister Thanat Khoman. He has launched a campaign for negotiation of a bilateral defense treaty with us, which we consider unnecessary and unrealistic. We have pointed this out to him in no uncertain terms in separate conversations with Alex Johnson and myself, and I hope we have convinced him of the impracticality of his viewpoint. Despite present difficulties Thanat has been a tower of strength during the past year. He has made major contributions to further regional cooperation in Asia. His Asian Viet-Nam peace offensive was constructive and useful. Nothing would assist more in our relations with Thailand than for Thanat to hear directly from you assurance that our commitment under SEATO is no less binding than a bilateral treaty would be, and that we are determined to stand by that commitment. So far Thanat has controlled his public statements while in the United States sufficiently so as not to exacerbate our problems on the Hill, although he still has several meetings with correspondents and an ABC television interview scheduled for October 9.

Pote Sarasin is a former Prime Minister who is senior to Thanat in the Thai government. He may well be leader of the government party and the country's next Prime Minister after promulgation of the constitution and the holding of elections. I would strongly urge that you arrange to receive Pote and Thanat jointly for a half hour appointment.

Dean Rusk

Dean Rusk

~~CONFIDENTIAL~~

THE WHITE HOUSE
WASHINGTON

Monday, Sept. 26, 1966
4:45 p.m.

MR. PRESIDENT:

On these recommendations State tells me a half-hour of your time would suffice, in the circumstances.

It is particularly important to see Souvanna Phouma, who is under political attack in Vientiane. His opponents say the U. S. is "losing faith" in him.

As for other interview requests arising from the U.N. session, I have told State to have Sect. Rusk go over them all as a package; apply priorities; and make a personal recommendation to you -- thus avoiding piecemeal requests.

Walt Rostow

Razak O. K. for a half-hour _____

Souvanna Phouma O. K. for a half-hour _____

See me _____

~~SECRET~~ attachments

MEMORANDUM

THE WHITE HOUSE

~~SECRET~~

WASHINGTON Thursday, September 22, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Office Calls by Foreign Officials attending the UN General Assembly in New York

Acting Secretary Ball asks your approval to schedule office calls during October for:

Deputy Prime Minister Razak of Malaysia

Prime Minister Souvanna Phouma of Laos

Both officials will be in New York attending the UN sessions. They would like to come to Washington to talk to you and other Government officials. One hour's conversation in your office would be allotted to each of the two visitors.

I share Secretary Ball's view that it is important for you to see both Razak and Souvanna Phouma.

Walt Rostow

☐ Schedule Razak of Malaysia

☒ Schedule Souvanna Phouma of Laos

☒ See me

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By gw, NARA, Date 7-15-98

I Can't see them
this long —

C

~~SECRET~~

Mr. Rostow
42

sup

Monday, September 26, 1966
11:00 a.m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Message to Sato re Typhoon Disaster

Japan has suffered its worst typhoon disaster in seven years. Two successive typhoons have produced over a thousand casualties including heavy fatalities. State and Embassy Tokyo suggest that you send the following message to Prime Minister Sato:

Dear Mr. Prime Minister:
The American people have been shocked and saddened by the loss of life and damage caused in Japan by typhoons within the last several days. Please accept my sincere condolences.

I recommend that you approve.

W. W. Rostow

Approve ✓ 9/28/66
Disapprove _____
See me _____

*P.S. particularly important
since Japs left out
of Asian conference.*
(WR)

1. ~~map~~
2. *Pres file*

Monday
September 26, 1966
3:15 p. m.

Mr. President:

Here is the proposed Westmoreland-
Lodge scenario.

W. W. Rostow

Saigon 6937

~~TOP SECRET~~ MISSOURI

DECLASSIFIED
E.O. 12357, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By Delt NARS, Date 8-19-86

43a

~~TOP SECRET - MISSOURI~~

Monday, September 26, 1966

TEXT OF CABLE FROM AMBASSADOR LODGE (Saigon, 6937)

I am delighted the President is sympathetic to the idea of a visit to the troops. I have discussed the proposal with General Westmoreland. He expresses great enthusiasm and agrees that the effect on the morale of his command will be most invigorating.

Westmoreland assures me that proper security can be provided for the visit. We have considered various possibilities in light of security requirements, disposition of units in the field, and the desirability of giving the President the opportunity to see and meet as many of the troops as feasible.

The first and overriding point is that there must be no leaks. A leak would require reconsideration of the whole program.

We propose two alternatives, both of which are suitable, with the choice depending on the amount of time the President can spend:

Plan A

10:00 a.m.	Arrive Bien Hoa Airfield. Meet major commanders, review Honor Guard composed of selected representatives of all U. S. elements in the Third and Fourth Corps. Following the review, visit a field hospital. Lunch with troops at Field Mess.
12:30 p.m.	Leave Bien Hoa for Pleiku. Travel via U. S. aircraft suitable for landing at Pleiku.
1:30 p.m.	Arrive Pleiku. Review Honor Guard composed of U. S. elements in the Second Corps, meet troops, visit Field Hospital.
3:00 p.m.	Depart Pleiku.

~~TOP SECRET - MISSOURI~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 88-54
By inf, NARA, Date 8-31-88

4:00 p.m.	Arrive Danang. Review Honor Guard composed of U.S. elements in the First Corps, meet troops, visit Naval Hospital.
6:00 p.m.	Depart in Presidential aircraft for next destination.

Plan B

Schedule at Bien Hoa same as Plan A.

12:30 p.m.	Leave Bien Hoa via Presidential aircraft for Danang.
1:30 p.m.	Arrive Danang, review Honor Guard composed of U.S. elements in the First and Second Corps, meet troops, and visit Naval Hospital.
3:30 p.m.	Depart Danang for next destination.

We propose to keep formalities at a minimum. Presumably the President will be welcomed and accompanied by Thieu or Ky or both. But the visit will be to U.S. forces. We would arrange for appropriate Vietnamese and Free World forces commanders to be at the Honor Guard ceremonies, to be introduced to the President, but propose no review or visit to other than U.S. units. We think this is desirable so as not to give the impression he has come to "inspect" other forces.

We want the maximum chance for the President to see combat troops with plenty of time for him to talk with them en masse and individually. There will, of course, be many details to work out. For example, we would want to consider fully how to deal with the press. We would also work out a full security plan for review with the White House security force. If the broad outlines given above are acceptable to the President, we will refine the details as he would wish. If he prefers something else, we can adjust easily.

The following suggestions are made:

A. There must be no long, drawn-out standing in the hot sun. Troops can be assembled in hangars, with brief ceremonies only in the sun.

B. There should be no photographers at the hospital except a military photographer to take pictures of the President decorating wounded men with the Purple Heart, said photographs being for the individual soldier's personal possession, and a pool photographer to service the press.

C. There should be no large groups accompanying the President through the wards -- just the nurse and the doctor.

D. Lunch must be in the shade. It should be extra good, with plenty of cold beer, preferably eaten out of mess kits, with the press and the official party being present with the President and the soldiers.

SECRET

W. J. ... 44
Monday/1:00 pm
September 26, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: New Indian PL 480 Agreement

The last shipment of wheat under the current agreement is now scheduled to leave the US by 31 October. It should arrive in India about 1 December, give or take a few days. These October shipments will include 327,000 tons of wheat and 150,000 tons of milo. Milo shipments will continue with 150,000 tons each in November and December.

It takes about 9 weeks between Washington decision and arrival in India for negotiation, procurement, movement of grain to port and transit (30-40 days). Counting back 9 weeks from the beginning of December indicates there will be a gap in December arrivals if we don't go ahead with the new agreement in the next week.

A 1-2 week gap probably wouldn't cause difficulty. The Indian government would begin to get nervous but could chalk the slippage off to bureaucratic delay.

But somewhere between 2 and 4 weeks from now, it will become obvious to the Indian grain dealers and politicians that there will be a gap in December. With arrivals of US wheat running about 345,000 tons in October and 202,500 in November, little or no wheat arriving in December would raise questions.

No one argues that Indians would starve. Not even the Indian government knows how much food may be tucked away in that vast nation. But the one clear indicator we have shows that government grain stocks have been drawn down from 1 million tons on 1 June to 738,000 on 1 September. This is a little more than one month's average off-take (600,000 tons).

This indicator operates in the Indian market much like our carryover here. When it drops, speculation increases and prices rise. The government, with short stocks, has no large quantities to release to force prices down.

Even harder to measure is the effect of unexplained delay on the high-level Indian's view of our dependability. Mrs. Gandhi's reliance on US

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State 1/12/78	NSC 8/15/78
By DCL/pw	NARS, Date 8-19-86

~~SECRET~~

- 2 -

Page 2

and World Bank advice has become a major political issue. We don't want to give her opposition an opening to argue that we don't back our promises with performance, especially since the World Bank consortium is already falling \$20 million short of its \$900 million target.

The ideal on pure foreign policy grounds would be to go ahead now. But if you are still uneasy about U. S. prices, I'd suggest this course:

- Wait 1-2 weeks to confirm what now looks like a break in U. S. price levels. The price in the Kansas City wheat market fell 12¢ per bushel in the week of 16-23 September. The price had hung around \$1.97 since mid-June (a jump from the \$1.79 of 10 June) until last week's drop to \$1.85.
- Then if we have to delay longer we ought to give the Indians confidentially some hint of why we're delaying (though we wouldn't want this to get back to our farmers). We might also let the Indians begin purchasing against the new agreement and promise to reimburse them later (Agriculture has a procedure for this).

This may come up at lunch tomorrow. However, if not, we will need your decision on whether (a) to go ahead now with the original Freeman-Rusk-Gaud proposal of 1.2 million tons of wheat and 800,000 tons of coarse grain, or (b) to hold off for another couple of weeks.

W. W. Rostow

Go ahead now with Freeman-Rusk-Gaud proposal _____

Keep an eye on wheat prices and come back in a week _____

See me _____

~~SECRET~~

44a

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503

SEP 12 1966

MEMORANDUM FOR MR. ROSTOW

Subject: Effect on domestic wheat prices of the pending P.L. 480
agreement with India

In response to our request, the Department of Agriculture has prepared the attached analysis of the P.L. 480/domestic wheat situation.

The Department concludes that

- stopping the proposed P.L. 480 agreement with India would have a negligible effect on wheat prices.
- terminating all P.L. 480 shipments would not result in a meaningful reduction in the price of bread.

Of course, any reduction in P.L. 480 shipments of wheat would increase the chances of a drop in the price of wheat. It also is true that the termination of all shipments could help prevent further increases in bread prices.

It is highly unlikely, however, that the price of bread could be significantly decreased, even by terminating all shipments.

- The cost of wheat represents only a small portion of bread costs.
- There likely will be offsetting increases in other costs associated with bread production.

We recognize that there is some risk of higher prices involved in further P.L. 480 wheat shipments. Despite this risk, we recommend that the U.S. meet its commitment to India by going ahead with the proposed agreement.

Incidentally, the crop report issued Friday, September 9, indicated that the current wheat crop will be about 10 million bushels larger than estimated in August. Thus the total crop will be about 56 million bushels larger than we estimated in July when we concluded that a P.L. 480 allocation of 413 million bushels would not have a disruptive effect on domestic prices.

✓

The Council of Economic Advisers concurs with this memorandum.

Attachment

A handwritten signature in cursive script, reading "Charles Zwick". The signature is written in dark ink and is positioned above the printed name and title.

Charles J. Zwick
Assistant Director



DEPARTMENT OF AGRICULTURE
OFFICE OF THE SECRETARY
WASHINGTON

September 9, 1966

MEMORANDUM FOR: Mr. Charles Zwick
Assistant Director
Bureau of the Budget

SUBJECT: Your request of September 8 re P.L. 480
wheat and domestic prices

The Current Situation

1. In June wheat prices advanced about 25 cents a bushel and have since held fairly steady. Normally, prices decline with the new harvest. The move to a higher level reflected:
 - reduced carryover of old wheat and a smaller than expected new crop due to bad weather. Total supplies in the U.S. for 1966-67 are down roughly 320 million bushels from 1965-66.
 - speculation arising from the Canadian-Soviet wheat agreement of June 20 as potential evidence of a tightening world wheat situation, coming on top of the India situation.
 - Farmers have delayed selling new crop wheat in the expectation of higher prices.
2. Prices have stabilized since late June substantially as a result of government actions.
 - It has been made clear that P.L. 480 wheat shipments will be reduced about one-fourth from last year so as to provide for domestic needs, dollar exports and a safe reserve at the end of the season of about 400 million bushels.
 - P.L. 480 programming has been carefully tailored to the classes of wheat in better supply and availability. Shipments of hard red winter wheat have been halved from a year ago while more hard red spring, durum and soft red winter are moving out.

- Purchase authorizations have been fed out at a rate and time to minimize the market effects. In particular, the large purchase authorizations and actual purchases of some 30 million bushels (800,000 tons) for India spread out during July did not move prices up.

Future Prospects

3. There is no hard reason for prices to move up further if the current proposals for P.L. 480 shipments, substantially reduced from last year, are carried out. Continued withholding of farm marketings can cause temporary fluctuations but again careful programming can minimize them.

Some movement down might well occur by the end of the year or early next year.

- 1967 crop prospects from the increased acreage allotment will be an important influence.
- World wheat output this year is expected to be larger. In particular larger harvests in the Southern Hemisphere will be moving after the turn of the year.
- The Soviet crop is also better, dampening the possibility of a heavy drain on world wheat supplies.
- So far the monsoons in India have developed much more favorably than a year ago.

Impact on Bread Prices

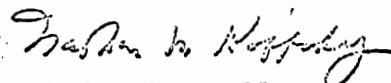
4. Bread and flour prices have fully adjusted to the higher level of wheat prices. With prospects for stability in wheat prices, there is no reason for further increases in retail prices from that source. Of course, wheat accounts for only 14-15 percent of the retail price of bread and bread prices could continue to move up for other reasons.
 - Over the past year, bread prices have increased more than enough to cover increased wheat costs. The retail price of bread in July (latest available) averaged 21.8 cents per loaf, up 1.0 cent from July 1965. The price of wheat needed to make a loaf of bread rose 0.5 cent, from 2.7 cents to 3.2 cents.

- Even if there were no P.L. 480 programs, the price of wheat would not decline enough to cause a meaningful reduction in bread prices to the consumer.

India

5. Careful assessment of India's food needs indicates that a minimum monthly flow of 600,000 tons of wheat and 200,000 tons of grain sorghum are required into the spring of 1967.

- Under the current agreement, there remained to be shipped approximately 1.2 million tons of wheat and 0.6 million tons of grain sorghum. These amounts will permit shipments of the monthly requirements through October for wheat and through November for grain sorghum.
- The proposed amendment would provide for 1.2 million tons of wheat and 0.8 million tons of grain sorghum. This would continue shipments at the monthly rate of 600,000 tons of wheat through December and 200,000 tons of grain sorghum through March. The wheat shipments would be arriving in India through January and early February and those of grain sorghum through April and early May.
- The rate of shipment projected continues the rate of recent months and is substantially below the rates achieved this past spring. It does not introduce a new element into the price making forces. The quantity of wheat involved for India is not large, totaling 1.2 million tons -- about 45 million bushels out of a total U.S. supply of over 1,800 million bushels and export availabilities of about 800 million bushels. The amendment should have negligible impact on prices whether accepted or not.
- In order to maintain an uninterrupted flow of shipments beyond October, the proposed amendment should be negotiated before the end of September.



Nathan M. Koffsky
Director, Agricultural Economics

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AUG 22 1966

~~CONFIDENTIAL~~

To: The President
The White House

From: The Secretary of State *SR*
The Secretary of Agriculture *BH*
The Administrator, Agency for International Development *MS*

Subject: Recommendation for PL 480 Programming for India and Pakistan
in the light of the Supply and Demand Situation for Grain in
FY 1967

During the past few weeks we have reviewed our wheat availabilities and prospects for the current year. It is now fairly clear that we will have 150 million bushels (4 million tons) less wheat for PL 480 programs than we had last year. In view of expected large exports, both commercial and concessional, our carryover at harvest time next year will be near 400 million bushels -- lowest since 1952. (A carryover much below this level is dangerous.)

If we are to hold to this level of reserves, we must restrict PL 480 exports for FY 1967 to about 11.2 million tons (413 million bushels). We have reviewed expected availabilities on an inter-Agency (State-AID-USDA) basis and have allocated this amount country by country on a very tentative basis with full recognition that as events unfold some of these allocations may need to be changed. We would, however, plan not to exceed this total in the absence of very unusual circumstances. We also have decided to program, insofar as possible, no more than 50 percent during the first half of FY 1967 in order to provide flexibility and prevent a sharp dropoff of shipments during the second half.

We need to make a firm decision on the amount of wheat and coarse grains we are prepared to supply India and Pakistan on concessional sales terms over the next several months. Both India and Pakistan have very low stocks as a result of a very poor crop of foodgrain, particularly in India, last year. It will be several months before the new fall crop is in, the size of which depends in large measure on the monsoon now under way. Both countries predictably require larger shipments during the first half of FY 1967 than during the second half. This factor will have to be balanced against the

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

By *pn*, NARA, Date 7-15-98

DECLASSIFIED
AID 10-16-95 Guidelines
Authority Agriculture 10-28-82 Guidelines

By *pn*, NARA, Date 7-15-98

CONFIDENTIAL

2

requirement of maintaining flexibility in allocation of this scarce resource. If the proposed programs materialize for India and Pakistan, approximately 72 percent of the wheat allocated to India and 70 percent allocated to Pakistan will have been shipped by early 1967 (as contrasted with the overall target of 50 percent.) Although it is not possible for the United States to meet fully the concessional grain requirements of either India or Pakistan, over 50 percent of all PL 480 wheat has been tentatively allocated to these two countries. Our inability to meet the demand for concessional sales is a consequence of the FY 1967 wheat scarcity and applies to every PL 480 recipient since all were cut back from desirable levels in the course of the recent inter-Agency allocation process. We intend to keep the situation under close surveillance and will be ready to reassess our allocations for the second half of FY 1967 if this seems necessary at a later date.

India

The tentative inter-Agency program calls for shipments to India of 5 million tons of wheat and 2.3 million tons of milo and corn during FY 1967. (This includes an amount for donations for programs carried out by voluntary agencies.) Of these amounts, 2.4 million tons of wheat and 900,000 tons of coarse grains have been authorized in FY 1966 for shipment during FY 1967.

According to the Government of India, India's minimum needs for PL 480 grain are 9.3 million tons (7.8 million tons of wheat and 1.5 million tons of coarse grains) this fiscal year. The Indians say that a smaller program would preclude them from meeting ration commitments. The Government of India and the U.S. Embassy fear the political repercussions from a breakdown in the rationing system, particularly just before the General Election February 19-25, 1967, and immediately after the new Government takes office.

The GOI believes it must have 1.8 million tons of wheat and 200,000 tons of coarse grains by the end of December 1966. Although we recognize that the fragile political and food situation in India may require some later readjustment, we plan, in view of the tight wheat situation, to ship no more than 1.2 million tons of wheat and up to 800,000 tons of coarse grains over a period extending into early CY 1967 in addition to shipments previously programmed.

We recommend that in order to maintain the flow of foodgrains an agreement with India should be signed in September 1966. Once this agreement is signed, we will have committed 3.6 million tons of wheat and 1.7 million tons of coarse grains and 1.4 million tons of wheat and 600,000 tons of coarse grains will remain to be programmed later for shipment during the remainder of the fiscal year.

CONFIDENTIAL

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3

Progress and assurances of continued effort in meeting production program goals were convincingly demonstrated to Secretary Freeman on his recent trip to India. In our judgment, India has lived up to the pledges given you by the Prime Minister and the Minister of Food and Agriculture and commitments made by Minister Subramaniam to Secretary Freeman in Rome last November. They are embarking on a vigorous program to improve the acceptance of milo for human consumption. They may not meet all the food production targets set but from all available evidence they are taking the action agreed on and are investing financial resources and manpower as promised except for the recent reduction by the Indian Planning Commission of the nitrogen availability target for 1970/71 from the agreed level of 2.4 million tons to 2 million tons. We shall endeavor during negotiation of the next agreement to obtain GOI commitment to reestablish the target at the 2.4 million ton level.

Pakistan

The tentative inter-Agency program calls for shipment of 830,000 tons of wheat and 325,000 tons of corn and milo for Pakistan during FY 1967, a total of 1,155,000 tons of foodgrains. Of this, 380,000 tons of wheat and no coarse grain have been authorized for shipment in FY 1967.

According to the Government of Pakistan, PL 480 requirements for foodgrains are 2.2 million tons during this fiscal year. Our Embassy believes that Pakistan could manage with about 1.7 million tons of PL 480 foodgrains of which 1.2 million tons would have to be wheat. The Embassy believes that a smaller program would lead to greater hunger and economic dislocation and would be misunderstood politically.

In view of the tight wheat situation, we propose the immediate negotiation of an agreement for the balance of this calendar year of 200,000 tons of wheat and 200,000 tons of corn and/or grain sorghum for shipment by early 1967. We will then have programmed 580,000 tons of wheat and have 250,000 tons still to be programmed. This will meet the immediate requirement and we can review the situation in October in the light of up-to-date Pakistan crop data.

Pakistan foodgrain production has halted its upward trend during this past year as a consequence of bad weather all over the subcontinent. The food situation is particularly critical in East Pakistan because of low food stocks and uncertainty as to future production due to floods and drought. There is reason to believe, however, that with better rainfall and current agricultural policies, the considerable progress of Pakistan agriculture in recent years will be resumed.

~~CONFIDENTIAL~~

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Action:

I authorize the negotiation of agreements

- a) for India - for 1.2 million tons of wheat and up to 800,000 tons of coarse grains and,
- b) for Pakistan - for 200,000 tons of wheat and 200,000 tons of corn and/or milo.

I wish to discuss further.

~~CONFIDENTIAL~~

September 26, 1966

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His Excellency
Ferdinand E. Marcos
President of the Republic of the Philippines
c/o The Chief of Protocol of the United States
Royal Hawaiian Hotel
Honolulu, Hawaii

Pres. Approved
9/26/66

Dear President and Mrs. Marcos:

As you leave the United States, I want you to know that you carry with you the sincere and warm good wishes of the American people.

Your visit here has been a happy and a timely one for both our countries. Sharing as we do a unique friendship, common ideals and common interests, it was good to have you here and talk with you. It has given me a better understanding of your problems and your determination to lead your countrymen forward in economic and social progress, and toward an important future role in the modern world.

It has also given me a valuable understanding of your vision of the future of Asia.

I hope your talks in Washington and elsewhere in the United States have made evident the depth and warmth of our feelings for your country and your people, and given you new insights into what we Americans are seeking for ourselves and for others.

Mrs. Johnson joins me in bidding you and your lovely wife, who has charmed America, a warm farewell. We express through you our affection for the Filipino people and our confidence that the Philippines is moving strongly ahead under your leadership.

Sincerely,

Lyndon B. Johnson

DECLASSIFIED
E.O. 12356, Sec. 3.4
NLJ 88-44
By 18 NARA, Date 6-7-89

Monday, September 26, 1966
10:20 a. m.

Mr. President:

The departure of the Inter-American Peace Force did not go by unnoticed.

A sampling of press coverage and editorials is at Tab A.

We were also successful in stimulating statements in the Senate and House -- Tab B.

W. W. Rostow

Monday, September 26, 1966
10:15 a. m.

Mr. President:

This effort to get Oakes to see
for himself seems excellent to me.

W. W. Rostow

Saigon 4946

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Sep. 24, 1983
By DCH NARS, Date 8-19-86

47a

~~SECRET~~

Monday, September 26, 1966

FOR THE PRESIDENT FROM LODGE (Saigon, 4946)

When David Rockefeller was here, he said that what he had learned in Vietnam had made him much more appreciative of our position in this war than he had been before coming, and said, more or less facetiously, wouldn't it be wonderful for John Oakes to come? I said that I would, of course, be delighted to have him.

Today comes a letter from David Rockefeller saying that he called John Oakes to tell him that he would be welcome here. Rockefeller says: "Oakes is very pleased and I rather think he will go."

Needless to say, I will ask him to stay with me.

DECLASSIFIED
E.O. 12356, Sec. 3.4
NLJ 88-43
By ing, NARA, Date 6-23-88

~~SECRET~~

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Monday, September 26, 1966
11:00 a.m.

MR. PRESIDENT:

I have been in touch this morning with Secretary Rusk, Secretary McNamara, and George Ball.

On the critical issue of the current offset agreement, they recommend the following for your talk with Erhard at 11:30.

1. You recognize that his budgetary position does not permit him fully to offset, as promised, in military equipment.

2. It is, of course, impossible for the U. S. to carry the balance of payments effects of this situation.

3. Therefore, you are prepared to have his monetary experts and ours get to work immediately to find other means of offsetting U. S. balance of payments costs for the rest of the fiscal year.

4. The longer term solution must emerge from the tripartite military and financial review which you hope he will join. In this connection you hope he will appoint a man of the stature of John McCloy capable of dealing with both the military and financial aspects of the longer term problem in the spirit of the Alliance.

W. W. Rostow

P. S. If he agrees, you can then come back to the Cabinet Room and instruct your experts to work hard this afternoon to establish: (a) an agreed formula for the communique; (b) an agreed arrangement for working out the details on the short-term agreement in the days ahead, in which Joe Fowler might be our negotiator.

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NLJ 88-46
By ip NARA, Date 8-30-89

~~CONFIDENTIAL~~

Monday, September 26, 1966 -- 9:00 a.m.

Mr. President:

1. The track for the announcement of the meeting in Asia is in quite good shape.
2. We are pushing the time of the announcement in Honolulu back to 5:30 p.m. our time, to catch the evening TV news shows.
3. Holt wants to wait two hours before saying yes, to demonstrate it's a bona fide invitation, not a Holt election gimmick. The New Zealanders will signal acceptance immediately.
4. Bill Bundy thinks we might have a backgrounder at the White House at 6:00 p.m. -- a half hour after Marcos' announcement. I told him I'd check timing with you. I also told him to have over by lunch time his suggested guidelines for the briefing so that you could go over them and give us precise instructions before we meet the press.
5. The Koreans have their noses slightly out of joint because the idea for such a meeting was originally Park's. But they will play. They will, however, feel very badly, indeed, unless, in the course of the trip, you go to Seoul. I recommend this strongly. The Koreans have earned it. The only loose end at the moment is that while the Thai Prime Minister has agreed, we do not have a report back yet from Graham Martin about their agreement to the timing of the announcement. Bill Bundy anticipates no problem with that.

W. W. Rostow

6:00 p.m. White House Backgrounder okay _____

Do it at State _____

See me _____

~~CONFIDENTIAL~~

WWRostow:rlh

September 23, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Are you prepared to see Ambassador Bowles early in his visit?

Ambassador Bowles will be in town from Monday, September 26, for about ten days. Because of his rounds at the UN, Secretary Rusk will not be able to see him until Thursday. I will talk with him Monday afternoon.

I know Chet would welcome an opportunity to talk with you early in his stay. I think it important that he be given a feeling that his President is interested in hearing his views. To receive him early and warmly will make it easier for him to accept later on some disappointments.

He is fresh from Vietnam, where he was much impressed with what we are doing. He will want to tell you of Mrs. Gandhi's political problems and progress. He will express strong views on why we should not offer to sell spares to Pakistan.

In an early discussion, there would be no need to commit yourself, since there are complicated decisions that Secretaries Rusk and McNamara must agree on before they make their recommendations to you.

We will provide a brief on what concerns him after we see him.

W. W. Rostow

Marv will set up a time

4:30 Wed, Sept 28

You arrange a time

See me

WWR:HW:lw

50a

NATIONAL SECURITY COUNCIL

September 23, 1966

Walt -

Because Chet normally arranges his own appointments at the White House, State Department is not recommending through the normal channel that the Pres. see him.

I think it important (for reasons you know) that the Pres. show an interest in Chet's views. This memo for your signature may precipitate an invitation to Chet.

Okay?


Howard Wriggins

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~~SECRET~~

Friday, September 23, 1966

FOR THE PRESIDENT

FROM PRIME MINISTER WILSON

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 98-240
By is, NARA Date 4-22-99

I have purposely not troubled you so far with messages about Rhodesia. I know that David Bruce and Pat Dean between them will have kept both you yourself and Dean Rusk well in the picture of recent events and particularly of the exceptionally difficult discussion we had at the Commonwealth Prime Ministers Meeting, as well as the background and reasons for the Commonwealth Secretary's present visit to Rhodesia.

But I believe we shall shortly reach a moment of decision in this Rhodesian crisis. As you will have heard, I came under the strongest pressure during the Commonwealth Conference to use force against the Smith regime, to declare categorically and unconditionally that there would be no independence before majority rule and also to move a resolution for comprehensive mandatory sanctions in the Security Council. None of these propositions was acceptable to us, but I had to fight an excessively difficult and at times bitter action against them. In the end, I believe we came out reasonably well. The majority of the Commonwealth tacitly accepted that we could not be expected to use military force; and that it was reasonable that we should have a little more time to give the regime one last chance of coming to its senses. But in return, I had to agree that, if that last chance were not accepted by the regime, we would support limited mandatory sanctions against Rhodesian exports of raw materials and perhaps at a latter stage an extension of the oil embargo to cover all imports via Mozambique. Provided that the Commonwealth supported us at the United Nations in limiting the impact of the sanctions in this way (i. e., so as to avoid, if possible, an overt clash with South Africa), I also agreed that we would then withdraw all previous offers made to Rhodesia and declare that there would be no independence before majority rule.

This was the price we had to pay to buy this additional time for a last show down with Smith. But it was also necessary

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if we were to hold the Commonwealth together. And I know that this was an objective that you also strongly desired, given the immense racial tensions in the world and the value of the Commonwealth as a truly multi-racial association in helping to mitigate those tensions. I had broadly two main objectives throughout our Rhodesian discussions: to hold the Commonwealth together and to keep the Rhodesian situation under our own control, so far as possible.

There were times when I doubted whether either objective could be attained. As it turned out, we managed to secure both, at least for a limited period of time: and I truly believe that the Commonwealth has emerged stronger rather than weaker from this great test.

But time really is now of the essence. The Commonwealth Secretary, whose reports this week show that he is playing a difficult hand with shrewdness and skill, is doing his best to make Smith realize that we and the rest of the Commonwealth mean business and that there really is a limit to our willingness and ability to carry the can internationally for Rhodesia. We believe that the terms we are offering as set out in the Commonwealth communique genuinely represent an honorable way out for Smith. But if he is to accept them, he will almost certainly have to bring himself to ditch his own extremists. And I am bound to say that his talks so far with the Commonwealth Secretary do not encourage us to hope that he will have the guts to do this.

But if this rather pessimistic forecast proves right, then we are going to be faced with the need for the measures agreed at the Commonwealth Prime Ministers Conference. I hope that initially we can agree in the Security Council on limited sanctions and that this will not therefore involve us immediately in a clash with South Africa. But we can certainly not be sure of this: and in any case a decision to move to further mandatory sanctions of this type may well hasten the day when a clash with South Africa becomes inevitable. This is something which is, I believe, equally repugnant to you and to us. The consequences (as I explained to the Africans at the Commonwealth Conference and as many of them in their heart of hearts fully recognize) are incalculable. They could in the longer run lead to armed conflict with the South Africans and would certainly produce economic warfare, the effect of which, for both our countries in particular but also I believe for Western economic interests generally,

would be excessively damaging. But equally I feel bound to repeat the warning that George Brown gave George Ball during the latter's recent visit here to the effect that we must not be counted on to incur the immense international odium that would result from a British veto in the Security Council on any measures bound to result in conflict with South Africa. This is a case where I think you and we would have to stand or fall together: which is why I am addressing you now in the hope that, by judicious action before the moment of decision arrives, you may be able to help us avert the dangers I have just outlined.

It is difficult, and indeed inappropriate, for me to suggest what it might be possible for you to do to help us at this juncture. If you felt that it would be productive, I should welcome any action by the U.S. Government that you might think appropriate, designed to bring Smith to his senses and get him to accept that we all of us mean business, and that there is nothing but isolation and disaster at the end of the road for Rhodesia unless he is now prepared to reach an agreement on the basis of this last offer of ours, even if this has to be at the price of breaking with some of his associates.

I also believe that South Africa's influence on Smith is potentially of the greatest importance. If you saw any prospect of being able to induce the South African Government to bring pressure on Smith for a settlement, in their own best interests, this might well be the most useful of all. In addition, of course we hope that, if we are forced before the end of the year to work for limited mandatory sanctions at the United Nations, we shall be able to count on your help with other countries designed to keep the sanctions limited. We have made it clear that we shall only work for these sanctions provided we have full support from the Commonwealth for keeping them limited. We mean to stick to this. But equally we must expect that at least the Zambians and a number of other Afro-Asians will press for a great deal more. However, what we really want, if at all possible, is to induce Smith to come to terms.

I am sorry to worry you with our troubles when you have quite enough of your own. But I feel justified in doing this because, as I say, I think these are really our joint troubles; and if there is anything you feel you can usefully do now, we may be able to avoid finding ourselves jointly in a much more difficult situation which may confront us within the coming months, particularly at the United Nations and in what may follow from the debates there.

3398

M. Rosten

1 snap
2 Pres. file

Thursday, September 22, 1966
1:00 p. m.

Mr. President:

Attached is a pleasant birthday message to Italian Prime Minister Moro, who will be 50 tomorrow. As you know, Moro has been a staunch friend, especially on Viet-Nam.

You and Moro exchanged birthday messages last year; Moro also sent you a congratulatory message this year.

Francis M. Bator

Approve ☒ *9/23/66*

Disapprove ☐

Speak to me ☐

FMB:mst

PROPOSED MESSAGE

Dear Mr. Prime Minister:

I take great pleasure in sending you my warm good wishes, and those of the American people, on the happy occasion of your 50th birthday.

Sincerely,

Lyndon B. Johnson

Press file

Thursday
September 22, 1966
2:00 p. m.

Mr. President:

Historians will note this historic event even if our newspapers are a bit casual about it.

W. W. Rostow

*1006-11-17-1966
W. W. Rostow*

INCOMING TELEGRAM *Department of State*

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~~CONFIDENTIAL~~

45
Action

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~~BATOR~~
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~~CONFIDENTIAL~~ SANTO DOMINGO 861

AID SEP 21

RSR SUBJECT: "WELL DONE" MESSAGE ANNOUNCING IAPF FINAL DEPARTURE

1. USCOMDOMREP AND FLAG DEPARTED SAN ISIDRO D.R. TODAY, 211658Z SEPT. 1966, BY C-130 AIRCRAFT.
2. "OPERATION WELL DONE" COMPLETED TODAY, 211721Z SEPT. 1966, WITH LIFT OFF OF LAST USAFFDR ELEMENT.
3. ETA FORT BRAGG 212138Z SEPTEMBER 1966.

GP-4 CRIMMINS
BT

NOTE: PASSED S/S-O, WHITE HOUSE, USIA AT 2:10 PM, 9/21/66.

DECLASSIFIED
E.O. 12356, Sec. 3.4
NIJ 88-47
By sig, NARA, Date 6-2-88

~~CONFIDENTIAL~~

MEMORANDUM

Pres file 54

THE WHITE HOUSE

~~SECRET~~

WASHINGTON Thursday, September 22, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Office Calls by Foreign Officials attending the UN General Assembly in New York

~~Acting Secretary Ball asks your approval to schedule office calls during October for:~~

~~Deputy Prime Minister Razak of Malaysia~~

~~Prime Minister Souvanna Phouma of Laos~~

Both officials will be in New York attending the UN sessions. They would like to come to Washington to talk to you and other Government officials. ~~One hour's conversation in your office~~ would be allotted to each of the two visitors.

~~I share Secretary Ball's view~~ that it is important for you to see both Razak and Souvanna Phouma.

Walt Rostow

_____ Schedule Razak of Malaysia

_____ Schedule Souvanna Phouma of Laos

_____ See me

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By *ju*, NARA, Date 7-15-98

~~SECRET~~

DEPARTMENT OF STATE
WASHINGTON

September 21, 1966

SECRET

MEMORANDUM FOR THE PRESIDENT

Subject: Appointments with you for Certain Foreign
Officials Visiting the United States in
Connection with the U.N. General Assembly

Recommendation:

I recommend that you agree in principal to meet with the following foreign officials who are visiting the United States during the period of the U.N. General Assembly. The specific dates and times of these appointments could be arranged later, although I have indicated below the dates when they will be in Washington.

1. Deputy Prime Minister Razak of Malaysia (In Washington October 4-9)

Approve _____ Disapprove _____

2. Prime Minister Souvanna Phouma of Laos (October-November)

Approve _____ Disapprove _____

SECRET

DECLASSIFIED
E.O. 12958, Sec. 3.5
State Dept. Guidelines
By gnd, NARA, Date 7-15-98

~~SECRET~~

-2-

Discussion:

In addition to the officials listed above, you have approved an appointment with Foreign Minister Couve de Murville of France, and the Department has recommended that you see Foreign Minister George Brown of the United Kingdom.

Justifications:

1. Deputy Prime Minister Razak of Malaysia:

After attending the U.N. General Assembly September 21-26, Razak tentatively plans to be in Washington October 4-9. ~~Razak is the heir apparent to Prime Minister Rahman.~~ Only one senior U.S. official has visited Malaysia since the Tunku's state visit here in 1964. Presidential reception of Razak would be a good occasion to reaffirm our support for an Asian conference on Vietnam which Thailand, in collaboration with Malaysia and the Philippines, proposed in early August. Razak may feel disappointed if unable to obtain a firm commitment on military assistance while here. A call on the President could go a long way to assuage such disappointment. ~~Razak is our most difficult and important case.~~

2. Prime Minister Souvanna Phouma of Laos:

We expect that Souvanna will address the U.N. General Assembly in October or November, and will probably wish to pay an informal visit to Washington thereafter. With the Lao problem increasingly overshadowed by the temper of the Vietnam war, such a call would ~~demonstrate our steady, continuing support for Souvanna.~~ His country is the victim of military aggression and

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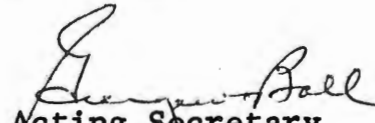
~~SECRET~~

-3-

beset by basic economic problems compounded by the current flood disaster, and his personal position as Prime Minister remains important to U.S. policy objectives but is increasingly threatened by domestic opposition. In private, Souvanna enthusiastically supports U.S. military action against North Vietnam.

In accordance with your known wishes, ~~we are making every effort to limit requests for appointments with you to Chiefs of State and Heads of Governments who are in the United States in conjunction with the UNGA.~~ George Brown and Couve de Murville are obvious exceptions to this rule. For special reasons which need not be detailed here we may also request an appointment for Foreign Minister Thanat of Thailand. We do not wish to make a final decision on this matter, however, until we have been able to analyze public reaction to his visit and television appearances here and the climate in Congress after the Fulbright hearings on Thailand. Foreign Minister Malik of Indonesia will be in Washington from the 22nd to the 27th of September, and it might be advisable for you to see him; we may be making a further recommendation on this matter.

We expect several other Chiefs of State or Heads of Government to be in New York during the General Assembly period. The only two which we would recommend that you see, King Hassan of Morocco and President Sunay of Turkey, will be calling on you in the course of their visits to Washington. Prime Minister Sadiq of the Sudan and Prime Minister Obote of Uganda have indicated that they might come to New York and if they do we might possibly request appointments for them.


Acting Secretary

~~SECRET~~

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

55

~~SECRET~~

September 22, 1966

MEMORANDUM FOR THE PRESIDENT

I forward and recommend that you approve this request for a Presidential Determination to continue our modest military aid program to Burma.

This authorizes \$2.9 million from the MAP budgetary total for FY 1967 as the final increment in a multi-year commitment made in 1961. We are now preparing to negotiate with the Burmese on the nature and extent of further military assistance beyond FY 1967.

This final increment underwrites spares for equipment previously furnished. Procurement would be in the U.S. to avoid adverse effect on our balance of payments.

The program is essentially political in demonstrating our support for Burma's independence and integrity. It gives us some degree of influence with the Burmese military and discourages their shopping within the Bloc. While modest in size the program is fully in keeping with the tone of your recent highly successful talks with Ne Win.

The Determination exempts Burma from agreeing to our observation of the use of the equipment or to its return when no longer required on grounds that the assistance is important to U.S. security. State, Defense and Budget concur in Bill Gaud's recommendation that you make this finding.

The appropriate members of Congress are to be informed of your Determination when it is made rather than in advance. This has been routine practice on this particular commitment.

Walt W. Rostow

Att.

Presidential Determination No. 67-4
for signature

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By *ju*, NARA, Date 7-15-98

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THE WHITE HOUSE
WASHINGTON

September 23, 1966

Presidential Determination
No. 67-4

MEMORANDUM FOR THE ADMINISTRATOR
AGENCY FOR INTERNATIONAL DEVELOPMENT

SUBJECT: Determination and Authorization under Section 614(a) of the Foreign Assistance Act of 1961, as Amended, (the "Act") Permitting the Use of Funds for Military Assistance to Burma in FY 1967

In accordance with the recommendation in your memorandum of August 25, 1966, I hereby:

(1) determine, pursuant to Section 614(a) of the Act, that authorization of the use of up to \$2.9 million of funds made available under the Act to furnish defense articles to Burma without regard to the requirements of Section 506(a), paragraphs (3) and (4) of the Act is important to the security of the United States; and

(2) authorize, pursuant to Section 614(a) of the Act, the use of such funds without regard to the above specified requirements of the Act.

You are requested on my behalf to give prompt notice of these actions, pursuant to Section 634(d) of the Act, to the Committee on Foreign Relations and the Committee on Appropriations of the Senate and to the Speaker of the House of Representatives.

15/ Lyndon B. Johnson

Group 4	DECLASSIFIED
By <i>DCB</i>	NARS, Date <i>8-19-86</i>

GROUP 4
Downgraded at 3 year
intervals; declassified
after 12 years

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EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON, D.C. 20503

GROUP 3

DOWNGRADED AT 10-YEAR INTERVALS;
NOT AUTOMATICALLY DECLASSIFIED

SEP 1 1966

MEMORANDUM FOR THE PRESIDENT

Subject: Presidential Determination and Authorization to use
FY 1967 Funds to Furnish Military Assistance to
Burma

Attached are a memorandum and background annex from AID Administrator Gaud recommending that you sign a determination to permit the use of FY 1967 funds for military assistance to Burma.

In 1961, President Kennedy made a multiyear commitment to furnish military assistance to Burma. The total program is \$43.0 million of which \$35.7 million has already been approved as of FY 1966. The attached determination authorizes \$2.9 million of defense articles as part of a total FY 1967 program of \$3.7 million. In the absence of a military assistance agreement with Burma (Burma considered such an agreement would be a compromise of her neutrality), the Foreign Assistance Act requires a determination by you that the program is "important to the security of the United States."

The Burma military assistance program is clearly political. It manifests to the Ne Win Government U.S. support for the independence and integrity of Burma and it promotes U.S. influence among the Burmese armed forces. We have a limited AID technical assistance program of \$200,000 in Burma and thus our military assistance program is our principal program instrument.

The amount proposed in the determination will be accommodated within the MAP budgetary total for FY 1967.

I recommend you sign the attached determination. Mr. Rostow concurs.

Charles L. Schultze

Charles L. Schultze
Director

Attachments

DECLASSIFIED

E.O. 12356, Sec. 3.4

NLJ 88-158

By *ing*, NARA, Date 6-16-88

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DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D. C. 20523

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OFFICE OF
THE ADMINISTRATOR

25 AUG 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Determination and Authorization to Use FY 1967 Funds to
Furnish Military Assistance to Burma

I recommend that you make the necessary determination and authorization under the Foreign Assistance Act to permit the use of up to \$2.9 million in FY 1967 to furnish defense articles to Burma. The Departments of State and Defense concur in this recommendation.

The current U.S. military assistance commitment to Burma was made by President Kennedy in 1961. The authorized multi-year program amounts to \$43.0 million of which \$35.7 million has been included in the FY 1962 through FY 1966 programs. The FY 1967 installment of about \$3.7 million already in the budget includes \$2.9 million for defense articles requiring formal Presidential approval. The balance is planned at \$3.6 million for FY 1968.

This program has been and is still a key element in United States policy toward Burma. Its objectives are political: to demonstrate to the Ne Win Government support for the independence, unity, and internal security of Burma; to promote United States influence in Burma's armed forces; and, to preclude or limit acceptance by the Burmese of military aid from communist countries. These objectives have been and are being served by the program.

Your determination permitting this assistance to continue is essentially a finding that the authorization is important to the security of the United States. I believe this to be the case and accordingly recommend that you sign the attached memorandum.

William S. Gaud

William S. Gaud

Attachments:
Background Annex Proposed Determination
Memorandum

Group 4	DECLASSIFIED
By Dct	NARS, Date 8-19-86

~~SECRET~~

GROUP 4
Downgraded at 3 year
intervals; declassified
after 12 years

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BACKGROUND ANNEX

The proposed Fiscal Year 1967 program is part of a multi-year military assistance program, authorized by President Kennedy in 1961, and offered to the Burmese Government in that year to provide military equipment, materials, and services, subject to the availability of funds. The dollar value of the authorized program was to be up to \$43.0 million, and funding was to be spread over four to five fiscal years commencing in Fiscal Year 1962.

The Government of Burma has always desired that this military assistance be in the form of a "sales" program, providing for payment in local currency at a fraction of the actual costs of the materials. Such an arrangement under existing law, however, must be considered a grant, and subject to the conditions of eligibility as set forth in Section 506 of the Act. A waiver of certain requirements of Section 506(a) will be necessary in connection with the Fiscal Year 1967 program, which is being planned in the amount of \$3.7 million, including \$2.9 million for defense articles.

Section 506(a) of the Act imposes conditions upon grants of defense articles, of which all but the following, found in paragraphs (3) and (4) of that section, can be fulfilled:

(1) That Burma agree to permit continuous observation and review by, and furnish necessary information to, representatives of the United States with regard to use of granted defense articles.

(2) That, unless the President consents to other disposition, Burma agree to return to the United States such granted defense articles which are no longer required for the purposes for which furnished.

The Government of Burma originally would not agree to the first undertaking because it has always considered that doing so would jeopardize its neutral status. The second, i.e., return of granted defense articles, has been felt by the Burmese to be inconsistent with the sale of the defense articles in this case. There is no indication that Burma would be willing to agree to these two conditions now.

Pursuant to the authority conferred on the President by Section 614(a) of the Act, the use of funds for this increment of the program can be authorized without regard to the two unsatisfied conditions of Section 506(a) of the Act on the ground that furnishing of the equipment and materials described in this memorandum would be in furtherance of the purposes of the Act and important to the security of the United States.

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DECLASSIFIED

E.O. 12356, Sec. 3.4

NJ 88-160

By inf NARA, Date 7-10-89

~~SECRET~~

-2-

Pursuant to previous determinations, \$11.2 million was provided from FY 1962 MAP appropriations, \$10.8 million from FY 1963 funds, \$2.4 million from FY 1964 funds, \$7.3 million from FY 1965 funds, and \$4.0 million from FY 1966 funds. Presidential Determinations No. 62-14 dated April 30, 1962; No. 63-8 dated May 9, 1963; No. 64-11 dated May 15, 1964; No. 65-9 dated March 31, 1965; and No. 66-5 dated November 26, 1965, respectively, authorized use of funds (for defense articles) as follows: up to \$9.0 million in FY 1962, up to \$10.5 million in FY 1963, up to \$1.2 million in FY 1964, up to \$6.5 million in FY 1965, and up to \$3.1 million in FY 1966 without regard to the requirements of paragraphs (3) and (4) of Section 506(a) of the Act, and in those years in which the grant of defense articles exceeded \$3.0 million, without regard to the requirement of paragraph (2) (second condition) of Section 506(b) of the Act.

The purposes of the Burma MAP are primarily political -- to demonstrate to the Ne Win Government United States support for the independence, stability, and internal security of Burma; to serve as a channel for American influence in the Burmese armed forces; and to preclude, or limit, Burmese acceptance of military aid from communist countries. Since 1958 the program has been a key element in United States policy toward Burma. The \$3.7 million proposed for FY 1967 funding will provide goods and services offered by the United States under the 1961 commitment. Failure to continue to carry out this agreement would be interpreted as a breach of commitment and could seriously undermine United States objectives that the MAP in Burma is designed to serve.

The MAP in Burma is one of the few remaining sources of United States influence in that country. The Burmese armed forces (who now control the Government) like and want the program, and notwithstanding Burma's policy of strict neutrality, it is the only program of foreign military aid they accept, despite reported offers from communist China and known Soviet offers of military aid and advice. Continuance of this program, therefore, not only serves United States objectives in Burma, but it enables the Burmese Government to meet its security requirements without exposing itself to the influences and pressures that acceptance of military aid from the communists would entail.

In FY 1965 the United States and the Revolutionary Government of Burma agreed that the United States will provide through 1968 follow-on spares proportioned between the Army, Navy, and Air Force, on an annually-negotiated costs arrangements basis with an annual payment in Kyats for equipment included under the FY 1965 (known as the Third Increment, Phase II) and previous military sales programs. The United States has received \$6.5 million equivalent in Kyats since FY 1962.

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Negotiations with the Burmese Ministry of Defense officials concerning a FY 1967 sales program for defense articles and services amounting in value to \$3.7 million (known as the Fifth Increment, Phase II) are expected to begin soon.

The proposed FY 1967 program of \$3.7 million almost all of which provides for operating costs is intended primarily for follow-on spares for aircraft, ships, weapons, vehicles, and communication equipment previously furnished, and to improve the capability of the Burmese Armed Forces to accomplish their missions, particularly internal security. The attached functional summary provides the specific allocation of funds according to purpose intended at this time.

The equipment would all be procured in the United States and consequently the proposed program would have no significant adverse effect on the balance of payments.

In view of the circumstances related above, it appears appropriate to make the necessary determination and authorization under Section 614(a) of the Act.

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BURMA MAP FY 67 FUNCTIONAL SUMMARY

(Dollars Millions)

<u>Category</u>	<u>Amount</u>
A. <u>Investment Costs</u> (Force Improvement)	\$.1
Miscellaneous	(.1)
B. <u>Operating Costs</u> (Force Maintenance)	3.6
1. Follow-on Spares	(2.7)
2. Total Other Maintenance	(.2)
3. Technical Assistance	(.1)
4. Training	(.2)
5. Supply Operations	(.4)
C. <u>Summary Program Totals</u>	
1. Investment Costs	(.1)
2. Operating Costs	(3.6)
Country Total	<u>3.7</u>
D. <u>Classification for Presidential Determination</u>	
1. Defense Articles	(2.9)
2. Defense Services	(.4)
3. Overhead	(.4)
Total	<u>3.7</u>

DECLASSIFIED

E.O. 12356, Sec. 3.4

NLJ 88-160

By ing NARA, Date 7-10-89

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MEMORANDUM

THE WHITE HOUSE

WASHINGTON

~~SECRET~~

September 22, 1966

MEMORANDUM FOR THE PRESIDENT

I forward and recommend that you approve this request for a Presidential Determination to continue our modest military aid program to Burma.

This authorizes \$2.9 million from the MAP budgetary total for FY 1967 as the final increment in a multi-year commitment made in 1961. We are now preparing to negotiate with the Burmese on the nature and extent of further military assistance beyond FY 1967.

This final increment underwrites spares for equipment previously furnished. Procurement would be in the U.S. to avoid adverse effect on our balance of payments.

The program is essentially political in demonstrating our support for Burma's independence and integrity. It gives us some degree of influence with the Burmese military and discourages their shopping within the Bloc. While modest in size the program is fully in keeping with the tone of your recent highly successful talks with Ne Win.

The Determination exempts Burma from agreeing to our observation of the use of the equipment or to its return when no longer required on grounds that the assistance is important to U.S. security. State, Defense and Budget concur in Bill Gaud's recommendation that you make this finding.

The appropriate members of Congress are to be informed of your Determination when it is made rather than in advance. This has been routine practice on this particular commitment.

Walt W. Rostow

Att.

Presidential Determination No. 67-4
for signature

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By *ju*, NARA, Date 7-15-98

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THE WHITE HOUSE
WASHINGTON

Presidential Determination
No. 67-4

MEMORANDUM FOR THE ADMINISTRATOR
AGENCY FOR INTERNATIONAL DEVELOPMENT

SUBJECT: Determination and Authorization under Section 614(a) of the Foreign Assistance Act of 1961, as Amended, (the "Act") Permitting the Use of Funds for Military Assistance to Burma in FY 1967

In accordance with the recommendation in your memorandum of August 25, 1966, I hereby:

(1) determine, pursuant to Section 614(a) of the Act, that authorization of the use of up to \$2.9 million of funds made available under the Act to furnish defense articles to Burma without regard to the requirements of Section 506(a), paragraphs (3) and (4) of the Act is important to the security of the United States; and

(2) authorize, pursuant to Section 614(a) of the Act, the use of such funds without regard to the above specified requirements of the Act.

You are requested on my behalf to give prompt notice of these actions, pursuant to Section 634(d) of the Act, to the Committee on Foreign Relations and the Committee on Appropriations of the Senate and to the Speaker of the House of Representatives.

Group 4		DECLASSIFIED
By	scd	NARS, Date 8-19-88

GROUP 4
Downgraded at 3 year
intervals; declassified
after 12 years

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EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET

WASHINGTON, D.C. 20503

GROUP 3
DOWNGRADED AT 10-YEAR INTERVALS;
NOT AUTOMATICALLY DECLASSIFIED

SEP 1 1966

MEMORANDUM FOR THE PRESIDENT

Subject: Presidential Determination and Authorization to use
FY 1967 Funds to Furnish Military Assistance to
Burma

Attached are a memorandum and background annex from AID Administrator Gaud recommending that you sign a determination to permit the use of FY 1967 funds for military assistance to Burma.

In 1961, President Kennedy made a multiyear commitment to furnish military assistance to Burma. The total program is \$43.0 million of which \$35.7 million has already been approved as of FY 1966. The attached determination authorizes \$2.9 million of defense articles as part of a total FY 1967 program of \$3.7 million. In the absence of a military assistance agreement with Burma (Burma considered such an agreement would be a compromise of her neutrality), the Foreign Assistance Act requires a determination by you that the program is "important to the security of the United States."

The Burma military assistance program is clearly political. It manifests to the Ne Win Government U.S. support for the independence and integrity of Burma and it promotes U.S. influence among the Burmese armed forces. We have a limited AID technical assistance program of \$200,000 in Burma and thus our military assistance program is our principal program instrument.

The amount proposed in the determination will be accommodated within the MAP budgetary total for FY 1967.

I recommend you sign the attached determination. Mr. Rostow concurs.

Charles L. Schultze

Charles L. Schultze
Director

Attachments

DECLASSIFIED

Authority OMB Guidelines 5-3-79

By gw, NARA, Date 7-15-98

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DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D. C. 20523

OFFICE OF
THE ADMINISTRATOR

25 AUG 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Determination and Authorization to Use FY 1967 Funds to
Furnish Military Assistance to Burma

I recommend that you make the necessary determination and authorization under the Foreign Assistance Act to permit the use of up to \$2.9 million in FY 1967 to furnish defense articles to Burma. The Departments of State and Defense concur in this recommendation.

The current U.S. military assistance commitment to Burma was made by President Kennedy in 1961. The authorized multi-year program amounts to \$43.0 million of which \$35.7 million has been included in the FY 1962 through FY 1966 programs. The FY 1967 installment of about \$3.7 million already in the budget includes \$2.9 million for defense articles requiring formal Presidential approval. The balance is planned at \$3.6 million for FY 1968.

This program has been and is still a key element in United States policy toward Burma. Its objectives are political: to demonstrate to the Ne Win Government support for the independence, unity, and internal security of Burma; to promote United States influence in Burma's armed forces; and, to preclude or limit acceptance by the Burmese of military aid from communist countries. These objectives have been and are being served by the program.

Your determination permitting this assistance to continue is essentially a finding that the authorization is important to the security of the United States. I believe this to be the case and accordingly recommend that you sign the attached memorandum.

William S. Gaud

William S. Gaud

Attachments:
Background Annex Proposed Determination
Memorandum

GROUP 4
Downgraded at 3 year
intervals; declassified
after 12 years

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Gray 4	DECLASSIFIED
By DCD	NARS, Date 8-14-86

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BACKGROUND ANNEX

The proposed Fiscal Year 1967 program is part of a multi-year military assistance program, authorized by President Kennedy in 1961, and offered to the Burmese Government in that year to provide military equipment, materials, and services, subject to the availability of funds. The dollar value of the authorized program was to be up to \$43.0 million, and funding was to be spread over four to five fiscal years commencing in Fiscal Year 1962.

The Government of Burma has always desired that this military assistance be in the form of a "sales" program, providing for payment in local currency at a fraction of the actual costs of the materials. Such an arrangement under existing law, however, must be considered a grant, and subject to the conditions of eligibility as set forth in Section 506 of the Act. A waiver of certain requirements of Section 506(a) will be necessary in connection with the Fiscal Year 1967 program, which is being planned in the amount of \$3.7 million, including \$2.9 million for defense articles.

Section 506(a) of the Act imposes conditions upon grants of defense articles, of which all but the following, found in paragraphs (3) and (4) of that section, can be fulfilled:

(1) That Burma agree to permit continuous observation and review by, and furnish necessary information to, representatives of the United States with regard to use of granted defense articles.

(2) That, unless the President consents to other disposition, Burma agree to return to the United States such granted defense articles which are no longer required for the purposes for which furnished.

The Government of Burma originally would not agree to the first undertaking because it has always considered that doing so would jeopardize its neutral status. The second, i.e., return of granted defense articles, has been felt by the Burmese to be inconsistent with the sale of the defense articles in this case. There is no indication that Burma would be willing to agree to these two conditions now.

Pursuant to the authority conferred on the President by Section 614(a) of the Act, the use of funds for this increment of the program can be authorized without regard to the two unsatisfied conditions of Section 506(a) of the Act on the ground that furnishing of the equipment and materials described in this memorandum would be in furtherance of the purposes of the Act and important to the security of the United States.

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DECLASSIFIED

Authority OMB guidelines 5-3-79

By fw . NARA. Date 7-15-98

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Pursuant to previous determinations, \$11.2 million was provided from FY 1962 MAP appropriations, \$10.8 million from FY 1963 funds, \$2.4 million from FY 1964 funds, \$7.3 million from FY 1965 funds, and \$4.0 million from FY 1966 funds. Presidential Determinations No. 62-14 dated April 30, 1962; No. 63-8 dated May 9, 1963; No. 64-11 dated May 15, 1964; No. 65-9 dated March 31, 1965; and No. 66-5 dated November 26, 1965, respectively, authorized use of funds (for defense articles) as follows: up to \$9.0 million in FY 1962, up to \$10.5 million in FY 1963, up to \$1.2 million in FY 1964, up to \$6.5 million in FY 1965, and up to \$3.1 million in FY 1966 without regard to the requirements of paragraphs (3) and (4) of Section 506(a) of the Act, and in those years in which the grant of defense articles exceeded \$3.0 million, without regard to the requirement of paragraph (2) (second condition) of Section 506(b) of the Act.

The purposes of the Burma MAP are primarily political -- to demonstrate to the Ne Win Government United States support for the independence, stability, and internal security of Burma; to serve as a channel for American influence in the Burmese armed forces; and to preclude, or limit, Burmese acceptance of military aid from communist countries. Since 1958 the program has been a key element in United States policy toward Burma. The \$3.7 million proposed for FY 1967 funding will provide goods and services offered by the United States under the 1961 commitment. Failure to continue to carry out this agreement would be interpreted as a breach of commitment and could seriously undermine United States objectives that the MAP in Burma is designed to serve.

The MAP in Burma is one of the few remaining sources of United States influence in that country. The Burmese armed forces (who now control the Government) like and want the program, and notwithstanding Burma's policy of strict neutrality, it is the only program of foreign military aid they accept, despite reported offers from communist China and known Soviet offers of military aid and advice. Continuance of this program, therefore, not only serves United States objectives in Burma, but it enables the Burmese Government to meet its security requirements without exposing itself to the influences and pressures that acceptance of military aid from the communists would entail.

In FY 1965 the United States and the Revolutionary Government of Burma agreed that the United States will provide through 1968 follow-on spares proportioned between the Army, Navy, and Air Force, on an annually-negotiated costs arrangements basis with an annual payment in Kyats for equipment included under the FY 1965 (known as the Third Increment, Phase II) and previous military sales programs. The United States has received \$6.5 million equivalent in Kyats since FY 1962.

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Negotiations with the Burmese Ministry of Defense officials concerning a FY 1967 sales program for defense articles and services amounting in value to \$3.7 million (known as the Fifth Increment, Phase II) are expected to begin soon.

The proposed FY 1967 program of \$3.7 million almost all of which provides for operating costs is intended primarily for follow-on spares for aircraft, ships, weapons, vehicles, and communication equipment previously furnished, and to improve the capability of the Burmese Armed Forces to accomplish their missions, particularly internal security. The attached functional summary provides the specific allocation of funds according to purpose intended at this time.

The equipment would all be procured in the United States and consequently the proposed program would have no significant adverse effect on the balance of payments.

In view of the circumstances related above, it appears appropriate to make the necessary determination and authorization under Section 614(a) of the Act.

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BURMA MAP FY 67 FUNCTIONAL SUMMARY

(Dollars Millions)

<u>Category</u>	<u>Amount</u>
A. <u>Investment Costs</u> (Force Improvement)	\$.1
Miscellaneous	(.1)
B. <u>Operating Costs</u> (Force Maintenance)	3.6
1. Follow-on Spares	(2.7)
2. Total Other Maintenance	(.2)
3. Technical Assistance	(.1)
4. Training	(.2)
5. Supply Operations	(.4)
C. <u>Summary Program Totals</u>	
1. Investment Costs	(.1)
2. Operating Costs	(3.6)
Country Total	<u>3.7</u>
D. <u>Classification for Presidential Determination</u>	
1. Defense Articles	(2.9)
2. Defense Services	(.4)
3. Overhead	(.4)
Total	<u>3.7</u>

DECLASSIFIED

Authority DMB Guidelines 5-3-79

By ju, NARA, Date 7-15-98

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Thursday - September 22, 1966

MEMORANDUM FOR THE PRESIDENT

EO 12958 3.3(b)(1)>25Yrs
(C)

SUBJECT: Status of Panama Account

This is where we stand on implementation of the directives which you gave at the Panama Review Meeting on July 26.

1.

2. Contingency Plans Against Negotiation Impasse

Linc Gordon has prepared a paper (Tab A). It is being reviewed by the Country Team, our negotiators and the Latin American IRG. The deadline for completion is September 27.

Jack Irwin was not able to make an estimate of the prospects for successful negotiations by our target date of September 15 for the reasons discussed in the last paragraph of this memorandum.

3. List of Possible Concessions

Jack Irwin was charged with determining maximum concessions which we might make to the Panamanians, taking into consideration our requirements for control and defense of the Canal and what Congress is likely to accept. A paper listing possible concessions (Tab B) is being reviewed in State and DOD. Ambassador Anderson, who is in town today, will also be going over it.

4. Economic Study Group

A team under the leadership of Philip Klutznick recently completed a survey of Panama's short-term and longer-term needs. A summary of the contents of the report is at Tab C.

SANITIZED

E.O. 13292, Sec. 3.5

NLJ 04-14

By us, NARA, Date 9-30-04

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The short term recommendations call for an immediate impact program of \$16 million covering urban renewal and rehabilitation projects. As indicated in George Ball's memo at Tab D, these recommendations have been accepted and Ambassador Adair instructed to begin negotiations immediately.

5. Plan for a Panama Development Authority

Ambassador Adair has discussed the desirability of setting up an Authority with President Robles and Foreign Minister Eleta. He got a non-committal, lukewarm response.

The Klutasnick team looked into the matter and concluded that the better part of wisdom was to work through the existing Planning Board and try to strengthen it. They found that the Board as an institution is equipped to handle budget, economic and social planning as well as physical planning and evaluation. The main problem is an incompetent Director. State/AID are trying to get him replaced and the staff augmented with capable people.

6. Stimulate Private Investment in Panama

We are not doing well on this. Bill Gaud is making a survey of investment guarantee applications which AID has received. Beyond that State and AID have done nothing. I will have another go at Linc and Bill. I recommend that the next time you talk to them, you press hard for immediate action. Our private sector can play an important role in Panamanian development and we must take advantage of this asset.

7. Assistance to the National Guard

We have told the Panamanians that we are willing to subsidize (indirectly) an increment of 500 men for the balance of this fiscal year if they will put the increase in their budget. (We are already paying for 500 men added to the force last year). They want us to pay for 1000 men without it showing in the budget in the mistaken idea that this is the best way to hide our subsidy.

A 500 increment is as much as they can successfully handle. President Robles' opposition is already starting to make political hay of the fact that the government is carrying 500 more men on the force than appears in the current budget and that the U.S. is footing the bill.

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8. Status of the Negotiations

Negotiations advanced at a steady clip during July and August. The first round on the draft treaties served to identify areas of difference. The second round focused on analysis of the differences and means for resolving them.

Half way through this round (September 1) the Panamanians asked for suspension of talks while they returned to Panama to help work out their government's position on economic compensation. This has caused a delay in our timetable of September 15 for Jack Irwin's estimate of the prospects for reaching a settlement.

Negotiations are tentatively scheduled to be resumed on September 27. Jack expects that it will be several more weeks before he can give you a valid judgment on the prospects. Jack is understandably cautious. But the record of the negotiating sessions show a good spirit and flexibility on the part of the Panamanians. At this point, there is more reason for optimism than pessimism.

9. Congressional Consultations

On August 24 Jack Irwin briefed the Senate Foreign Relations Committee on the status of the negotiations. Fulbright, Hickenlopper, Gore, Lausche, Carlson and McGee were present. The Senators were interested, full of questions and appreciative. There were no surprises beyond Fulbright's comment that he would vote against a sea-level canal treaty that did not provide for multilateral operation.

W. W. Rostow

Attachments

Tabs A, B, C, D.

cc: Bill Moyers
Henry Rowen - BOB

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57aIRG/ARA CONTINGENCY STUDY - PANAMAIntroduction

The IRG/ARA in its meeting of July 23 reaffirmed the United States policy of seeking to conclude expeditiously with the present Panamanian Government a new treaty for the Panama Canal, a base rights and status of forces agreement, and a treaty under which a new sea level canal might be built in Panama. At the same time, the IRG/ARA directed that planning proceed for the situation that might arise should our efforts to conclude these treaties not be successful. This study reviews the fundamental United States objectives, estimates the developments which could prevent conclusion of treaties with the present Government of Panama, and examines alternative courses of action open to the United States.

Fundamental United States Objectives

The fundamental United States canal objectives are:

- 1) That the interoceanic transit of ships of all countries at reasonable tolls and without threat of discrimination or harassment continue to be guaranteed;
- 2) That the canal be adequately defended to ensure fulfillment of the first objective and to guarantee transit of United States ships under all conditions of international conflict;

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3) That provision be made for construction, operation and defense of a sea level canal to meet the future needs of United States security and world commerce and to minimize the burdens of canal operation and defense; and

4) That a political settlement with Panama be obtained which will be a positive factor in United States foreign relations, particularly with the countries of Latin America.

An important objective is to achieve the foregoing fundamental objectives under arrangements which will allow the present canal and any new canal to operate on a self-sustaining basis.

The United States is seeking these objectives through negotiation of new treaties with Panama. Our policy in these negotiations is that the first three objectives require that the United States maintain ultimate control of operation and responsibility for the defense of the Panama Canal. We have, however, tabled a proposal for multilateral operation of a possible new sea level canal. An important objective in the negotiations is the right to continue using our military bases in Panama not only to provide for the defense of the canal but also as a major element in our regional security arrangements and as a valuable communications center and tropical

training and research area, supporting our world-wide security commitments. The problem of how to provide adequately for these rights in new treaties with Panama is now the subject of intensive study and discussion by the United States negotiators and the Department of Defense.

Because of the possible developments outlined below, we may not be able to achieve our objectives through negotiations with the present Panamanian Government. The alternative courses of action examined in this paper are aimed at ultimately achieving our fundamental canal objectives. However, certain of them would involve significant changes from the current United States negotiating policy.

Possible Developments in Panama

There appear to be two basic situations in which we might not be able to reach agreement on new treaties with the Robles Government. First, we might be unable to agree on basic issues and thus reach an impasse in the negotiations. And second, because of the number and complexity of the treaty issues, the negotiations might extend beyond the next six to ten months into a period when the domestic political situation would almost certainly prevent the Robles Government from signing new treaties. Apart from the negotiations themselves, there

are possible developments which might prevent agreement with the Robles Government. For example, Robles might be overthrown while the negotiations are still underway or he himself might break off the negotiations for internal political reasons.

Even if the negotiations are successful, there will be problems associated with obtaining Panamanian public acceptance and National Assembly approval of the new treaties. These potential problems following the negotiations will be the subject of a separate paper.

Timing is critical. President Robles is firmly committed to obtain a new canal treaty arrangement which is responsive to Panama's long-standing aspirations for full sovereignty over the canal areas, increased revenue from the canal, and direct participation in its operation. The Robles Government has attempted to convince the Panamanian public that because of the complexity of the negotiations they cannot be quickly concluded. Nevertheless, Robles will have great difficulty continuing the negotiations through his term of office without producing new treaties or at least demonstrating real achievement in the attainment of Panamanian canal aspirations.

Pre-electoral campaigning will begin in earnest in mid-1967. Given the GOP's lack of popular support and its dependence

upon a tenuous coalition in the National Assembly, it is very unlikely that Robles would be able to gain Assembly and public approval of a new treaty after the first half of 1967. Indeed, it is unlikely that he would even submit the new treaties to the Assembly once the campaign has begun. Moreover, while Arnulfo Arias and other opposition elements might not be able to exploit the slow pace of the negotiations during the next six to nine months, the Robles Government's failure to have concluded a new canal agreement would almost certainly become a major issue in the 1967-68 Presidential campaign. Therefore, it is anticipated that Robles will make a concerted effort to conclude and obtain Assembly ratification of the new treaties in early 1967.

Several developments could prevent the conclusion of treaties even though there had not been a failure to reach agreement with Robles. Arnulfo Arias, leader of the principal opposition party, has repeatedly sworn to oppose any new treaties negotiated by what he considers to be an illegitimate Robles Government, regardless of their content. In view of Arias' popular strength, it will be difficult, although not impossible, for Robles to obtain National Assembly and public approval of a new canal.

agreement under any circumstances. The negotiations have now been in progress for about two years, and there has been no detailed public statement on their progress since September 1965. Thus far, Arias has shown no inclination to mount a major attack on the GOP over the slow pace of the negotiations. Indeed, his opposition has been most vocal whenever it appeared that the conclusion of the negotiations might be imminent, and he is reportedly awaiting the submission of the new treaties to the National Assembly before launching an all-out attack. At the same time, any public indication that the negotiations are not proceeding satisfactorily or that Robles is failing to satisfy Panama's aspirations is likely to draw the immediate attack of Arias, student groups, Leftist elements, and all other opponents of the present regime. These attacks could receive substantial public support and might result in the overthrow of the Government.

Indeed, in view of Robles' lack of political and popular support, it is possible that his regime could be overthrown independently of the treaty issue.

Should Robles be confronted with a deteriorating internal political situation or with increased pressure from Arias or other opposition groups over the slow progress of the negotiations,

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he might decide to denounce the United States, repudiate the treaty negotiations, and attempt to divert public wrath away from himself and against the United States. Panama would undoubtedly mount a world-wide anti-United States propaganda campaign and would denounce the United States in every available international forum. Although the United States position before the world would be better than that of 1964, since we have agreed to negotiate and are making a forthright effort to meet basic elements of Panama's canal aspirations, we would still be likely to face considerable international criticism as the villain in a large power-small power conflict. If Robles managed to remain in office and had unilaterally broken off the negotiations, we would probably not be able to reopen bilateral negotiations with him and would then have to pursue one of the alternative policies outlined later in this study.

On the other hand, we may be unable to conclude new treaties with the present GOP for the reason that we are unable to reach agreement on basic issues. In such a situation, the Robles Government would have certain options open to it:

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1) it could agree that neither country would admit publicly that an impasse has been reached and that we will simply continue the negotiations through the end of the Robles Administration in 1968;

2) it could unilaterally or jointly with the United States seek an international solution for the canal problem;
or

3) it could publicly break off the negotiations, denounce the United States, and resort to crisis diplomacy.

Security Situation

If Arnulfo Arias attempts to block Assembly approval of new treaties or to overthrow the Robles Government, or if the Robles Government denounces the United States and repudiates the negotiations, security and public order in Panama would probably deteriorate rapidly. We could expect protest demonstrations and rioting, including arson, sniping, and other acts of mob violence. Such an outbreak would endanger the lives of the 5,000 United States citizens who live in the Republic. Although the violence might be anti-GOP in its initial phases, it would be likely to spread rapidly against the Canal Zone and United States installations in Panama.

There might then be extensive damage to property just inside the Canal Zone borders, and sabotage and terrorism could occur at any point in the Zone. Many of the 15,000 employees of United States Government agencies and contractors in the Canal Zone who live in the Republic of Panama might be prevented from coming to work for a period of days.

If widespread anti-United States demonstrations develop, any Panamanian Government, to save itself, would be likely to assume an anti-United States posture and might even break diplomatic relations with us. It would, however, in all probability attempt to restore public order within a matter of days. If the violence resulted in a change of Government, it is believed that the new Government would also attempt to restore public order as soon as possible.

The United States forces in the Canal Zone have the capability of maintaining the security of the canal by armed force if public disorders and rioting occur. Contingency plans, however, provide for augmentation should hostilities appear to be escalating beyond the capabilities of the forces presently in the Zone. Current plans call for ground operations to remain within the Zone under all but the most severe provocation, but recognize the possible requirement for United States

elements to leave the Zone in order to neutralize fire from beyond the borders of the Zone or to protect the lives of United States citizen in the Republic. If it can be correctly assumed that any Panamanian Government would attempt to restore order within a few days, the military task of ensuring continuity of operation of the Panama Canal would involve a relatively short period of open hostilities. However, it could require an armed and barricaded posture along the Canal Zone border for a prolonged period.

United States Alternative Courses of Action

If we are unable to reach agreement on new treaties with the present Government of Panama, the following alternative courses of action may be open to the United States. The acceptability of these alternatives to the United States Congress remains to be assessed.

- A. Attempt to continue the negotiations through Robles' tenure in office and to conclude new treaties with the successor Government

Discussion

Assuming that it becomes evident in the negotiations during the next few months that we will be unable to reach an agreement on new treaties with the Robles Government,

we could make it clear to Robles that we are nevertheless willing to continue the negotiations through his tenure in office, making as much progress as possible, and to attempt to conclude the new treaties with the next Government. The Robles Government might be receptive to this course of action, should it be politically viable, since under most circumstances it would be in its interest to avoid a crisis over a failure in the negotiations. We would plan to continue the negotiations with the new Government elected in 1968, which might conceivably hopefully have sufficient political strength and popular support to be more flexible on treaty issues than the present regime if the issues had not in the meantime become public.

During the remainder of the present Administration, both countries would continue to adhere to the present position that the negotiation of such complex and vital issues is not something that can be done hurriedly--that the negotiations are proceeding satisfactorily. We might even point to the absence of a decision on the sea level canal project as a cause for the slow pace of the negotiations. It might be desirable to combine this course of action with steps to eliminate certain causes of United States-Panamanian friction (see B below). These could be explained as actions that are being taken in

anticipation of the conclusion of the new canal arrangement being negotiated.

Advantages

1. If the credibility of this course of action could be maintained in Panama, we would probably be able to avoid a canal crisis during the Robles Administration.

2. We could in the meantime assure our first three fundamental objectives by continuing to operate and defend the Canal under the Treaty of 1903.

Disadvantages

1. In view of Panamanian popular feeling on the canal issue and the strength of the political opposition it is questionable whether the GOP could continue for two more years without producing a new canal treaty or at least tangible evidence that Panamanian aspirations are being achieved.

2. Opposition attacks over the lack of progress in the negotiations could force Robles to repudiate the United States and the negotiations.

3. This course of action is only an interim measure, and there is no assurance that any new Panamanian Government would be able to deviate substantially from the negotiating policy being followed by Robles.

B. Action by the United States to eliminate certain causes of United States-Panamanian conflict, e.g. the flying of flags, unused lands, Panamanian postage stamps, etc.

Discussion

If we are not able to agree on new treaties with the Robles Government, the United States could attempt to avoid a political crisis by stating that even though we have been unable to reach agreement with the GOP on a new treaty arrangement, we are acting to remove certain causes of conflict. For example, we could arrange for the flying of Panamanian flags on military reservations and on ships transiting the canal; arrange to use Panamanian postage in the Canal Zone; give Panama grant aid to compensate for the lack of an increased canal annuity; adopt Spanish as a second official language in the Zone; and make available to Panama certain Canal Zone commercial and industrial facilities. However, as a practical matter the major Panamanian canal aspirations such as obtaining sovereignty and jurisdiction over the canal areas and direct participation in the canal enterprise are only possible through the negotiation of an entirely new treaty which would be subject to approval by the United States Congress and the Panamanian National Assembly.

This course of action would probably only be feasible if undertaken in support of Alternative A.

Advantages

1. This alternative would show the United States good faith and willingness to make changes in the present arrangement.
2. In the absence of a new treaty we could ensure our first three canal objectives by continuing to operate the canal under the Treaty of 1903.

Disadvantages

1. It is unlikely that the Robles Government could or would fail to pursue its demand for the complete replacement of the Treaty of 1903.
2. A United States announcement that agreement on new treaties has not been possible and that instead we will take certain unilateral actions would probably be followed by anti-United States and anti-Canal Zone demonstrations and violence in Panama.
3. Actions taken unilaterally would be lost as bargaining points in an ultimate settlement.

- C. Continue to operate the canal under the Treaty of 1903 until we are able to resume bilateral negotiations

Discussion

If we fail to reach agreement on new treaties and the negotiations are broken off, we could decide that having failed to conclude a new bilateral arrangement with Robles, we will simply continue to operate the canal under the Treaty of 1903 until negotiations can be resumed with a new Government. We would state our willingness to resume negotiations at any time with the GOP. If the negotiations are broken off, we could announce that we had made a sincere attempt to negotiate a new treaty arrangement with the GOP but had not been able to conclude a new agreement which would adequately guarantee our fundamental canal objectives. We should be prepared to demonstrate conclusively that we have made the maximum possible offer to Panama and that any additional concessions would jeopardize the vital canal interests of the United States and the rest of the world.

It is, of course, possible that the political and physical turmoil in Panama resulting from a breakdown in the negotiations would culminate in the coming to power of Arnulfo Arias or some other Government. If a new Government came to power promptly,

we would probably be able to resume negotiations with it and continue under our present negotiating policy.

However, by directing public anger against the United States and by pursuing a vigorously nationalistic policy Robles might so bolster his political position as to be able to complete his term of office. It is unlikely in such a situation that the United States could resume bilateral negotiations with the Robles regime.

Advantages

1. The United States would continue to operate and defend the Canal under the Treaty of 1903.

2. At the same time, by stating that we are willing to try again to negotiate mutually acceptable new treaties, we would be demonstrating our continued willingness to enter into new and modern treaty arrangements.

3. If a political crisis led to the fall of the Robles Government we might then be able to reopen negotiations with a new Government.

Disadvantages

1. The breakdown in the negotiations would probably be followed by violent anti-United States outbursts in Panama, and we would probably have to use force to maintain the security of the canal.

2. In self-defense the Robles Government would have to take counteractions. It would probably present Panama's case in international forums and might well break diplomatic relations with the United States.

3. If Robles were able to stay in power, we would have to operate the canal in a hostile Panamanian environment until the next elected Government took office in October 1968.

4. This course of action is only an interim measure, and there is no assurance that any new GOP would be politically able or willing to reopen negotiations with the United States unless we made major concessions from our previous final negotiating position.

D. Propose to Panama that we negotiate a treaty for the immediate construction of a sea level canal in the present Canal Zone

Discussion

If the present negotiations reach an impasse, we could propose that we negotiate only arrangements for the construction, operation, and defense of a sea level canal in Panama. Once these treaty arrangements were concluded, we would immediately begin to construct a sea level canal at the site of the present lock canal. This proposal would offer Panama the prospect of a

definite termination of the Treaty of 1903 and of having a sea level canal under a treaty acceptable to it. Depending upon the compensation arrangements agreed to in the sea level canal treaty, this course of action could be economically attractive to Panama since it would provide economic benefits during the period of its construction by conventional means. Until the new canal was opened, we would continue to operate the present Canal under the Treaty of 1903. This course of action could possibly be undertaken in conjunction with some of the actions contemplated under Alternative B.

Advantages

1. The United States could continue to operate and defend the lock canal under the Treaty of 1903 until the sea level canal was completed.
2. Because a sea level canal would be more easily operated and defended, it may be easier to reach agreement on a sea level canal treaty than on a new lock canal treaty since we could accept arrangements which more nearly satisfy Panama's canal aspirations.
3. This course of action advances the timetable for ending operation of the lock canal and thereby reducing the United States presence associated with such a canal.

4. We might be able to obtain Panama's agreement to some form of multilateral operation of a sea level canal, thereby permitting our disengagement from a bilateral canal arrangement.

Disadvantages

1. We might not be able to agree with Panama on a sea level canal treaty.

2. It would probably not be politically feasible for the GOP to withdraw its demands for the prompt abrogation of the Treaty of 1903.

3. This course of action would involve a United States commitment to build a sea level canal at considerable cost--possibly before it was economically justifiable.

E. Seek International Solution

If we are not able to conclude new treaties with Panama, there appear to be two separate courses of action which would involve submission of the canal problem to an international forum: first, to use an existing international organization, such as the United Nations or Organization of American States, as a device to promote the reopening of bilateral negotiations; and second, to seek the creation of a special multilateral forum in which we would attempt to negotiate a multilateral

settlement of the canal problem providing some form of international participation in the canal's operation.

1. International assistance in obtaining bilateral settlement

Discussion

The most favorable circumstances under which the problem could be taken to an existing international body would be for the United States and Panama to agree to submit the problem jointly. From the United States point of view the OAS would seem to be a more manageable forum than the UN. The purpose of such a submission might be: 1) obtain a fact-finding investigation which would allow a cooling-off period leading to a resumption of bilateral negotiations; and 2) obtain mediation services to assist Panama and the United States in reopening and even in concluding bilateral negotiations.

If Panama unilaterally took the problem to the UN or the OAS, its objective might be: 1) to use that body as a forum to denounce the United States and to gain world support for its position; or 2) to seek to avoid a canal crisis and violence in Panama by achieving through this forum a canal settlement under which it would hope to obtain certain concessions it had not been able to win directly from the United States. Although

Panama would receive support from other countries on issues such as sovereignty, we could expect substantial support on our objectives of ensuring the continued efficient operation and defense of the canal. We see little advantage, however, in the United States unilaterally taking the dispute to the UN or the OAS unless it seemed to be tactically advantageous at the time to pre-empt Panama's propaganda offensive or unless the United States decided to seek international assistance in ending hostilities.

Advantages

1. The involvement of an international organization would help to avoid or at least to minimize anti-United States violence in Panama and would ameliorate the direct confrontation between the United States and Panama.
2. International pressures and good offices might contribute to the resolution of difficulties which the United States and Panama had not been able to resolve bilaterally.

Disadvantages

1. In an international organization, particularly the UN, the United States would be subject to attack and political pressure on issues not directly related to the canal problem.

2. We would have no assurance as to the outcome of consideration of the canal problem by an international body.

2. Settlement providing multilateral control of canal

Discussion

If the United States decides to seek a solution of the canal problem involving multilateral participation in the canal's operation, the best method of obtaining such a settlement would be for the United States and Panama, without resort to the UN or the OAS, to agree to submit the problem directly to a specially-convened multilateral body. Such a group could consist of the United States, Panama, the World Bank (or IDB), and representatives of the world's principal maritime nations. Failing to obtain Panama's agreement to such joint action, we could try to persuade a third party, such as the World Bank, to take the initiative in convening a multilateral group to negotiate a solution to the canal problem. If the dispute had already been taken to an existing international organization, we could seek a resolution establishing a special group of interested parties, including Panama and the United States, to work out a multilateral settlement.

The United States objectives in such a multilateral group might be: 1) the creation of a multilateral operating authority similar to that we have proposed in our draft sea level canal treaty composed of the United States, Panama, and canal users; or 2) the creation of an international corporate enterprise whose shares would be held by the United States, Panama, and either some international agency such as the World Bank or third countries.

Panama has traditionally opposed the internationalization of the canal and has recently indicated that the United States treaty proposal for multilateral control of a sea level canal with participation by user nations is not acceptable. Panama recognizes that these user nations would share the United States interest in low canal tolls and would oppose Panama's position that it should be allowed to exploit the canal as a natural resource. However, if faced with a situation in which it were unable to reach bilateral agreement with the United States, an international solution of the canal problem might seem more attractive to the Panamanian Government than the alternative of resorting to crisis diplomacy. The Panamanian negotiators have already intimated that if we are unable to conclude a new treaty

Panama might have no alternative but to seek an international solution. Of the two international solutions outlined above Panama would probably find the second to be the more acceptable since it would not involve direct participation in the canal enterprise by user nations.

Arrangements for defense of the canal would remain a subject for bilateral negotiations between Panama and the United States.

If the IRG/ARA agrees that some type of international solution such as those outlined above would be a feasible and possibly desirable alternative, we should begin to prepare appropriate draft treaties embodying such a solution which can be considered further within the United States Government.

Advantages

1. We would be removed from our direct political large power-small power confrontation over the canal with Panama.

2. While Panama might resent and agitate against United States control, it would be less likely to defy an international body in which several countries or a prestigious international organization such as the World Bank had a continuing stake.

Disadvantages

1. The United States could not continue to maintain its unimpaired control over the canal. While the United States would be heavily represented, it would have to reach accommodations occasionally with other members of the canal authority. Thus, we would be entrusting a major interest to an international body whose character cannot be completely foreseen.

2. To the extent that an international solution for the present lock canal might leave the sea level canal to future negotiations, the United States would be giving up its ability to trade concessions on the lock canal for the right to build a sea level canal.

3. Base rights is an unpopular subject in international bodies, and resort to such a body would be likely to make it more difficult to negotiate a satisfactory bilateral base rights agreement with Panama and, in particular, to obtain adequate rights to use military bases in Panama for purposes other than canal defense.

F. Negotiate a sea level canal treaty with ColombiaDiscussion

Should we be unable to conclude new canal treaties with the present Panamanian Government, we could attempt to negotiate a treaty with Colombia for the construction and operation of a sea level canal. This course of action might be undertaken concurrently with course of action C. The Interoceanic Canal Study Commission is preparing to conduct on-site canal studies in Colombia, and it is believed that the construction of a sea level canal through Colombia is technically feasible. Pending the opening of the new canal in Colombia, we would continue to operate the Panama Canal under the Treaty of 1903. It is not believed that this course of action would meet our fundamental policy objectives within the period of time examined in this study--the next six to ten months.

Advantages

1. By beginning serious negotiations with Colombia we might convince Panama that it should be more flexible in its demands for a new treaty for the present Canal.
2. Once a sea level canal were opened in Colombia, the United States would be able to disengage from Panama.

Disadvantages

1. It might not be possible to negotiate an acceptable sea level canal treaty with Colombia.
2. There are serious technical and political obstacles to the construction of a sea level canal by nuclear means, which is probably the only economically feasible method of constructing a canal in Colombia.
3. Until the new canal was completed--a period of from 10-15 years--we would have to operate and defend the Panama Canal in the midst of what would probably be a very hostile Panamanian environment.

Subject: Possible Unilateral United States Actions

57-b

The following are actions which might be taken by the United States outside the actual treaty negotiations to remove causes of United States-Panamanian conflict and to provide tangible evidence that progress is being made in the negotiations in the satisfaction of Panamanian aspirations:

1. Annuity - The United States could announce that pending the final outcome of the negotiations we are increasing our annual payments to Panama by \$_____ million.
2. Perpetuity - We could announce that due to the plans being made for the eventual construction of a sea level canal we no longer consider that we hold our rights in the present Canal Zone in perpetuity.
3. Labor
 - a. Minimum Wage: We can point to the probable inclusion of Canal Zone federal employees under the minimum wage provisions of the FLSA as further evidence of the establishment of a real single wage labor policy in the Canal Zone.
 - b. Security Positions: We could conduct a review of the present system of "security positions" with a view toward eliminating as many as possible thereby making more jobs available to Panamanians.
 - c. Training Programs: We could greatly expand present Canal Company training programs with the objective of providing more qualified Panamanians for more of the higher paying jobs now held by United States citizens.

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- d. Tropical Differential: We could act to remove entirely the tropical differential and other supplementary allowances paid United States citizen employees thereby further promoting an actual single wage policy in the Zone.

4. Sovereignty - The following actions could be taken as examples of our willingness to recognize Panama's sovereignty over the Canal Zone. They could be explained as actions which are being taken in anticipation of the final conclusion of the negotiations.

- a. Flags: We could fly the Panamanian flag together with the United States flag in United States military reservations and on ships transiting the Canal.
- b. Language: We could adopt Spanish as an official language, together with English, in the Canal Zone.
- c. Postage: We could begin using Panamanian postage stamps in the Canal Zone postal system.

5. Jurisdiction

- a. Commercial Operations: We could agree to open the Zone to Panamanian private business subject to regulation by both Panama and the Canal Zone Government.
- b. Panama Canal Company Retail Operations: We could begin phasing out of operation those United States run commercial operations in the Zone such as commissaries which are determined as not essential to the operation and maintenance of the Canal.

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- c. Piers and Harbor Facilities: We could make available to Panama, possibly by lease or even separate treaty, pier facilities in the Zone.
6. Miscellaneous
- a. Water: We could provide water to Panama free of the processing costs now charged.
 - b. Panama Railroad: We could end the status of the Panama Railroad as a common carrier, thus eliminating a competitor of Panamanian trucking firms.
 - c. Appointment of Panamanian consultants to Panama Canal Company Board of Directors -

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Klutznick Report on Panama AID Program: Summary
of Report and Status of Recommendations

The Report is grouped into short-run, long-run and general recommendations.

The short-run recommendations provide for a program of nearly \$16 million, with the manner of funding not specified. This program (shown on page 86 of the Report) covers roads, water and sewerage, and community development. The Team believes ground-breaking on construction projects in the program can begin in December, which is the start of the dry season.

A special feature of the short-run program is a "demonstration city" project involving an outlay of \$3 million. Four severely depressed areas, including some 3,000 families, would be selected for intensive renovation. The project would require the Government of Panama to provide teachers, nurses, community workers, and assume other operating costs for new facilities. Peace Corps volunteers would supplement Panamanian staff where necessary. The proposed \$3 million AID funding would provide for construction of schools, health and community centers, recreation facilities and site improvements during the first year of operation, and for certain operating costs for the first two years.

The long-range recommendations in the Report are based on the belief that there will be a continuing political need for favorable U.S. impact in Panama for a long time to come. If a long-range approach is found to be advisable, it should involve a dramatic 10-15 year program, including the Government of Panama and a consortium of international agencies, with an announced objective of spending (say) \$1 billion, subject to upward revision of the Panamanian share in the event of extra revenues derived from new treaties.

Regardless of the approach which may be adopted, the Report concludes that the AID Mission in Panama is understaffed and recommends a substantial staff increase.

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The general recommendations in the Report are: (a) overall responsibility for the varied activities of the United States in Panama should be lodged in a top level U.S. Government official in Washington, either in the White House or in the State Department; (b) U.S. informational and educational activities on Panama should be centrally coordinated and directed; (c) Canal Zone programs to replace U.S. employees with Panamanians (including appropriate training activities) should be accelerated and publicly announced; (d) a decision on exchange or cession of Canal Zone lands should be taken soon and if feasible separated from the rest of the canal negotiations. Delays and uncertainty on this question are obstructing constructive physical planning in Panama City and Colon; (e) consideration should be given to the possibility of offering presently unused dry docks and pier facilities in the Canal Zone to Panama in order to help (in part) alleviate unemployment.

Although these recommendations are outside the team's terms of reference, they are nonetheless being studied carefully by State, Defense, AID, and USIA. With regard to the recommendations that a high-ranking official be designated to coordinate United States activities in Panama and the Canal Zone, Mr. Gordon explained to Ambassador Klutznick that he has been designated by the President to coordinate, in consultation with Ambassador Robert B. Anderson and Mr. Gaud, all United States assistance and information activities in Panama. In response to the recommendation concerning the information program, a high-level inter-agency team is being sent to Panama to review present information activities and program coordination and to assess any suggestions the Panama Review Committee might have for modification or expansion of the present program.

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DEPARTMENT OF STATE
WASHINGTON

September 10, 1966

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MEMORANDUM FOR THE PRESIDENT

Subject: Aid Program for Panama

In accordance with your directive of July 26, a team of experts from A.I.D., O.E.O. and H.U.D., headed by Ambassador Philip M. Klutznick, visited Panama to review the A.I.D. program and consider possibilities of undertaking social and economic development projects with emphasis on those having an immediate human impact.

We have accepted the team's recommendations to initiate a series of urgently needed urban renewal and rehabilitation projects, requiring expenditures of approximately \$16 million. We propose to fund \$10 million of this amount as development loans and \$6 million as supporting assistance. This program is in addition to an estimated program level for FY 1967 of \$20 million.

The proposed program will consist of four main components: labor intensive projects for improved transportation, water and sewerage facilities in Panama City and Colon; establishment of a community development foundation to stimulate community action programs; manpower training and employment services; and an urban rehabilitation/community development program in four hard-core slum areas. The latter project

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GROUP 3

Downgraded at 12-year intervals,
not automatically declassified.

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will include improved housing, community centers, and sanitation facilities for 3,000 families (18,000 persons). All the projects are designed for rapid implementation. If the Government of Panama agrees with our proposals, ground-breaking could start in December.

We have instructed Ambassador Adair to advise the Government of Panama of our proposals, seeking necessary agreement. In the interim we are holding back all publicity, but are taking preliminary steps to enable us to put the projects into early operation.


Acting Secretary

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September 22, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Racial Discrimination Convention

The attached Full Power authorizes Ambassador Goldberg to sign the UN Convention on Racial Discrimination. He is most anxious to do so next Monday. We have publicly supported the Convention during the process of negotiation, and Ambassador Goldberg told the press after leaving your office on August 22 that you had authorized him to go ahead.

We do not expect to press for ratification at this time. The Convention raises controversial issues about (1) the authority of an international committee to request civil rights information ; (2) referral of disputes to the International Court of Justice (which might impinge on the Connally Reservation); (3) the scope of the Convention's provision against discrimination in "any field of public life"; and (4) the compatibility of outlawing dissemination of racist ideas and Freedom of Speech. Ambassador Goldberg will guard against any exploitation of this Constitutional issue with the statement which appears on page one of the Full Power. If and when the Convention is ever ratified, this reservation would be preserved.

Signing the Convention (without pressing for ratification) would demonstrate support for the Convention's principles. It would have no legal effect. Actually we have not ratified any of the UN Human Rights Conventions (e. g. Genocide, Slavery, Forced Labor, Women) and are criticized for not doing so. Bill Moyers and Harry McPherson believe we should sign this Convention, and - - more important -- push for ratification of at least one of the less controversial Conventions already pending in the Senate. In the meantime, Ambassador Goldberg believes authority for him to sign next Monday will be genuinely helpful during the present difficult UN Session.

If you approve, sign the Full Power at the arrow.

W. W. Rostow

Attachment
As stated

WWR:ND:gg

Thursday, September 22, 1966, 9:55 p.m.

Mr. President:

Attached, for your approval, is a
message of sympathy to the widow of
former French Prime Minister Paul Reynaud,
who died yesterday.

Francis M. Bator

Approve _____

Disapprove _____

Speak to me _____

FMB:mst

PROPOSED MESSAGE

Dear Madame Reynaud:

I was greatly saddened to learn of the death of your husband. Every American remembers Paul Reynaud for his courage in freedom's darkest days, and his great friendship for the American people. Mrs. Johnson joins me in expressing our deepest sympathy.

Sincerely,

Lyndon B. Johnson