Prosfile

Monday, November 21, 1966 1:30 p. m.

Mr. President

This summary of a North Vietnamese propaganda article may interest you as evidence that their formal doctrine has shifted from the notion of military victory to "The American people are afraid of a long war."

W. W. Rostow

GONFIDENTIAL

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E.O. 12356 Sec 3.4(b)

White House Gamerius, Feb.24, 1983

By OW, NARA, Date 1-20-90

CONFIDENTIAL

Saturday, November 19, 1966

Text of CIA Report Dated 18 November 1966

Subject: DRV Analysis of the War in South Vietnam

A November 15 article in the DRV Army newspaper Quan Doi Nhan Dan offered a conventional effort to analyze the military situation in South Vietnam. The article assured its readers that there were limits to U.S. power and perserverence in the Vietnam war and that those limits had almost been reached.

In effect, it promised that, if Communist forces in the South can continue to hold out, their victory will be assured. After making the usual assertions that the U.S. could not impose a military solution on South Vietnam because of the contradictions of its political position, the author pointed out alleged deficiencies in manpower, tactics, weaponry, and morale which he felt necessitated the defeat of America's "panoplied expeditionary troops."

The article asserted that the U.S. had almost exhausted its resources of combat forces available for service in Vietnam. It noted that of the eight U.S. divisions not currently committed to overseas assignments, six were trained and equipped only for European operations, and the remaining two were not combat ready. The author stated that the end was in sight in terms of U.S. troop deployments to South Vietnam. He further asserted that public outrage in the U.S. would prevent the expansion of the military manpower base by increased drafts or mobilization of the reserves.

In discussing U.S. tactics, the DRV military journal alleged that American forces in South Vietnam are essentially following the same course as the French and that their efforts would come to the same result. The author discounted the effects of U.S. air power in both South and North Vietnam and went on to assert that the current allied ground campaign cannot suppress guerrilla forces which have the will for an indefinitely prolonged campaign.

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ _ 98-5/3 By ____, NARA Date/o-6-99

-CONFIDENTIAL

The Quan Doi Nhan Dan article conceded U.S. superiority in firepower and military equipment, but asserted that while these advantages could given an appearance of preserving the situation in South Vietnam they could not defeat the Viet Cong. The author pointed out that in a war without conventional fronts U.S. military power cannot be brought to bear on lucrative objectives and thus could not be counted on as a decisive factor.

Finally, the DRV reporter asserted his belief that mounting U.S. losses in Vietnam and increasing isolation from its traditional allies would force the Americans to abandon its efforts and leave the field to the Communists. He repeated the usual DRV line that both the U.S. military and the American people are "afraid of a long war" and could not bear the war of attrition that the VC/PAVN forces were prepared to wage.

CONFIDENTIAL

Pres file

SECRET

Monday - November 21, 1966

Mr. President:

In the attached memorandum Joe Fowler reports that he found no serious opposition to our supporting an Inter-American Development Bank loan to Haiti for education. You had already authorized approval, so he instructed the U.S. member of the IDB Board to vote for it.

W. W. Rostow

Attachment

Perdeclassification of a Harburt By OCCH NARS, Date 8-25-86.



THE SECRETARY OF THE TREASURY WASHINGTON

SECRET

NOV 1 7 1966

MEMORANDUM TO THE PRESIDENT

SUBJECT: Proposed Inter-American Development Bank Loan

to Haiti

In my memorandum to you of October 22 (attached), I pointed out to you the problem both on the Congressional side and otherwise that I had with this proposed loan. Assistant Secretary Davis has completed the canvass of nine senators and four congressmen that I referred to in the second paragraph of my memorandum. He obtained approval of all but three for our going ahead with voting for the loan in the Bank Board. Senators Symington and Hickenlooper and Congressman Passman, who said they were not in favor of this loan on general principles, said they would not make statements against it if it came up on the floor for debate.

In light of Assistant Secretary Davis' report of that canvass, I have, in my capacity as U.S. Governor, authorized him as U.S. Executive Director, to vote approval of the loan.

As indicated in my memorandum of October 22, I was unaware that a memorandum suggesting approval of this loan had gone forward to you while Assistant Secretary Davis was carrying out his canvass. I would hope, if similar situations regarding loans arise in the future, that all agencies concerned would deal with the problem in the National Advisory Council on International Monetary and Financial Policies (NAC), which is the appropriate forum, prior to or in connection with any referral of the question to the President.

Attachment

cc: Secretary Rusk

VRSASUPY 8-18-77 (#1670) BY OUNT PLANT NARS, Date 8-2586

Mr. W. W. Rostow

Henry H. Fowler

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OCT 2 2 1986

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MEMORANDUM FOR THE PRESIDENT

SUBJECT: Proposed \$1.3 million Inter-American Development Bank Education Loan to Haiti

I learned from Mr. Bromley Smith (White House) of your approval of a Memorandum from Secretary Rusk on this loan. I was not aware of any memorandum going to you until I received a copy after your disposition. Consequently, I had no opportunity to supply accompanying comments, stating the reasons for my reluctance to accede to the State Department's position.

Since you were out of the country, I called Mr. Smith to say that while I was quite ready to carry out any decision, you should know that:

- (1) Because of past Congressional criticism of this kind of use of multilateral financial institutions, I had during the previous week instructed Assistant Secretary True Davis, recently confirmed as U.S. Executive Director at the Inter-American Development Bank, to confer with Senate and House critics so that depending on their reaction we could determine how to proceed. This is in process.
- (2) There are other points on the loan which I would have liked you to consider at the time you had Secretary Rusk's memorandum.

In past years a number of Senators and Congressmen on both sides of the sisle expressed strong concern that the multilateral financial institutions would be used to evade Congressional intent or legislation or policies governing our bilateral programs.

Although this was not focussed on Hait, in my capacity as the U.S. operating official responsible for the multi-lateral financial institutions I need to take care not to "fan the fires" of this concern. This is particularly important where we are holding back on bilateral aid, such as in the Haiti case where Congress has been told by AID that? "under the Duvalier government, normal AID goals cannot be obtained."

CALDEN.

TV OLTA WH

I followed the route of Congressional consultation in a case earlier this year when the State Department had compelling reasons to support a Bank loan to Peru where there was a potential expropriation (Hickenlooper) case.

On this Haiti proposal, I thought it unwice to expose the Inter-American Development Bank to potential criticism, particularly when we would be going up to Congress next session for new funds for the Bank. Even though the amounts involved may seem comparatively small, there is always the potential that this case would be magnified and endanger larger issues.

The additional points I would have liked you to have in mind are:

- -- The U.S. has absolute veto power in this case -no loan can be made from this (soft loan) window
 of the Bank without the consent of the United
 States. This fact is well known to the Congress,
 to the press and to the Latin governments. In
 these circumstances, this multilateral financial
 institution could be only a completely transparent shield for U.S. interest in this loan.
 We run into much the same problem with a Bank
 loan as we would by providing a direct U.S.
 loan to Duvalier.
- -- The absence of any reasonable degree of economic self-help in Haiti. Congress feels this is an important prerequisite to loans. We could not defend a loan to Haiti before the Congress on this basis.
- -- There already is an IDB presence in Haiti from two earlier loans involving a total of \$5.9 million, of which \$1.8 million has been disbursed. I should emplify a point in Secretary Rusk's memorandum and say

SECRET

that these earlier loans from the Bank are in excess of Haiti's cash contribution to the Bank.

My Money II. Howling

Henry H. Fowler

SECRET

SENT

1966 NOV 20 20 42

Dent 2 PM

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FROM: WALT ROSTOW TO: THE PRESIDENT

CITE: CAP661007

PER I

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Authority State Lept Lecloss Lists

By Ct, NARA, Date 8.26 98

NOVEMBER 20, 1966

FOR PRESIDENT FROM ROSTOW

THE ISRAEL-JORDAN BORDER SITUATION REMAINS EXPLOSIVE.

LAST SUNDAY'S RAID WEAKENED KING HUSSEIN'S ABILITY TO CONTROL

TERRORISTS OPERATING INTO ISRAEL FROM JORDAN BECAUSE HE NO

LONGER HAS FULL COOPERATION OF THE ARMY, WHICH ISRAEL BADLY

MAULED. ANOTHER ISRAELI STRIKE IN RETALIATION FOR NEW

INCIDENTS THAT COULD HAPPEN WOULD FORCE HUSSEIN TO COUNTER

ATTACK.

- I. OUR FIRST JOB, THEREFORE, IS TO KEEP ISRAEL FROM ATTACKING AGAIN. SECRETARY RUSK RECOMMENDS A TOUGH MESSAGE TO ESHKOL WHICH SAYS WE WOULD HAVE TO REASSESS OUR LAST YEAR'S DECISION TO SUPPLY MILITARY EQUIPMENT IF ISRAEL ATTACKS AGAIN. SINCE WE HAVE ALREADY SENT A NUMBER OF TOUGH SIGNALS, HE HESITATES TO RECOMMEND UNQUALIFIEDLY THAT YOU SEND THIS MESSAGE AND VOLUNTEERS TO DELIVER IT HIMSELF VIA HARMAN IF YOU PREFER. (THE LAST PARAGRAPH IS OUR SUGGESTION TO WHICH WORKING LEVELS AT STATE ARE AGREEABLE. THERE HAS BEEN NO TIME TO GET IT TO SECRETARY RUSK.)
- I RECOMMEND YOU SEND IT YOURSELF FOR AMBASSADOR BARBOUR TO PASS ORALLY TO ESHKOL FOR THREE REASONS:
- 1. SUNDAY'S ATTACK BADLY DAMAGED OUR ABILITY TO GO ON STABILIZING ISRAEL'S JORDANIAN BORDER. AMBASSADOR HARMAN NOW UNDERSTANDS THIS, BUT WE'RE NOT SURE ISRAELI LEADERS IN JERUSALEM DO. ASKING BARBOUR TO DELIVER IT THERE WILL HAVE GREATER IMPACT. THE ISRAELIS HAVE GRAVELY DAMAGED THE UNSPOKEN TRUCE WE'VE HELPED THEM BUILD WITH HUSSEIN--INCLUDING POSSIBLY THE AGREEMENT IN RETURN FOR OUR PLANE AND TANK SALE NOT TO STATION JORDANIAN ARMOR ON THE WEST BANK OF THE JORDAN NEAR ISRAEL. THEY'VE UPSET YOUR DELICATE AND SUCCESSFUL BALANCING ACT IN SELLING JETS TO JORDAN TO KEEP THE SOVIETS OUT. HE IS NOW REPORTED TO BE RECEIVING SOVIET EQUIPMENT OFFERS AND IS MAKING REQUESTS TO US FOR SUBSTANTIAL ADDITIONAL EQUIPMENT. THE ISRAELIS MUST BE MADE TO REALIZE THAT IF THEY RETALIATE AGAIN, IN RESPONSE TO ANYTHING SHORT OF A MAJOR ATTACK, OUR ABILITY TO STABILIZE THE AREA MAY BE CRIPPLED.
- 2. BRINGING HOME TO THEM THAT THEY'VE UNDERCUT YOUR POLICIES WILL STRENGTHEN YOUR HAND FOR WHATEVER WE MAY HAVE TO ASK ISRAEL TO DO LATER TO RE-STABILIZE THE SITUATION.

" 1

3. WE ALSO WANT TO USE THIS OPENING TO JOLT ISRAELI LEADERS INTO REALIZING THAT THE CAN'T GO ON LOOKING TO US R PROTECTION OVER THE LONG HAUL UNLESS THEY MAKE SOME EFFORT OF THEIR OWN TO COEXIST WITH THEIR NEIGHBORS. IN VIEW OF YOUR STANCE THAT RECONCILIATION NOT AGGRESSION IS THE WAY TO SOLVE PROBLEMS, WE CAN'T MISS THIS OPPORTUNITY TO CHALLENGE A POLICY THAT IS LEADING US ALL UP A DEAD-END STREET IN THE MIDDLE EAST. MANY OF ISRAEL'S NEW LEADERS DOUBT THAT THE OLD RETALIATION POLICY OF BEN GURION IS WISE AND BELIEVE ISRAEL CAN ONLY SURVIVE BY WORKING TOWARD ACCOMMODATION WITH THE ARABS. THEIR BAD MISTAKE LAST WEEKEND WILL SHARPEN DEBATE OVER THIS ISSUE. THIS MESSAGE FROM YOU LAID BEFORE ESHKOL PERSONALLY WOULD BRING THEM UP SHORT AND MAY HELP THE MODERATES TURN THE CORNER.

II. OUR SECOND JOB IS TO PUT HUSSEIN BACK ON HIS FEET. HIS REGIME HAS BEEN SEVERELY SHAKEN AND HE HAS ASKED US FOR SUBSTANTIAL ADDITIONAL AMOUNTS OF MILITARY EQUIPMENT. HE WANTS SOME OF IT TO BE AIRLIFTED FOR DRANATIC IMPACT TO UNDERCUT CRITICS WHO CHARGE THAT HE IS INCOMPETENT TO DEFEND JORDAN. WE DO NOT WANT TO FEED HIS BELIED THAT HIS ONLY RESPONSE IS TO BUILD A DEFENSE ESTABLISHMENT HE CANNOT AFFORD, BUT WE WILL HAVE TO TRY TO MEET HIS PROBLEM OF DEMONSTRATING TO HIS PEOPLE THAT HE'S DOING ALL HE CAN.

ONE WAY TO DO THIS IS TO SPEED UP A FEW ITEMS IN THE MILITARY AID PIPELINE. WE DON'T LIKE THIS, BUT THE ALTERNATIVE AGAIN IS TO STAND BY AND WATCH THE EGYPTIANS AND SOVIETS HAPPILY POUR THE STUFF IN. THE SENSIBLE LONG-TERM APPROACH IS TO SEND A MISSION OR POSSIBLY MISSIONS TO WORK OUT EFFECTIVE WAYS TO SEAL OFF THE ISRAEL-JORDAN BORDER. THAT'S THE REAL PROBLEM, AND THE SOONER WE DIVERT HIS ATTENTION TO THAT, THE BETTER. I SUGGESTED THE IDEA TO SECRETARIES RUSK AND MCNAMARA. THEY ARE EXPLORING POSSIBILITIES ALONG THESE LINES.

IF WE SPEED UP JORDAN'S PIPELINE, WE WILL HAVE TO TELL ISRAEL WHY AND ASK THEM TO RESTAIN CRITICS HERE. WE WOULD ALSO HAVE TO OFFER SIMILAR BORDER-CONTROL HELP TO ISRAEL BECAUSE, IN ALL FAIRNESS, THEY CAN ONLY GIVE UP RETALIATION IF THEY FIND SOME OTHER WAY TO DEAL WITH ARAB TERRORISTS.

WE WILL PUSH STAFF WORK ON THIS TODAY AND BE BACK TO YOU QUICKLY WITH A CONCRETE RESPONSE TO HUSSEIN. BUT THE MOST IMMEDIATE NEED IS TO RESTRAIN ISRAEL AND LAY A STRONG BARGAINING BASE FOR WHATEVER LONG-RANGE SCHEME WE CAN WORK OUT.

I ALSO THINK IT WOULD BE A GOOD IDEA FOR ME TO SPELL OUT OUR THINKING TO FEINBERG AS SOON AS WE HAVE OURSELVES LINED UP. WE MAY HAVE TO LOOK LIKE WE'RE MAKING SOME ANTI-ISRAELI GESTURES BEFORE WE'RE DONE, AND A LITTLE PRE-EMPTIVE BRIEFING MIGHT HELP.

APPROVE MESSAGE FOR DIRECT TRANSMISSION TO	ESHKOL	VIA	BARBOUR	
ASK SECRETARY RUSK TO DELIVER IT	•			•
VEED LAST BADAGBABU	•			

KEEP LAST PARAGRAPH----DELETE LAST PARAGRAPH-----

TALK WITH FEINBERG----

SUGGESTED MESSAGE TO PRIME MINISTER ESHKOL

"YOU ARE AWARE OF OUR CONCERN AT THE EVENTS OF MOVEMBER 13 AND THEIR IMPACT ON THE STABILITY OF THE REGIME IN JORDAN. I AM SYMPATHETICALLY AWARE OF THE PAINFUL DILEMMA POSED BY YOUR NEED BOTH TO PROTECT ISRAEL'S CITIZENS AND TO PROMOTE PEACE WITH YOUR NEIGHBORS. JUST TWO WEEKS AGO WE MADE OUR POSITION ON TERROR INCIDENTS MOUNTED FROM ACROSS YOUR BORDER CLEAR BEYOND QUESTION IN THE SECURITY COUNCIL HEARINGS ON YOUR COMPLAINT AGAINST SYRIA. BUT WHILE RECOGNIZING YOUR FROBLEM, I MUST RECOGNIZE ALSO THAT THE FACT OF THE RAID ON JORDAN AND ITS MAGNITUDE HAVE RAISED THREATS TO UNITED STATES INTERESTS AND, I BELIEVE, TO THOSE OF ISRAEL.

SUNDAY'S RAID HAS SET IN MOTION DEVELOPMENTS IN JORDAN THE OUTCOME OF WHICH AT THIS JUNCTURE WE CANNOT FULLY ASSESS. BUT THE POSITION OF KING HUSSEIN'S GOVERNMENT AND UNITED STATES INTERESTS HAVE BEEN GRAVELY AFFECTED. ANOTHER SUCH ACTION, NO MATTER WHAT THE CAUSE, COULD BRING ON IRREPARABLE DAMAGE. THE IMPLICATIONS OF SUCH ACTION FOR ISRAEL'S SECURITY AND FOR AREA STABILITY WOULD THEREFORE BE SERIOUS INDEED.

RETALIATION BY ISRAEL RAISES CONCERN HERE AS TO THE SUPPLY OF SOME CATEGORIES OF UNITED STATES MILITARY EQUIPMENT TO ISRAEL. YOU WILL RECALL THAT IT WAS ONLY AFTER EXHAUSTIVE CONSIDERATION OF THE MILITARY SITUATION IN THE MIDDLE EAST THAT WE AGREED LAST YEAR TO AN EXCEPTION TO OUR LONG-STANDING POLICY ON ARMS SALES. THIS DECISION WAS NOT EASILY ARRIVED AT. IT WAS TAKEN IN THE BELIEF THAT IT WOULD CONTRIBUTE TO STABILITY IN THE AREA. IN FULL CANDOR, I MUST MAKE CERTAIN YOU ARE AWARE THAT FURTHER PUNITIVE FORAYS BY ISRAEL ACROSS ARMISTICE LINES IN THE NEAR EAST COULD BRING A REASSESSMENT OF THE PREMISES ON WHICH OUR DECISIONS REGARDING MILITARY SUPPLY TO ISRAEL WERE BASED.

THESE ARE TROUBLED TIMES, MR. PRIME MINISTER, WHEN PEACE IS FRAGILE AND STABILITY MORE NECESSARY THAN EVER. JUST AS THERE HAVE BEEN EVENTS THAT DISTURB THE PEACE, THERE MAY BE IN THE FUTURE MORE SUCH EVENTS. IN THESE CIRCUMSTANCES IT IS THE HARDEST AND HIGHEST TASK OF GOVERNMENT TO HOLD FAST TO COURSE OF MODERATION AND REASON. IT IS BECAUSE I'KNOW YOU SHARE WITH ME THESE VIEWS THAT I KNOW I CAN COUNT ON YOU NOT ONLY TO RECOGNIZE THE PERIL BUT ALSO TO HAVE THE DETERMINATION TO AVOID IT.

BEYOND THIS PRESENT SITUATION, THERE IS ALSO THE NEED TO LOOK TOWARD ISRAEL'S EVENTUAL COEXISTENCE WITH ITS NEIGHBORS. I WELL KNOW FROM MY OWN COUNTRY'S EXPERIENCE ALONG ITS LONG BORDERS HOW DIFFICULT -- BUT ALSO HOW ESSENTIAL -- THIS IS. IT HAS ALSO BEEN PART OF OUR EXPERIENCE THAT OUT OF A CRUCIBLE SUCH AS THE PRESENT CRISIS CAN COME SMALL BUT SOUND STEPS TOWARD A MORE STABLE AND SECURE FUTURE."

DTG: 201820Z NOV 1966



November 19, 1966

Dear Mr. Minister:

Mrs. Johnson and I sincerely appreciate the excellent arrangements made for our visit to your country, and especially the important part you and members of your Ministry played in making them. We thoroughly enjoyed our stay in Korea and we are grateful that we had this opportunity to see for ourselves the great progress that has been made there.

Sincerely,

LBJ

His Excellency
Um Min Yung
Minister of Home Affairs of
the Republic of Korea
Seoul, Korea

LBJ:WJJ:pas

THE WHITE HOUSE WASHINGTON

November 19, 1966

Dear Mike:

I read your letter of October 13 while on my trip to Asia, and have given much thought to its propositions, some of which we have touched on in our more recent conversations.

Our objectives are identical: to de-escalate the conflict, to get into negotiations, to achieve an honorable peace at the earliest possible moment.

As your proposals suggest, the crux of the matter is for Hanoi to share these objectives. If they come to that point, the means for proceeding step by step might be complex, but they would be manageable.

As you know, we are not passive in probing to see whether they are prepared to move down that path.

I should be delighted if the United Nations could serve as a channel and catalyst, or the coming Moscow talks between Brown and Gromyko, or, indeed, any other route for communication.

At the moment they still appear determined to test our staying power to its outer limit; but, as you know, we shall never flag in the effort to open unconditional discussions, public or private.

Sincerely,

Honorable Mike Mansfield

United States Senate

Washington, D. C.

In told the turning on the contine try www is not right in light of our lequement with others that Is hoped you can at least indust controling to but have

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FM THE PRESIDENT
TO PRIME MINISTER VILSON
CECSEL
CAT 66998

YOVEWEER 19, 1965

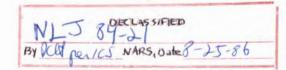
MESSAGE FROM THE PRESIDENT TO PRIME MIMISTER MILSON

THANK YOU FOR YOUR MESSAGE OF THE 18TH. GENE ROSTOW WILL

BE PREPARED TO DISCUSS WITH YOU AND YOUR PROPER OUR THINKING ON THE
QUESTION YOU RAISE. IN THE MEANWHILE I DO WANT TO ASSURE YOU THAT
WE FULLY INTEND THAT THE \$35 MILLION WOULD BE ADDITIONAL TO THE TOTAL
OF PURCHASES TO WHICH WE ARE ALREADY COMMITTED UNDER THE F-111
APPRAIGNENT. FURTHER, BOB MCNAMARA TELLS ME THAT HE CAN
ACTUALLY MAYE PAYMENT OF THE EXTRA \$35 MILLION BEFORE DECEMBER 31.
1967.

YOU WILL UNDERSTAND, OF COURSE, THAT REFORE I CAN FINALLY CONFIRM THE ABOVE ARRANGEMENT, I WILL HAVE TO TALK TO MY GENIOR PEOPLE ON THE HILL AND TO ASSURE THEM THAT, ON YOUR SIDE, YOU WILL FIND IT POSSIBLE TO BO ALONG WITH THE PROPOSITIONS TO MY MESSAGE OF THE 15TH.

END OF MESSAGE



Saturday, November 19, 1966

TO THE PRESIDENT

FROM WALT ROSTOW

One issue we did not quite close out this morning is the price support loan level for cotton for 1967. Do I take it you wish a half cent cut in the support price? Or do you wish further time for reflection and discussion?

NATIONAL SECURITY COUNCIL WASHINGTON, D.C. 20506

set to Road

19 November 1966

MEMORANDUM FOR MR. BOSTOW

SUBJECT: VC/NVA Order of Battle in SVN

- 1. MACV's latest weekly report shows a decrease of about 2000 in total enemy strength (VC and NVA) in South Vietnam. Two weeks ago the estimates were decreased by about 3500.
- 2. Thus, the following shows the changes during the last three months:

	16 August	18 November	Change	
VC	64,764	62,222	- 2,542	
NVA	47,300	43,830	- 3,470	
Total Regulars	112,064	106,052	- 6,012	

The 18 November strength figures include the 324B division (current strength 5,700) which may have been moved back north of the DMZ.

3. The above does not include the following estimates which remain unchanged.

Irregulars	100-120,000
Pol/Mil Cadre	40,000
Administrative	18-19,000
Support	158,000 - 179,000

Authority NLJ - CBS 19

By LLS , NARS, Date 6-22-84

The thing it

TOP SECRET

In my personal opinion these figures should also be adjusted downward as a result of the heavy fighting, but the basic estimates for these categories are probably not very accurate. The first place!

4. <u>Significance</u>. The decrease of 6000 in estimated strength becomes even more significant when you consider that infiltration between 1 August and 1 November is estimated at 8,850. Thus, for the first time the order of battle figures at last serve to confirm our estimate that we are eroding the communist strength.

ROBERT N. GINSBURGH

November 19, 1966

CONFIDENTIAL
LITERALLY EYES ONLY

TO E. V. ROSTOW FROM W. W. ROSTOW

In clearing the reply to Wilson, President asked me to convey following message: In private conversation and on your own account you should take a tough line on the British and European position with respect to Viet Nam. As a well-known friend of Europe, you should indicate that it has been costly that Europe has tended to "disassociate" itself from the Viet Nam problem. It is unfortunate that the concept of disassociation has been introduced into the vocabulary of the Alliance. It is a concept which can cut both ways.

DECLASSIFIED

E.O. 12356, Sec. 3.4

NLJ 90-48

By NARA. Date 7-16-90

- CONFIDENTIAL

Agenda for the President 19 November 1966 Bethesda

1. Funds for Southeast Asia Education Projects.

Black needs instruction by about November 28.

2. Price Support Loan Level for Cotton for 1967.

Freeman needs decision soon because of cotton referendum December 5-9.

3. Asian Development Bank meeting.

Text of Fowler speech available, as cleared.

4. Response to Prime Minister Wilson.

Gene is on his way this morning. The message (fully cleared) should go promptly.

5. Indian Grain.

It looks as if India will deal with pipeline problem in January on basis of cash purchases from the U.S. We have time, therefore, for the scenario you have directed. The expert team in India will be back late this month. The Congressional team will be back about December 21.

6. Barbados Independence Delegation.

Decision required for November 28 pelebration, including Tyler Abell's support for Mr. Lacy Mahon, Jr.

7. Mansfield letter.

Is it overtaken? Should it be revised?

8. Papal call for Christmas Truce.

Vatican is responsive in Reinhardt talk with Archbishop Dell 'Acqua.
Reinhardt believes personal message from President not now necessary and should be saved. Jim Rowe has seen message at Sec. Rusk's instruction.

DECLASSIFIED

E.O. 12356, Sec. 3.4 NLJ 90-44 By Sy NARA, Date 5-5-90

SECRET

9. Non-Proliferation.

As we come very close in New York, Gromyko pulled back in Moscow, re-introducing "associations or groups of states" as opposed to "directly or indirectly." Sec. Rusk will communicate directly. He believes, if we are patient, we shall come back closer together.

10. Direct Hanoi Probe.

Sec. Rusk is thinking about my suggestion. I believe we should try it as a supplementary track.

11. McCloy Report and November 25 Tripartite Session .

McCloy's report will be available on Monday morning. It should be considered by Secretaries Rusk and McNamara and, especially, by you before he goes off to Bonn. The Germans are shy about asking a postponement until, say, November 28 or 29. On the other hand, it would probably be wisest if the two secretaries had through Wednesday to consider the report; then a meeting with you at the Ranch late in the week to get your instructions. We do not want any public comment that the delay is your fault -- it isn't. The choice, therefore, is to get your guidance to McCloy by, say, Wednesday night or to postpone the meeting until early the following week and get your guidance on Saturday or Sunday.

W. W. Rostow

INFORMATION ITEM: For the first time since 1961 the U.S. military in Saigon and Washington estimate a net decline in VC/NVN forces in South Viet Nam. I'll have an analysis for you early in the week.

SEGRET

November 19, 1966

Dear Secretary Fowler:

You go to Japan as my personal representative and leader of an American delegation to join with friends from Asia, the Pacific and elsewhere in the world in an historic event - - the formal inaugural of the Board of Governors of the Asian Development Bank.

This is a milestone in man's continuing efforts to bring together the resources and energy of many nations to achieve economic progress and to fulfill their common aspirations.

It is a tribute to the nations of Asia who met the challenge by taking the initiative and seeing to successful completion the charter enrollment of 30 nations, the subscription of nearly one billion dollars, and a plan for cooperation.

I am proud that the United States shares in this great endeavor which holds so much promise for the future.

At Johns Hopkins University last year I said: "The first step is for the countries of Southeast Asia to associate themselves in a greatly expanded cooperative effort for development." At that time I also appointed a team, headed by Mr. Eugene Black, to work in this direction with our friends in Asia. The rapid completion of the design and negotiation of the Asian Development Bank is the first great fruit of a year and half's extraordinary cooperative effort by the governments and peoples of the region.

The Asian Development Bank will harness that knowledge and employ the common resources and skills of its members toward that goal.

Please convey to the Governors of the Asian Development Bank, Mr. Secretary, my warmest congratulations on an auspicious beginning. Please reaffirm to the delegations present that the American people remain determined to share with others in this great adventure in human progress and development.

Sincerely,

15/ Lyndon B. Johnson

The Honorable
Henry H. Fowler
Secretary of the Treasury

Saturday, November 19, 1966

TO THE PRESIDENT

FROM WALT ROSTOW

One issue we did not quite close out this morning is the price support loan level for cotton for 1967. Do I take it you wish a half cent cut in the support price? Or do you wish further time for relection and discussion?

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Friday, November 18, 1966 at 6:30 P.M.

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MEMORANDUM FOR THE PRESIDENT

SUBJECT: Further Message from and to Prime Minister Wilson

At Tab A is an interim reply from Harold Wilson to your message on British troops in Germany and our \$35 million offer. It asks for some clarification of our proposition. He will need the answers to deal with his Cabinet and the House.

None of the questions pose any difficulties. A proposed draft reply from you is at Tab B. It has been cleared by Messrs. Rusk, Fowler, and McNamara. It offers nothing beyond what we intended to offer last week. And it does not back away from what we are asking him to do.

	Francis M. Bator
Approve	private wire 11/19/66 DECLASSIFIED FOR 13356 See 34
Speak to me	DECLASSIFIED E.O. 12356, Sec. 3.4 NIJ 70-48 By 27 NARA. Date 7-16-90

SECRET/NODIS

-SECRET/NODIS-

DRAFT MESSAGE FROM THE PRESIDENT TO PRIME MINISTER WILSON

Thank you for your message of the 18th. Gene Rostow will be prepared to discuss with you and your people our thinking on the questions you raise. In the meanwhile I do want to assure you that we fully intend that the \$35 million would be additional to the total of purchases to which we are already committed under the F-111 arrangement. Further, Bob McNamara tells me that he can actually make payment of the extra \$35 million before December 31, 1967.

You will understand, of course, that before I can finally confirm the above arrangement, I will have to talk to my senior people on the Hill and to assure them that, on your side, you will find it possible to go along with the propositions in my message of the 15th.

SECRET/NODIS

DECLASSIFIED

E.O. 12356, Sec. 3.4 NU 90-48

2. Pres ple

CONFIDENTIAL

Friday, November 18, 1966 at 9 P.M.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: U.S.-Europe Technological Gap

As you know, a recent favorite topic of West European businessmen, politicians, and newspaper people is something they call a "technological gap" between the U.S. and Europe. There is little agreement on what it is or what should be done about it. But there is no doubt we will be confronted with a variety of proposals to help them overcome it.

To prepare ourselves, it would be useful to have a Presidential instruction setting up an interdepartmental committee, under Don Hornig, to study what the problem is all about and what we might do. I would plan to keep a working brief myself.

At Tab A is a draft NSAM, for your approval and signature. It has been cleared by Hornig, and Gene Rostow and Leddy at State. It should pose no problems for anyone.

It would not be appropriate to release this NSAM. However, at Tab B is a brief statement that Bill or George could release to the press. This would be a useful signal in Europe of Presidential concern with a problem they regard important. DECLASSIFIED

> E.O. 12356, Sec. 3.4 NLJ 90-48 By NARA. Date 7-16-90

Francis M. Bator

OK to issue Confidential NSAM
OK for Moyers to issue statement at Tab B
peak to me
- CONFIDENTIAL

FMB:LSE:djw

Authority NLJ80-8

By att (cs, NARA, Date 1-20-90

CONFIDENTIAL

november 25, 1966

NATIONAL SECURITY ACTION MEMORANDUM NO.

TO:

The Secretary of State
The Secretary of Defense
The Secretary of Commerce

The Administrator, National Aeronautics

and Space Administration

The Chairman, Council of Economic Advisers The Chairman, Atomic Energy Commission The Special Assistant to the President for Science and Technology

SUBJECT:

The Technological Gap

I have been impressed with the increasing concern in Western Europe over possible disparities in advanced technology between the United States and Europe. While many Europeans are convinced that this "technological gap" exists, there is substantially less agreement on its nature and extent, its causes and possible remedies.

As I indicated in my October 7 speech, we must determine how best to develop science and technology as a common resource. I have, therefore, asked the Special Assistant to the President for Science and Technology to chair an interdepartmental committee which will examine all aspects of this problem and explore possible courses of action. The committee should also examine ways in which the United States might engage interested West European governments in a joint study of what should be done. I would like to receive a preliminary report by January 30, 1967.

This is to request that each of you name a representative to serve on this committee.

CONFIDENTIAL

15/ Lyndon B. Johnson

LBJ:FMB:LSE:djw

PROPOSED PRESS RELEASE

There has been increasing concern in Western Europe over possible disparities in advanced technology between the United States and Europe. The President has today instructed his Special Assistant for Science and Technology, Dr. Donald Hornig, to chair an interdepartmental committee to study all aspects of this problem and determine how the United States might respond to initiatives by our European friends designed to overcome it. The committee will have representatives from the Departments of State, Defense and Commerce, NASA, the Council of Economic Advisers and the Atomic Energy Commission.

2. Presjele.

SECRET

Friday, November 18, 1966 7:00 p. m.

Mr. President:

I don't know whether this reached you independently; but I believe you will wish to read it.

It lays out the implications of Operation Attleboro -- an attack on perhaps the most important VC base area.

W. W. Rostow

Copy No. 100, SC No. 03828/66

SECRET

DECLASSIFIED

E.O. 12.53, Sec. 3.4(b)

White Louse Gullelines, Seb. 24, 1983

By DCM NAME, Late 1-25-86

WWRostow:rln



BRITISH EMBASSY. WASHINGTON, D.C.

November 18, 1966.

Near lu. Mendent

I have been asked by the Prime Minister to deliver the attached Jones micely Unided Commi.

message to you.

(Michael Stewart)

The President

of the United States of America.

DETERMINED TO BE AN ADMINISTRATIVE MARKING E.O. 12356, SEC. 1.1(a)

DECLASSIFIED

Authority UK Guidelines
By W. NARA. Date 3-26-98

November 18, 1966.

Thank you for your generous message of 15 November and for the characteristically imaginative and sympathetic way in which you approach our problems.

I share your hope that we shall get a genuine return from this exercise. However, despite the good atmosphere in which these talks have taken place, I am bound to say I am most disappointed that so little real progress has been made. My position, which I have made clear to you and you yourself have recognised from the day you first proposed these trilateral talks, is that our needs are pressing. While I fully share your view of the need to maintain the credibility of NATO and the stability of Germany, it is absolutely vital to our ability to contribute to these aims that we should have a really satisfactory balance of payments surplus next year. It is in fact critical to all our policies that we should succeed in this. To achieve this we must reduce the drain from our overseas military expenditure. Delay in the trilateral talks puts in jeopardy the saving of foreign exchange in Germany. We have as you know demanded severe deflationary sacrifices from our own people. It is not easy to maintain the pressure on the domestic economy while this expenditure continues in Germany.

This is the background against which I must look at all these questions. Before I can comment usefully on your proposals I would clearly need to know what orders you have in mind, what the timing of them would be and how

far they are additional to orders which would have been placed and been offset against our purchases of the Flll. I shall also be very glad to have further details of the multilateral clearing arrangements on which you say your people are working. We must of course be wary of doing anything which might ease the pressure on the Germans to accept what you rightly oall their proper responsibilities. But we shall welcome all proposals for bringing to an end our foreign exchange losses in Germany next year.

Would I be right in thinking that on your side

Gene Rostow would be competent to enter into details of
your ideas? If so, I suggest that we should use the
opportunity of his visit to London next week to go into all
this very thoroughly with him, so that you and I may then
communicate again.

Friday, Nov. 18, 1966 11:00 a.m.

MR. PRESIDENT:

You will be interested:

- 1. in this cool, professional appraisal of the German political scene;
- 2. Barzel's well-balanced assessment (top of page 3) of the factors that brought down Chancellor Erhard.

W. W. R.

CONFIDENTIAL ttachment (Bonn 6001)

(cc: FBator)

Friday, November 18, 1966

TEXT OF CABLE FROM BONN (6001)

SUBJECT: Rainer Barzel on Current Political Situation

In a conversation with the Charge yesterday evening, CDU/CSU Fraktion leader Rainer Barzel expressed the view that, while anything is still possible in a very fluid situation, the most likely development is a CDU/CSU-SPD grand coalition, after a further bargaining period of some two weeks. He had advised President Luebke on Tuesday that the latter could safely carry out his plans for a week's trip to Mexico beginning November 22, since it was unlikely that any presidential action would be required until after his return.

The current political scene, according to Barzel, is truly confused. No one can be certain of anything, although after the elections in Bavaria next Sunday it should at least be possible to distinguish the realities from electoral tactics and propaganda. There was no doubt in his mind but that Brandt and his closest advisers would prefer to form a government with the FDP rather than the CDU. The main factor working against this was the basic unrealiability of the FDP as a coalition partner. Since such a government would be the first in which the SPD had participated in the post-war period, the party could not afford the risk of a fiasco. It would revive the old feeling shared by many Germans that the SPD is a party basically incapable of governing. As Barzel had jokingly remarked to the SPD negotiating team in their session with the CDU on Tuesday, if the SPD wanted any practical examples of the difficulty of working with the FDP, he would be glad to provide them.

An important factor, Barzel believes, is Willy Brandt's very strong personal desire to become Chancellor now -- a goal which he could not achieve in a coalition with the CDU. The CDU talks on Tuesday with the SPD had actually gone quite well. They had covered the first 4 of the 7 points in the SPD's program for a new government. He (Barzel) did not see any insuperable problem in reaching agreement on these, even on Eastern policy. The most difficult points would be those on financial and fiscal policy, which would be discussed between representatives of the two parties on Friday.

DECLASSIFIED

E.O. 12958, Sec. 3.6

NLJ 97-404

By ive NARA Date 9-23-78

CONFIDENTIAL.

Commenting on SPD efforts to have the votes of Berlin Deputies counted in selecting a new Chancellor, Barzel said it was really quite unfiar of Brandt to try to change the rules of the game at this point and to place the Allies in an embarrassing position. Some SPD members were so determined to have a coalition with the FDP that they were seriously thinking of asking sick members of the SPD to resign their mandates, thus reducing the number of members of the Bundestag who would have to be counted in calculating the number of votes required to achieve an absolute majority. In the case of Fritz Erler, however, this would obviously be impossible.

As to the internal situation in the CDU/CSU, Barzel conceded that it was not particularly healthy. There was no doubt in his mind but that Strauss is playing for high stakes -- the Chancellorship in 1969. Both he and Schroeder wanted Barzel's job as Fraktion leader, and Barzel wanted to keep it. It was still uncertain who would end up as Foreign Minister. If Strauss entered the Cabinet, this would be the position he would want. On the other hand, Schroeder still had strong support within the CDU and might be able to retain the Foreign Ministry.

There was a strong tendency in the CDU towards a grand coalition, Barzel stated. He and his party colleagues were literally fed up with the FDP. If there were such a grand coalition, it should be directed towards the achievement of specific goals requiring constitutional amendments such as electoral and financial reform. The development of a "proporz" system such as existed in Austria must be avoided at all cost. This would require that a grand coalition, after achieving its goals, should agree to dissolution of the Government and the holding of general elections. Apart from Brandt's personal ambitions, he was convinced that there were strong sentiments in the SPD for a Government on this basis.

Whatever the make-up of the new German Government, Barzel added, there would be a real effort to restore good relations with France. This might cause some concern in the United States. Although basically what France could offer the Federal Republic was limited and any German Government would quickly come to appreciate this. SPD officials were arguing that a pro-French policy was necessary so as to make less likely another French veto of UK entry into the Common Market.

Referring to reports that he had played the role of Brutus in bringing down Chancellor Erhard, Barzel observed that everyone knew the time had been unpropitious for his own prospects. As he had indicated to us previously, he would much have preferred a change of Chancellors next

CONFIDENTIAL

spring. The present crisis, as events had proved, had worked contrary to his own interests. However, it could not be avoided. Although a balanced appraisal of the Erhard visit to Washington would have concluded that there were many positive aspects, the fact was that it was portrayed in Germany as a complete failure for the Chancellor. After his return Erhard had been reluctant to concede that he had made any commitments on the present offset, but this had gradually been drawn out of him. Once it became clear that the German Government had still to meet the current offset, then the need for increased revenues became unavoidable. While the offset problem was certainly an important causal factor in the collapse of the Erhard Government, the general weakness of the Government could not be denied. Too many other commitments had also been made requiring increased governmental revenues.

As to the internal CDU/CSU vote which lead to the selection of Kiesinger as Chancellor candidate, Barzel said quite frankly that Strauss had failed to deliver the goods. He thought he had had an agreement that the CSU would support him. If he (Barzel) had received even one-half of the CSU votes during the first ballot, he would have had a plurality, which would have provided the momentum to eventual victory. The CSU had, however, supported Kiesinger from the start. An important unknown element in the deliberations to form a government was the nature of the deal which had been made between Strauss and Kiesinger. Kiesinger should not be underestimated. He was much more flexible in his policies, say towards Eastern Europe, than the CSU, and will not be so easy to shove aside.

Comment: Although earlier reports had indicated he had been depressed by his own failure to become his party's Chancellor candidate, Barzel was in a relatively cheerful if somewhat cynical mood. As one of the four CDU/CSU negotiators in discussions with the SPD and FDP (the other three are Kiesinger, Strauss and Rasner), he will continue to play a key role in the events of the next few weeks. His attitude towards Strauss has notably cooled, probably both because of the "betrayal" which he had described and his concern that Strauss's rapid political rehabilitation will make him a potent long-run opponent in the contest for Chancellor. It was quite clear that he would not be too unhappy if the CSU did not do too well in the forthcoming Bavarian elections. As the present conversation terminated, Barzel said he had to rush out to the airport to fly to Bavaria to make an election speech but he hoped the weather would be so bad the plane could not take off.

CONFIDENTIAL

Friday, November 18, 1966 10:20 a.m.

Mr. President:

Linc Gordon has been talking before various audiences in the U.S. on the Alliance for Progress. You may be interested in this sample of the line he is taking, notably the factual section beginning on page 5.

W. W. Rostow

" a Progress Report on the alliance for Progress given signe the Pan america Society of new England" nov. 10, 1966, Boston, mars.

Friday - November 18, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Delegation to Barbados Independence Ceremonies

You approved a delegation consisting of Chief Justice Warren, Congressman Poage, George Meany and A. Phillip Randolph.

All have accepted except Congressman Ponge who can't make it.

I have consulted Henry Wilson and Mike Manatos on replacements. We recommend that you approve one Senator and one Congressman from the following:

> Senator Alan Bible Senator Daniel Inouye Congressman Armistead Selden Congressman John Monagan

Mike Manatos would like to accompany the Congressional delegates. There is room for him on the delegation.

> Approve Mike Manatos Frefer he not go

Tyler Abell asks that you consider adding Mr. Lacy Mahon, Jr. He is a Jacksonville, Florida lawyer and long-standing Democrat with many years of faithful service. He is of Barbadian origin and will be in Approve . Disapprove Barbados anyway.

Check on first 11/19/66

Friday - November 18, 1966

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	Barbados anyway.	Approve	Disap	prove

W. W. Rostow

Friday, November 18, 1966 4:00 p.m.

Mr. President:

Herewith a gracious response to you from Amb. Nehru.

W. W. Rostow



भारतीय राजदूतानास वाशिगटन, डी॰ सी॰ EMBASSY OF INDIA WASHINGTON, D. C.

November 17, 1966.

Dear Mr President:

My wife and I are most grateful for the eloquent and touching telegram of sympathy and condolence which you sent to me from Texas on the passing away of my mother.

No matter at what age it happens and no matter how expected, the death of a parent is still a great blow. This is particularly so when one is fortunate, as I was, to have so noble and selfless a mother.

Your gracious kindness to her, Mr President, on the couple of occasions you met her impressed her very deeply. The autographed photograph you sent her with yourself was, I know, for her a very treasured possession. Your making her happy was an act which I much appreciated and shall always remember.

I am delighted to learn of the success of your operation and send you my best wishes for a very early return to your full health and vigour.

With my highest regard and esteem,

Yours sincerely,

(B.K. Nehru) Ambassador

His Excellency
Lyndon B. Johnson,
The President,
The White House,
Washington, D.C.

THE WHITE HOUSE

TOP SPORTS

Friday, November 18, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Daily Foreign Affairs Summary

DECLASSIFIED

E.O. 12958, Sec. 3.6

NLJ 98-510

By is NARA Date 10-20-99

1. Christmas Truce Appeals

Secretary Rusk has instructed our Chiefs of Mission to be alert to the possible launching of one-sided Christmas truce appeals. In all friendly countries our Ambassadors are to take effective steps to head off such appeals and are to keep us closely informed of their actions and of the outlook.

2. Vietnamese Ambassador to be Recalled

Vietnamese Foreign Minister Do says that his Ambassador to Washington, Vu Van Thai, is being recalled on consultations and will be replaced by Bui Diem. Do said that the military opposition which had led to Thai's recall also threatened other ambassadors. Embassy Saigon fears Do's dissatisfaction may again lead him to offer his resignation and that Ky might accept it this time.

3. Malaysians Look to US to Replace UK

Malaysian Ambassador Ong told Bill Bundy that Malaysia is losing faith in the UK. He requested greater US military assistance to Malaysia. We have asked Embassies Kuala Lumpur and London for their assessments of UK-Malaysian relations; we hope to avoid a vacuum into which we might fall by default.

4. Indonesia Acts to Stop Incursions into Malaysia

Indonesia-Malaysia: The Suharto regime is employing military and police units in an attempt to regain control over irregular forces-mainly Chinese-- that have been staging armed incursions from Indonesia into Malaysian Borneo.

FOR SECRET

These groups were trained by Indonesians for cross-border operations during the confrontation period, but have recently continued their infiltration activities, apparently without Djakarta's approval. Further progress on border problems was reflected in an agreement between local Indonesian and Malaysian commanders to control entry into Sarawak and set up contact points along the border.

5. Communist China

Premier Chou En-lai and Li Fu-chun, leaders who have been identified with a relatively moderate line in Peking, appear to have gained political strength in recent days. At a 15 November meeting of "Red Guard long marchers," Chou was the senior party leader present and gave the only speech. Economic planner Li Fu-chun-- considered to be in Chou's camp and previously ranked tenth in the politburo -- was described by Peking on 16 November as a member of the standing committee of the politburo, which normally has seven members. Either the standing committee has been enlarged to include Li, or he has displaced one of the former members. Either action would enhance the position of Chou who has recently displayed signs of new political strength.

No Red Guard attacks on government officials and ministries have been reported since about 8 November. Another mammoth rally for the Guards -- the last of the series -- will be held during the next week. It may clarify what formal changes have been made in the politburo.

6. Germans Leaning Toward "Grand Coalition"

Embassy Bonn reports that there has been a noticeable shift during the past week in favor of a grand coalition of the

TOP SECRET

Christian Democrats (CDU), Christian Socialists (CSU), and the Social Democrats (SPD). While not yet decisive, the sentiment is likely to grow because of the desire for political stability. The Embassy doubts that the SPD has reached a final decision on coalition with either the Free Democrats or the CDU/CSU.

7. Turnover of American Facilities in France

Embassy Paris urges that we quickly provide the French with tentative closing dates for our major logistics facilities in France, or it will be impossible to discuss other vital questions relating to the withdrawal. He argues that our inability to make timely decisions will not be an acceptable excuse in French eyes.

8. Access to Kazan Likely

A Czech Foreign Ministry official told Embassy Prague today that he understood we would have a reply within two daysto our request for consular access to Kazan and that he believed the reply would be favorable. Kazan is the American citizen removed by Czech authorities from a Moscow-Paris flight during an unscheduled stop at Prague.

9. UN General Assembly Calls for Force in Rhodesia

The General Assembly concluded its debate on Rhodesia yesterday by approving (89-2) a resolution calling on the UK to "take all necessary measures, including, in particular, the use of force" to unhorse Smith. Portugal and South Africa voted against; the US, Britian and 15 western European nations abstained. This resolution has nothing other than moral force by itself, but it will affect the atmosphere when the Security Council takes up the Rhodesia question next month. Specifically, it will make it even less likely that the British will be able to hold the line on limited economic sanctions applied to Rhodesia and the Portuguese Territories alone. There will clearly be very strong pressures to broaden the sanctions and apply them to South Africa as well.

10. King Hussein Discusses Attack

King Hussein called in the entire diplomatic corps in Amman to discuss Israel's Sunday attack. He said Jordan had done everything it could to police its side of the armistice line and claimed the Israelis hadn't done their share. He conceded the Arabs have made some empty threats about pushing Israel into the sea -- a



remarkable public admission -- but made clear that if Israel attacks again, Jordan will strike back. Ambassador Burns comments that the King went farther than he ever has before in revealing publicly the extent to which Jordan has tried to restrain terrorism and that his candor highlights the grimness he feels about what the Israeli attack has destroyed and what the future may bring.

Ambassador Barbour believes that we should not accept the Israeli Government's argument that internal political pressures forced Sunday's raid. He concedes that the Israeli public's mood has favored "doing something" but points out that Israelis have normally left to the Government the details of what should be done. So the Government must bear responsibility. Reaction within the Israeli Government is highlighted by the Israeli UN Representative's request to be relieved because of the attack.

11. Panamanians Present Unacceptable Canal Compensation Proposals

The Panamanians have presented their proposal on the compensation under the new Panama Canal Treaty. Guaranteed annual payments would rise annually from \$80 million the first year to \$160 million in twenty years. Ambassadors Anderson and Irwin told the Panamanians their proposal was not acceptable for discussion. The negotiators have agreed to explore other possible compensation formulae which could provide the basis for further negotiations.

12. Albanian Resolution Introduced: Italians Promise Study Proposal

Albania, Cambodia, and eight. others, have introduced the traditional proposal to expel the Republic of China from all UN organs and seat Communist China in her place. The Italians today announced their intention to introduce a resolution establishing a study committee to examine all aspects of the situation and make recommendations to the next General Assembly. We are continuing our efforts to obtain agreement with the Italians on a text which does not prejudge the committee's work and which we can support.

W. W. Rostow

TOP SECRET

SECRET - SENSITIVE

Friday - November 18, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Dominican Situation

Ambassador Crimmins has sent his assessment of the recent PRD': decision to abandon the "constructive opposition" role proclaimed shortly after Balaguer took office. A copy of his cable is attached.

The analysis elaborates what was already evident: that a trend toward political polarization has started which, if left unchecked, could produce a dangerous situation in the next 6-9 months. The threatened polarization would probably take this path:

- -- the radical elements now in centrol of the PRD would move the party toward the extreme left and make common cause with the communists.
- -- Balaguer, failing to build up his PR party and broaden his pouglar base, would increasingly depend on the military for support.

Crimmins lists the grees options open to us this way:

- -- Let matters take their course and hope for the best. (This is out of the question.)
- -- Encourage the decay of the PRD to the point that it becomes an extreme left splinter associated with or allied to the Communists, and thereby discredited. (It is too risky to let the Communists capture the PRD label).
- -- Try to keep the PRD from moving to the far left and at the same time persuade Balaguer to build up his Party. (This is the sensible course we must follow).

We must develop a strategy for dealing with the new situation. are working on the political component:



- -- A Balaguer decision to build the PR Party organisation, plus funds and organizers to do it.
- -- Public relations assistance to Balaguer to improve his image.

Authority <u>RAC-NLJ 001-047-2-18</u>
By <u>JUS</u>, NARA, Date <u>7-3-82</u>

SECRET - SENSITIVE

- -- Political advice to Balaguer em how to deal with the PRD opposition (Garcia Godoy should be especially helpful here.)
- -- Assistance to moderate elements of the PRD to keep active in the Party.

The economic component will receive a thorough review when Ambassador Crimmins and his top AID advisers come to Washington to map out what we do in 1967. We know that our \$40 million investment program is going reasonably well. What we don't have is an over-all view of how the economy is doing, the trends and Balaguer's development plans for next year.

Crimmins was slated to arrive here the second week in December. Linc Gordon has asked that he come right after Thanksgiving.

W. W. Rostow

Attachment

DR assessment from Ambassader Crimmins (Embtels 1515 of 11/14/66 and 1542 of 11/16/66). DECLASSIFIED

E.O. 12356, Sec. 3.4

NIJ 90-45

By 8 NARA. Date 6-19-90

CONFIDENTIAL

Message from Ambassador Crimmins in Santo Domingo (#1595), dated November 14, 1966

Subject: Political Prospects in Coming Months

- PRD's (Bosch's party) posture of creative opposition, which at best unnatural role, ended with left wing's victory at party assembly. Likely Bosch suspected creative opposition unworkable from start, but saw it as way to aliay or postpone violent PRD reaction to election defeat. (We recognize possibility Bosch may have intended from beginning use creative opposition as facade for domestic and international public opinion purposes and planned all along to have Party end up in all-out opposition, i.e., that his intentions from outset were negative, but we come out on balance that he believed line served positive, if limited purpose.) Strategy has run its course now, and we faced with possible delayed PRD reaction made all more intense by real and imaginary grievances accumulated by PRD in first four months of Balaguer government, by residual bitterness over US intervention, and by political insensitivity and heavy-handedness of Balaguer government. Country's main political forces now polarizing and, except in Congress, dialogue between them -- limited and sporadic at best in last four months -broken, at least for time being. All this means that country in next three to six months faces increase in political tensions that may severely test government's political acumen, patience, maturity, cohesion and stability.
- 2. Bosch now goes into self-imposed exile claiming his support for creative opposition cost him leadership of Party and control of revolutionary forces at work within it. We believe Bosch retains considerable influence in PRD and on new Party Secretary General Pena Gomez, though overly-extended European sojourn likely to weaken it. Recent history easily gives rise to speculation that Bosch's disengagement from PRD is tactical only, that he will continue direct Party strategy from abroad while awaiting recall in hour of need. We believe, however, that Bosch leaves perplexed and frustrated with present political situation and simply has no well-defined political plans. Similarly, we believe neither he nor new PRD leadership has clear idea what is goal of new course Party has embarked on. Bosch, we suspect, senses outcome likely to be unhappy one -- be it renewed political turmoil or destruction of PRD -- and prefers bewail Cassandra-like from afar.
- 3. Though PRD's new opposition line still in formative stage, we expect hard line developed by radical wing in final weeks before Assembly

-CONFIDENTIAL

most likely set pattern that will be continued and further elaborated. Pena Gomez stated November 6 PRD had limited its criticism to avoid harming Government; but pledged new opposition would denounce abuses and discuss national problems and their solutions without regard to possible harm to government. Party's public positions should continue coincide with those of extreme left on several key issues because of affinities arising from PRD adoption of highly nationalistic line and because communists likely to shape their positions to accommodate PRD on ideological disparities. At least, for moment, however, close formal cooperation (e.g., through coordinating machinery or in united front) unlikely. Non-communist influence in Party and general recognition within Party of dangers to Party image domestically and internationally will militate against open link. Moreover, it unlikely communists themselves, who now jubilant over turn of events in PRD and who becoming increasingly vocal, would want to jeopardize newly won advantages by too much exploitation at outset.

- 4. A. Three articles of faith now cherished by PRD radicals will bear bear on Party's attitude and tactics in coming months:
 - (1) "People" (in this case politically active urban element of population inclined toward PRD) bursting with revolutionary ferment; political parties may alleviate or channel pressures but are not responsible for them;
 - (2) PRD aims and objectives sanctified by fact it is nation's sole "democratic" party;
 - (3) Present government looking to imposition dictatorship to contain revolutionary pressures -- move that must be combatted at all costs.
 - B. Increasingly stressed now is added doctrine that US intervention and presence are principal, if not only, sources of national ills and thus major enemy that must be overcome in struggle for democracy as they understand it.
- 5. Because of this creed, we estimated chances are much better than even (say 70-30) that PRD will contribute increasingly to instability in forthcoming months; but because it maintains that it alone acts in name of people, PRD unlikely to acknowledge its responsibility in situation.

- A. First casualty of new messianic attitude has been lingering PRD stance that constitutional government must be supported at all costs. This argument being de-emphasized or often made with qualifications. Pena Gomez has now twice publicly broached idea that present government in some actions behaving as "de facto" or "unconstitutional" regime. In November 6 interview, Pena said PRD intended maintain support for constitutional government unless government itself forces Party to do otherwise. PRD unlikely to call explicitly for Balaguer's overthrow and will continue to abjure "conspiracy, coups, or subversion"; but in its peculiar lexicon, spontaneous popular uprising that happens sweep PRD along fits in none of these categories.
- B. Party, we think, can be expected most aggressively defend and push causes of its chief spheres of interest; urban labor, youth, sugar workers, national district employees, former constitutionalists and constitutionalist military. That these same groups chief objects of affection of extreme left parties likely to be powerful link between them and PRD.
- C. PRD congressional bloc will probably become even more vociferous in its opposition in Congress and constituent assembly than it has been in recent weeks. Moreover, we do not rule out, as next logical step there, permanent PRD walk-out of Constituent Assembly before final approval given new constitution. Besides dramatizing opposition, PRD boycott of constitution's approval would provide prop for future challenges to new constitution's validity and, by extension, to legality of government operating under suspect charter. Limiting factors here, however, are that sizeable portion of congressional bloc is from moderate wing and would be averse to yielding prestige (and salary) of congressional seat for uncertain propaganda advantage. Radicals in Congress also aware Congress provides forum and public attention they would be hard pressed to find elsewhere, particularly if government tightens up on press and radio.
- D. Difficult to predict how PRD will express bellicose new attitude. Unlikely Party itself for moment likely to go in for street demonstrations. Communist organizations, however, may be emboldened by development in PRD to resume street agitation in Santo Domingo. (Indicative of this, we think, is fact demonstration planned by Communist-front CPU November 13 received greatest build-up and emphasis

far left has so far given any demonstration under present administration.) Violent PRD attacks on government may be restricted by natural hesitance of public media (except El Nacional, which appears moving editorially somewhat to left of PRD) to use inflammatory material. PRD zeal to defend "spheres of interest" may encourage return of chronic labor troubles among Santo Domingo municipal employees and harder line among government employees on Christmas bonus issue. Finally, we have no reason not to expect PRD encouragement and intensification of rumor campaigns that have had unsettling effect on local scene on several occasions so far.

- Difficult measure power PRD can bring to bear as radical opposition party. Half-million votes Party received in elections not realistic index of strength Party has in present situation. Admittedly difficult to relate in any way Party's present following to votes it received in elections. Perhaps less than half of those who supported Bosch in elections would favor new leadership and image of PRD. Even fewer would identify with PRD with Bosch absent. But, in view basic formlessness of Balaguer's FRaParty accentuated by lack of direction from top, PRD even with strength halved would remain most cohesive and potent single political organization in country. PRD leadership's hope to retain remaining moderates within Party may help temper its policies. But we consider it probable that over time remaining moderates will bandon Party to radicals, and in process deprive Party of main source of financial support. Radical control raises serious question as to PRD's long-range viability as mass-based multi-class political party. Exodus of moderates may well create situation parallel to leftward evolution and decline of 14th of June as its moderates withdrew. this evolution occurred, contraction of PRD would have major unsettling effects on what passes for the political framework of country.
- 7. Highly popular and persuasive Pena Gomez will determine Party's course following Bosch's departure. Though Pena's good intentions and idealism acknowledged by Party's moderates as well as its radicals, we have only limited hope sobering effect of power will lead him to less extreme line, although his public characterization of PRD position as extra-radical somewhat encouraging. In the net, performance so far indicates country in for fervid demagoguery that Pena used to undermine Reid regime.

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- 8. We cannot escape conclusion we are faced here with emergence of conditions that in long run could stimulate civil strife. We stress, however, that PRD developments have in no way altered essential stability of government. In fact, PRD's new militance has caused coalescence of disparate forces supporting Balaguer. But as we see it President already at juncture in which his and government's response should be carefully weighed.
 - A. President's civil and military advisors, if past performance and attitudes are guide, will urge hard line in dealing with PRD. Balaguer's dependence on them (many of whom are throwbacks) for information, his own background, his thin skin, and the parallelism of PRD and communist positions reduce his resistance to pressures to crack-down. This hard line, of course, would ignore and even exacerbate these grievances that have validity. Most likely would take form of restrictions on PRD use of press and radio, public meetings and even intimidation, imprisonment, or eventually deportation of PRD leaders. Single battle lines now being drawn, harassment of PRD by police, military, and government agencies may well increase whether or not Balaguer himself orders tough response. Continuation of Balaguer's present posture that abuses on both sides are inevitable in present circumstances would not discourage such abuses. Risks of this policy are obvious. Repression may well make opposition more intransigent and gain it allies, particularly among politically inactive element of population that might be aroused by fears of neo-Trujillismo. Situation would be viewed as validating very predictions of PRD and PRSC (Social Christians) that dictatorship on way. (Line of Communists is, of course, that US-imposed, neo-Trujillo dictatorship already here.). Ultimate consequence could be formation of neo-constitutionalist front embracing PRD, PRSC and Communists.
 - B. Alternate response, soft line, we think is not easily saleable to Balaguer. Presumably would consist of stoic disregard of PRD attacks, attempts to make at least cosmetic concessions on PRD grievances having some validity (such as excesses by security forces), but at same time firm use of existing legal curbs to deal with threats to public order. Risks and draw-backs no less weighty here. Balaguer so far has shown little disposition to endure attacks stoically. In any event, would probably fear its interpretation as sign of weakness or fear (that PRD would view it this way certainly not out of question).

Soft response would encounter serious resistance among advisors. Right wing forces outside government also likely to react negatively to soft line. Though we estimate President can cope with these forces now, there is real danger that over long run they would within government (including armed forces), create divisive strains thus threatening its stability.

- 9. Demise of "creative opposition" was first major watershed on present political topography and we now entering new and uncertain stage in short life of Balaguer Government. Nation's over-all political health during next six months will be decided in great me asure by outcome of three key interdependent questions:
 - (1) Nature of PRD's opposition (and Bosch's role in it);
 - (2) Extent of PRD s association with Communists;
 - (3) Government's response to developing situation.

Despite public statements so far, neither PRD nor government yet locked on to irrevocable courses of action. Modd of PRD is such, however, we must expect that its opposition will become increasingly strident and provocative. Struggle against common enemy likely provide powerful impetus for closer association with Communists, which in turn will stimulate even more extreme approach by PRD. If it were to confront challenge with equanimity, government has essential strength to ride out difficulties. We believe time on its side, since extravagance of present PRD leadership and withdrawal of magic Bosch leadership likely to erode what remains of Party's broad national following. But as we have made clear in analysis, prevailing forces and attitudes within government would make choice of restrained response not only difficult but to some extent a politically perilous overture.

SECRET

Message from Ambassador Crimmins in Santo Domingo (#1542), dated November 16, 1966

Subject: Courses of Action to Arrest Political Deterioration

- 1. At the outset I wish emphasize situation and trends described in the foregoing message do not repeat not mean we are in a crisis here or that a crisis is imminent. They do mean, rather, that first, some deterioration in the political atmosphere has occurred in past 4-6 weeks with the movement of the PRD more toward the left; and, second, the straight-line, unhampered projection of the trends and influences which brought about the deterioration could produce serious situation during next 6-9 months.
- 2. That situation, if it were to develop full-blown, would be characterized by complete polarization, with government, dominated by civilian and military hard-liners, becoming increasingly are pressive; and the opposition, coalesced into one radical bloc and strengthened by substantial accretions support from moderate sectors alienated by government's actions, becoming increasingly determined overthrow the government. Such confrontation would be, to say least, difficult and embarrassing for us. We would find ourselves identified here and abroad with increasingly authoritarian (though freely-elected and technically constitutional) government, and unable and unwilling disengage because of constitutionality of government and, more importantly, because of radicalization, under reinforced communist influence, of opposition.
- 3. Immediate task of policy is obviously to do what we can to try arrest and, eventually, reverse process which now in its initial stages. This would entail efforts at many levels within government and Reformista Party on one hand and PRD and to lesser degree PRSC on other. These efforts in both broad sectors should be mutually reinforcing.
- 4. In choosing courses of action, we have two gross options: first, to do what we can to encourage the decay of the PRD into an extreme-left splinter associated with or even allied to Communists; or, second, to do what we can to keep Party from moving into such association or alliance. Although these options expressed in terms PRD, they involve equally our relations with government.

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E.O. 12356, Sec. 3.4

NLJ 90-45

NARA. Date 6-19-90

- A. First option, which may be the one favored by many of Balaguer's advisers, has a certain initial attraction. Principal argument in its favor would be that it would tend identify PRD opposition under its new leadership and outlook as Communists, thus discrediting it and reducing its effectiveness. Means by which such identification might be brought about would include, presumably:
 - -- ostracizing present PRD leadership;
 - -- making known that leadership was suspect;
 - -- continuously pointing up identity or parallel be-
 - b tween positions of leadership and those of Communists;
 - -- encouraging formation of a moderate, competing PRD group; and
 - -- on part government, harassing rump group as Communists.
- B. There are serious disadvantages to this option, however. There would be well-founded disbellef in efforts label present leadership as Communist, and we would be accused of know-nothingism. Net effect could well be an increase in already substantial sympathy for PRD leadership in important middle-left sectors and a decrease in confidence in our policies. On the other side, far right here might take attitude toward PRD leadership as signal move physically against it. Moreover, we would be actually strengthening Communists not only by giving them capable and popular individuals but particularly by handing over to them the PRD, even if it were a shell, as front which would still retain legitimacy and respectability, perhaps especially internationally. This advantage to the Communists would only be enhanced by the probability that Bosch, no matter how unhappy he might be about an association of PRD leadership with Communists. would not repudiate leadership. Added to all these strongly negative considerations is fact that, given present appeal of Pena Gomez, such a delicate, complicated and essentially destructive effort would be very difficult carry out. We conclude that this option is not tenable, at least as an initial policy.
- C. Second gross option has obvious first advantage of denying to Communists any accretion of strength. Second, it provides time



for trying moderate PRD leadership's opposition to government. Third, it at least keeps open possibility -- not very bright at moment -- of bringing about eventually some kind of healthier relationship between government and PRD.

Means by which this option could be executed would include:

Direct efforts with PRD leadership to convince them:

- -- first, of dangers to their own interests and those of country of positions and policies parallel to those of Communists, especially categoric, automatic opposition to government, and
- -- second, of compatibility our policies and programs with their legitimate aspirations.

Indirect efforts of same kind through more moderate elements in party, especially those in "middle left", although right elements like Brea Pena would be used also.

This approach means that we, at least for time being, stand aloof from or discourage a movement to set up an "orthodox" PRD. Mereover, an essential corollary to these efforts in PRD would be parallel action with the government to seek have it moderate its attitude on some issues of importance to PRD leadership. In process, we would have to try allay inevitable and instinctive fears of government that our contacts and efforts with PRD were tantamount to strengthening of opposition and consequently a weakening of support for Balaguer.

- D. The major risks of this option are:
 - first, that our concern with PRD leadership would be construed by conservative elements as condonation PRD extreme line and as a qualification of our support of government; and
 - -- second, that hard-line elements within government and Balaguer's sources of support would regard moderate line toward PRD as dangerously weak and would become uncertain in their allegiance to and support of him.

- 5. After assessing all factors, including Balaguer's still strong hold on his supporters, we conclude second option should be chosen as one which holds more promise success in helping arrest down-hill movement and provides greater flexibility. On that point, if we and government make no appreciable impact on current PRD leadership, we could turn to encouragement "orthodox" party with aim isolating radical group, with last resort possibility of returning to first gross option, which would have probably become more nearly viable as our and government's efforts rebuffed.
- 6. Specifically, I intend, unless otherwise instructed, make strong effort maintain dialogue with new leadership PRD along lines paragraph 4C and also with more moderate elements in Party, especially those in middle-left (some of whom are, of course, in new leadership). At same time, I intend explore in depth with Balaguer his readiness -- both for good of country and in order make record domestically and internationally that onus for any breakdown would be on radical PRD leadership -- to take series of measures to attenuate some of PRD s valid concerns, i.e., a modest, gradual bridge-building exercise.

I have in mind such things as:

- -- more specific action by Balaguer to reduce the incidents of violence by security forces, perhaps in the form of the establishment of some specific mechanism for receiving and investigating complaints;
- -- some general restatement of necessity for military to stay out of politics;
- -- the making of some relatively painless compromises with the PRD on some marginal issues before Congress and the Constituent Assembly;
- -- the reincorporation into the government of some capable PRD and PRSC-associated technicians and planners who are ready to make constructive contribution (we can name some and the government has desperate need for them, particularly as we go into development lending phase);

- -- agreement by President Balaguer to our considering aid financing of emergency program for the national district, which would be important in employment terms but also highly desirable as demonstrating government's concern for capital where much of its problem resides (proposal this sense will be submitted to AID/ Washington in next few days); and
- -- desirability frequent references to government's intention operate democratically within the law.

I also intend urge upon Balaguer necessity obtain high-quality public relations advice in order develop more positive image of government particularly as one which is devoted wholeheartedly to economic and social development and reform. Depending on Balaguer's overall reactions, I may raise question of bad impressions being created by some members "Palace crowd".

7. Having said all this, I want to make unmistakably clear so that there be no illusions, that we can have no assurance that our efforts to forestall further deterioration will be decisive. To a very real degree, we are working against, not with, very strong currents. US success in influencing Bosch has not been impressive, certainly since the revolution, and the new Young and radical PRD leadership will be considerably more difficult. Their outspoken attitude of hostility to US policy and presence -- partly an honest (if emotional) reaction to past events, partly calculated demagoguery -- will at best severely handicap our attempts at dialogue and guidance.

On the government side, my counsels to Balaguer in past on the political truce bill and on the importance of the violence issue have had limited effect. Balaguer is responsible and well-intentioned, and I expect that he will give my counsel considerable weight. But it must not be forgotten that he, and the people around him, know just as well as we that we cannot afford, at least for the foreseeable future, to take the risk of toppling him by withdrawing support from him unless his government becomes guilty of truly outrageous conduct.

Our attempt to broaden political perspective and sense of responsibility of PRD leadership and government depends, then, essentially on moral sussion and reason -- and the history of this country does not

provide much basis for optimism about the efficacy of such appeals. The uncertain prospects for success of our efforts do not mean that we should adopt the unspoken third gross option to step back, let matters take their course, and hope for the best. The stakes for us are so high that we have no choice but to continue to make a vigorous, full-scale try.

8. I would welcome the Department's comments.

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84

2. Pres file

Friday - November 18, 1966

Mr. President:

President Diaz Ordaz has sent you the attached letter (Tab A) in response to your message of October 11 (Tab B) announcing your signature of the Tijuana River Flood Control Project Bill.

W. W. Rostow

Attachments

INFORMAL TRANSLATION OF LETTER TO PRESIDENT JOHNSON FROM PRESIDENT DIAZ ORDAZ OF MEXICO

November 10, 1966

I am happy to acknowledge receipt of your kind letter dated the 11th of last month, in which you informed me that the Congress of your country has authorized the international project for the rectification and channelization of the Tijuana River, a work which shall be to the mutual benefit of the adjoining cities of Tijuana, San Diego, and Imperial Beach.

I am convinced that the recommendation made to our governments by the International Boundary and Water Commission will permit the happy conclusion of this work in a manner similar to those international projects which have been harmoniously worked out during the last few years and which have been of benefit to both countries.

I avail myself of this opportunity to reiterate to Your Excellency the assurances of my highest consideration.

PRESIDENT JOHNSON'S MESSAGE OF OCTOBER 11 TO PRESIDENT DIAZ ORDAZ OF MEXICO

For the third time in three months, I am pleased to inform you of the enactment and approval of legislation of concern to both of our countries. For many years, your Government has suspended work on the channelization of the Tijuana River in order that our two Governments might undertake a joint flood control project to the mutual benefit of the adjoining cities of Tijuana, San Diego, and Imperial Beach. The United States Congress has just enacted legislation authorizing the international project. Now we will be able to join with you in concluding arrangements for getting the project under way.

Once again, the International Boundary and Water Commission has provided the two Governments with a solution to a pressing border problem. We seem fortunate indeed to have this international body through which joint projects of this nature can be devised and undertaken in a spirit of complete mutuality and confidence.

Accept, Excellency, the renewed assurances of my highest consideration.

85

2. file

November 18, 1966

SECRET RESTRICTED DATA

SANITIZED E.O. 13292, Sec. 3.5 NLJ <u>98-507</u> By <u>u.s.</u>, NARA, Date <u>4-15-04</u>

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Authorization for the VIGIL Test

Accordingly, AEC requests permission to make a one-point safety nuclear test. This test is expected to produce little or no nuclear yield. However, it is designed to be fully contained in the event of maximum credible yield. The test had been reviewed by the agencies that comprise your Review Committee on Underground Nuclear Tests and there have been no objections expressed by any of those agencies. Therefore, I recommend your early approval of the AEC request so that they may proceed immediately to making this important experiment.

If you agree, I will sign the attached memorandum to the Chairman of the Atomic Energy Commission.

Approved	11/18/66	_	telephoned Chas Johnson W. W. Rostow	11/19/66
Disapprove	ed ,			
See me				

SEGRET-RESTRICTED DATA

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SECRET RESTRICTED DATA

november 19, 1966

MEMORANDUM FOR THE CHAIRMAN, U. S. ATOMIC ENERGY COMMISSION

SUBJECT: Authorization for the VIGIL Test

In reference to the request contained in your letter to me of November 16, 1966 on behalf of the Atomic Energy Commission for authorization to conduct a nuclear test, VIGIL, in addition to those authorized by the President for November and December 1966 as communicated to you in my memorandum of November 4, 1966, you are informed that the President has approved your recommended authorization.

It is understood that the maximum nuclear materials expenditure currently authorized is sufficient to accommodate this additional test.

W. W. Rostow

SECRET - RESTRICTED DATA

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 98-507 By 5 NARA, Date 728-03

THE WHAT

UNITED STATES ATOMIC ENERGY COMMISSION WASHINGTON, D.C. 20545

This document consists of 2 pages
No. 2 of 24 Copper, Series A

MOV 16 1966

SANITIZED E.O. 12958, Sec. 3.6 NLJ 98-506 By is , NARA Date 11-5-99

Dear Walt:

heduling and firing of a nucl	er test.	
		Q. 6.
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nduct that test, in addition cember 1966, is hereby reque- coval endorsement is provided	to those presently approved for ted. For your convenience, a d	ration to November- raft ap-

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This document contains resided data as defined in the Atomic Energy Ad of 1004. Its incremital or the disclosure of its contents in any manner to an unauthorized person is prohibited.



The nuclear materials authorized in your memorandum of November 4 are sufficient to accommodate the conduct of this test in the November-Becember test program, as well as the CABRIOLET test, should the latter be authorized.

| Twill keep you advised concerning our progress

Cordially,

(Gigned) Blenn I. Seaborg Chairman

Monorable W. W. Rostow Special Assistant to the President The White House

Enclosures:

- 1. Cys 1A&2A VIGIL Event
- 2. Cys 1A&2A Draft Endorsement

VIGIL EVENT

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	Device (Sponsor)	Retimated Yield (KT)	Event Name	Approximate Date	
			AIGIL	November 23	į
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SANITIZED E.O. 12958, Sec. 3.6 NLJ 98-506 By is, NARA Date 11-4-79

GROUP I

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Enclosure 1

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DRAFT ENDORSEMENT

Memorandum for

Chairman, Atomic Energy Commission

Reference your letter of _____. Your request to conduct one nuclear test, VIGIL, in addition to those presently authorized for November-December 1966 is approved.

It is understood that the maximum nuclear material expenditure currently authorized is sufficient to accommodate this addition, as well as the CABRIOLET event, should the latter be approved for execution in this period.

The President

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 98-506 By NARA Date 11-10-99

GROUP 1

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Enclosure 2

RESTRICTED DATA

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November 18, 1966

Mr. President:

At Tab A, for your approval, is a warm note to Chancellor Erhard, replying to his November 11 message of good wishes for the successful outcome of your operation.

The Erhard message to you was:

"I am thinking of you these days with sincere feelings of attachment, and wish you a successful outcome of the planned operation and a speedy recovery."

I suggest we <u>not</u> release your reply here, but let Erhard do so in Bonn if he wishes.

Approve _______ Francis M. Bator

Approve _______ ///9/66

Disapprove ______ Speak to me ______

FMB:LSE:djw

DRAFT MESSAGE TO CHANCELLOR ERHARD

Dear Mr. Chancellor:

Kind words from an old friend are always welcome, but yours were particularly comforting to me as I prepared for the operation. I am well on the way to recovery now, and want you to know how much I appreciated your thoughtfulness and good wishes.

m. Postocu

Friday, November 18, 1966

Mr. President:

Attached, for your approval, is a proposed message to President Kaunda of Zambia expressing your regret that you weren't able to see him during his brief visit to address the General Assembly. This is a reply to his message (Tab A).

Secretary Rusk had a good talk with Kaunda on Wednesday. He is under serious pressure to do something violent about Rhodesia, but still seems willing and able to hold the line if the British -- with our support -- press forward with economic sanction proposals. This message will underscore your concern for his problems and his gounsel. State supports it.

W. W. Rostow

Approved	1	11/19/6	6
Disapproved		,	
See me			

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MESSAGE FROM PRESIDENT TO PRESIDENT KAUNDA OF ZAMBIA

Dear Mr. President:

Thank you for the good wishes so kindly conveyed in your recent message from Addis Ababa. I, too, very much regret that circumstances beyond my control have prevented me from meeting with you during your visit to the United States, as I had greatly looked forward to doing.

Dean Rusk has given me a full report of your conversation with him in New York on November 16. The frank and friendly exchange of views you had at that time was of great help to us in further understanding your concern about the problems of southern Africa. I know that our two countries will continue to work closely together to bring about constructive and timely solutions to these dangerous problems.

Sincerely,

DECLASSIFIED E.O. 12356, Sec. 3.4 NLJ 90-49

By NARA. Date 7-17-90

His Excellency Kenneth David Kaunda President of the Republic of Zambia Lusaka

SECRET - SENSITIVE

Friday - November 18, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Dominican Situation

Ambassador Crimmins has sent his assessment of the recent PRD decision to abandon the "constructive opposition" role proclaimed shortly after Balaguer took office. A copy of his cable is attached.

The analysis elaborates what was already evident: that a trend toward political polarisation has started which, if left unchecked, could produce a dangerous situation in the next 5-9 months. The threatened polarisation would probably take this path:

- -- the radical elements now in control of the PRD would move the party toward the extreme left and make common cause with the communists.
- -- Balaguer, failing to build up his PR party and broaden his pouplar base, would increasingly depend on the military for support.

Crimmins lists the gross options open to us this way:

- -- Let matters take their course and hope for the best. (This is out of the question.)
- -- Encourage the decay of the PRD to the point that it becomes an extreme left splinter associated with or allied to the Communists, and thereby discredited. (It is too risky to let the Communists capture the PRD label).
- Try to keep the PRD from moving to the far left and at the same time persuade Balaguer to build up his Party. (This is the sensible course we must follow).

We must develop a strategy for dealing with the new situation. State are working on the political component:

- -- A Balaguer decision to build the FR Farty organization, plus funds and organizers to do it.
- -- Public relations assistance to Balaguer to improve his image.

Authority RAC-NLJ DDI- 047- 2-18

By iw, NARA, Date 7-3-0,2

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SECRET - SENSITIVE

- -- Political advice to Balaguer on how to deal with the PRD opposition (Garcia Godoy should be especially helpful here.)
- -- Assistance to moderate elements of the PRD to keep active in the Party.

The economic component will receive a thorough review when Ambassador Crimmins and his top AID advisers come to Washington to map out what we do in 1967. We know that our \$40 million investment program is going reasonably well. What we don't have is an over-all view of how the economy is doing, the trends and Balaguer's development plans for next year.

Crimmins was stated to arrive here the second week in December. Linc Gordon has asked that he come right after Thanksgiving.

W. W. Rostow

Attachment

DR assessment from Ambassador Crimmins (Embtels 1515 of 11/14/66 and 1542 of 11/16/66).

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582

Authority NLJ 93-309

By Cb NARA Date 8-26-98

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Mëssage from Ambassador Crimmins in Santo Domingo (#1515), dated November 14, 1966

Subject: Political Prospects in Coming Months

- PRD's (Bosch's party) posture of creative opposition, which at best unnatural role, ended with left wing's victory at party assembly. Likely Bosch suspected creative opposition unworkable from start, but saw it as way to allay or postpone violent PRD reaction to election defeat. (We recognize possibility Bosch may have intended from beginning use creative opposition as facade for domestic and international public opinion purposes and planned all along to have Party end up in all-out opposition, i.e., that his intentions from outset were negative, but we come out on balance that he believed line served positive, if limited purpose.) Strategy has run its course now, and we faced with possible delayed PRD reaction made all more intense by real and imaginary grievances accumulated by PRD in first four months of Balaguer government, by residual bitterness over US intervention, and by political insensitivity and heavy-handedness of Balaguer government. Country's main political forces now polarizing and, except in Congress, dialogue between them -- limited and sporadic at best in last four months -broken, at least for time being. All this means that country in next three to six months faces increase in political tensions that may severely test government's political acumen, patience, maturity, cohesion and stability.
- 2. Bosch now goes into self-imposed exile claiming his support for creative opposition cost him leadership of Party and control of revolutionary forces at work within it. We believe Bosch retains considerable influence in PRD and on new Party Secretary General Pena Gomez, though overly-extended European sojourn likely to weaken it. Recent history easily gives rise to speculation that Bosch's disengagement from PRD is tactical only, that he will continue direct Party strategy from abroad while awaiting recall in hour of need. We believe, however, that Bosch leaves perplexed and frustrated with present political situation and simply has no well-defined political plans. Similarly, we believe neither he nor new PRD leadership has clear idea what is goal of new course Party has embarked on. Bosch, we suspect, senses outcome likely to be unhappy one -- be it renewed political turmoil or destruction of PRD -- and prefers bewail Cassandra-like from afar.
- 3. Though PRD's new opposition line still in formative stage, we expect hard line developed by radical wing in final weeks before Assembly

-CONFIDENTIAL-

most likely set pattern that will be continued and further elaborated. Pena Gomez stated November 6 PRD had limited its criticism to avoid harming Government; but pledged new opposition would denounce abuses and discuss national problems and their solutions without regard to possible harm to government. Party's public positions should continue coincide with those of extreme left on several key issues because of affinities arising from PRD adoption of highly nationalistic line and because communists likely to shape their positions to accommodate PRD on ideological disparities. At least, for moment, however, close formal cooperation (e.g., through coordinating machinery or in united front) unlikely. Non-communist influence in Party and general recognition within Party of dangers to Party image domestically and internationally will militate against open link. Moreover, it unlikely communists themselves, who now jubilant over turn of events in PRD and who becoming increasingly vocal, would want to jeopardize newly won advantages by too much exploitation at outset.

- 4. A. Three articles of faith now cherished by PRD radicals will bear bear on Party's attitude and tactics in coming months:
 - (1) "People" (in this case politically active urban element of population inclined toward PRD) bursting with revolutionary ferment; political parties may alleviate or channel pressures but are not responsible for them;
 - (2) PRD aims and objectives sanctified by fact it is nation's sole "democratic" party;
 - (3) Present government looking to imposition dictatorship to contain revolutionary pressures -- move that must be combatted at all costs.
 - B. Increasingly stressed now is added doctrine that US intervention and presence are principal, if not only, sources of national ills and thus major enemy that must be overcome in struggle for democracy as they understand it.
 - 5. Because of this creed, we estimated chances are much better than even (say 70-30) that PRD will contribute increasingly to instability in forthcoming months; but because it maintains that it alone acts in name of people, PRD unlikely to acknowledge its responsibility in situation.

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- A. First casualty of new messianic attitude has been lingering PRD stance that constitutional government must be supported at all costs. This argument being de-emphasized or often made with qualifications. Pena Gomez has now twice publicly broached idea that present government in some actions behaving as "de facto" or "unconstitutional" regime. In November 6 interview, Pena said PRD intended maintain support for constitutional government unless government itself forces Party to do otherwise. PRD unlikely to call explicitly for Balaguer's overthrow and will continue to abjure "conspiracy, coups, or subversion"; but in its peculiar lexicon, spontaneous popular uprising that happens sweep PRD along fits in none of these categories.
- B. Party, we think, can be expected most aggressively defend and push causes of its chief spheres of interest; urban labor, youth, sugar workers, national district employees, former constitutionalists and constitutionalist military. That these same groups chief objects of affection of extreme left parties likely to be powerful link between them and PRD.
- C. PRD congressional bloc will probably become even more vociferous in its opposition in Congress and constituent assembly than it has been in recent weeks. Moreover, we do not rule out, as next logical step there, permanent PRD walk-out of Constituent Assembly before final approval given new constitution. Besides dramatizing opposition, PRD boycott of constitution's approval would provide prop for future challenges to new constitution's validity and, by extension, to legality of government operating under suspect charter. Limiting factors here, however, are that sizeable portion of congressional bloc is from moderate wing and would be averse to yielding prestige (and salary) of congressional seat for uncertain propaganda advantage. Radicals in Congress also aware Congress provides forum and public attention they would be hard pressed to find elsewhere, particularly if government tightens up on press and radio.
- D. Difficult to predict how PRD will express bellicose new attitude. Unlikely Party itself for moment likely to go in for street demonstrations. Communist organizations, however, may be emboldened by development in PRD to resume street agitation in Santo Domingo. (Indicative of this, we think, is fact demonstration planned by Communist-front CPU November 13 received greatest build-up and emphasis

far left has so far given any demonstration under present administration.) Violent PRD attacks on government may be restricted by natural hesitance of public media (except El Nacional, which appears moving editorially somewhat to left of PRD) to use inflammatory material. PRD zeal to defend "spheres of interest" may encourage return of chronic labor troubles among Santo Domingo municipal employees and harder line among government employees on Christmas bonus issue. Finally, we have no reason not to expect PRD encouragement and intensification of rumor campaigns that have had unsettling effect on local scene on several occasions so far.

- Difficult measure power PRD can bring to bear as radical opposition party. Half-million votes Party received in elections not realistic index of strength Party has in present situation. Admittedly difficult to relate in any way Party's present following to votes it received in elections. Perhaps less than half of those who supported Bosch in elections would favor new leadership and image of PRD. Even fewer would identify with PRD with Bosch absent. But, in view basic formlessness of Balaguer's FærBarty accentuated by lack of direction from top, PRD even with strength halved would remain most cohesive and potent single political organization in country. PRD leadership's hope to retain remaining moderates within Party may help temper its policies. But we consider it probable that over time remaining moderates will bandon Party to radicals, and in process deprive Party of main source of financial support. Radical control raises serious question as to PRD's long-range viability as mass-based multi-class political party. Exodus of moderates may well create situation parallel to leftward evolution and decline of 14th of June as its moderates withdrew. But even if this evolution occurred, contraction of PRD would have major unsettling effects on what passes for the political framework of country.
- 7. Highly popular and persuasive Pena Gomez will determine Party's course following Bosch's departure. Though Pena's good intentions and idealism acknowledged by Party's moderates as well as its radicals, we have only limited hope sobering effect of power will lead him to less extreme line, although his public characterization of PRD position as extra-radical somewhat encouraging. In the net, performance so far indicates country in for fervid demagoguery that Pena used to undermine Reid regime.

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- 8. We cannot escape conclusion we are faced here with emergence of conditions that in long run could stimulate civil strife. We stress, however, that PRD developments have in no way altered essential stability of government. In fact, PRD's new militance has caused coalescence of disparate forces supporting Balaguer. But as we see it President already at juncture in which his and government's response should be carefully weighed.
 - A. President's civil and military advisors, if past performance and attitudes are guide, will urge hard line in dealing with PRD. Balaguer's dependence on them (many of whom are throwbacks) for information, his own background, his thin skin, and the parallelism of PRD and communist positions reduce his resistance to pressures to crack-down. This hard line, of course, would ignore and even exacerbate these grievances that have validity. Most likely would take form of restrictions on PRD use of press and radio, public meetings and even intimidation, imprisonment, or eventually deportation of PRD leaders. Single battle lines now being drawn, harassment of PRD by police, military, and government agencies may well increase whether or not Balaguer himself orders tough response. Continuation of Balaguer's present posture that abuses on both sides are inevitable in present circumstances would not discourage such Risks of this policy are obvious. Repression may well make opposition more intransigent and gain it ailies, particularly among politically inactive element of population that might be aroused by fears of neo-Trujillismo. Situation would be viewed as validating very predictions of PRD and PRSC (Social Christians) that dictatorship on way. (Line of Communists is, of course, that US-imposed, neo-Trujillo dictatorship already here.). Ultimate consequence could be formation of neo-constitutionalist front embracing PRD, PRSC and Communists.
 - B. Alternate response, soft line, we think is not easily saleable to Balaguer. Presumably would consist of stoic disregard of PRD attacks, attempts to make at least cosmetic concessions on PRD grievances having some validity (such as excesses by security forces), but at same time firm use of existing legal curbs to deal with threats to public order. Risks and draw-backs no less weighty here. Balaguer so far has shown little disposition to endure attacks stoically. In any event, would probably fear its interpretation as sign of weakness or fear (that PRD would view it this way certainly not out of question).

-CONFIDENTIAL

Soft response would encounter serious resistance among advisors. Right wing forces outside government also likely to react negatively to soft line. Though we estimate President can cope with these forces now, there is real danger that over long run they would within government (including armed forces), create divisive strains thus threatening its stability.

- 9. Demise of "creative opposition" was first major watershed on present political topography and we now entering new and uncertain stage in short life of Balaguer Government. Nation's over-all political health during next six months will be decided in great me asure by outcome of three key interdependent questions:
 - (1) Nature of PRD's opposition (and Bosch's role in it);
 - (2) Extent of PRD s association with Communists;
 - (3) Government's response to developing situation.

Despite public statements so far, neither PRD nor government yet locked on to irrevocable courses of action. Modd of PRD is such, however, we must expect that its opposition will become increasingly strident and provocative. Struggle against common enemy likely provide powerful impetus for closer association with Communists, which in turn will stimulate even more extreme approach by PRD. If it were to confront challenge with equanimity, government has essential strength to ride out difficulties. We believe time on its side, since extravagance of present PRD leadership and withdrawal of magic Bosch leadership likely to erode what remains of Party's broad national following. But as we have made clear in analysis, prevailing forces and attitudes within government would make choice of restrained response not only difficult but to some extent a politically perilous overture.

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Message from Ambassador Crimmins in Santo Domingo (#1542), dated November 16, 1966

Subject: Courses of Action to Arrest Political Deterioration

- 1. At the outset I wish emphasize situation and trends described in the foregoing message do not repeat not mean we are in a crisis here or that a crisis is imminent. They do mean, rather, that first, some deterioration in the political atmosphere has occurred in past 4-6 weeks with the movement of the PRD more toward the left; and, second, the straight-line, unhampered projection of the trends and influences which brought about the deterioration could produce serious situation during next 6-9 months.
- 2. That situation, if it were to develop full-blown, would be characterized by complete polarization, with government, dominated by civilian and military hard-liners, becoming increasingly prepressive; and the opposition, coalesced into one radical bloc and strengthened by substantial accretions support from moderate sectors alienated by government's actions, becoming increasingly determined overthrow the government. Such confrontation would be, to say least, difficult and embarrassing for us. We would find ourselves identified here and abroad with increasingly authoritarian (though freely-elected and technically constitutional) government, and unable and unwilling disengage because of constitutionality of government and, more importantly, because of radicalization, under reinforced communist influence, of opposition.
- 3. Immediate task of policy is obviously to do what we can to try arrest and, eventually, reverse process which now in its initial stages. This would entail efforts at many levels within government and Refermista Party on one hand and PRD and to lesser degree PRSC on other. These efforts in both broad sectors should be mutually reinforcing.
- 4. In choosing courses of action, we have two gross options: first, to do what we can to encourage the decay of the PRD into an extreme-left splinter associated with or even allied to Communists; or, second, to do what we can to keep Party from moving into such association or alliance. Although these options expressed in terms PRD, they involve equally our relations with government.

Authority NLT93-309

By Cb , NARA, Date 8-26-98

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- A. First option, which may be the one favored by many of Balaguer's advisers, has a certain initial attraction. Principal argument in its favor would be that it would tend identify PRD opposition under its new leadership and outlook as Communists, thus discrediting it and reducing its effectiveness. Means by which such identification might be brought about would include, presumably:
 - -- ostracizing present PRD leadership;
 - -- making known that leadership was suspect;
 - -- continuously pointing up identity or parallel between positions of leadership and those of Communists;
 - -- encouraging formation of a moderate, competing PRD group; and
 - -- on part government, harassing rump group as Communists.
- There are serious disadvantages to this option, however. There would be well-founded disbelief in efforts label present leadership as Communist, and we would be accused of know-nothingism. Net effect could well be an increase in already substantial sympathy for PRD leadership in important middle-left sectors and a decrease in confidence in our policies. On the other side, far right here might take attitude toward PRD leadership as signal move physically against it. Moreover, we would be actually strengthening Communists not only by giving them capable and popular individuals but particularly by handing over to them the PRD, even if it were a shell, as front which would still retain legitimacy and respectability, perhaps especially internationally. This advantage to the Communists would only be enhanced by the probability that Bosch, no matter how unhappy he might be about an association of PRD leadership with Communists, would not repudiate leadership. Added to all these strongly negative considerations is fact that, given present appeal of Pena Gomez, such a delicate, complicated and essentially destructive effort would be very difficult carry out. We conclude that this option is not tenable, at least as an initial policy.
- C. Second gross option has obvious first advantage of denying to Communists any accretion of strength. Second, it provides time

for trying moderate PRD leadership's opposition to government. Third, it at least keeps open possibility -- not very bright at moment -- of bringing about eventually some kind of healthier relationship between government and PRD.

Means by which this option could be executed would include:

Direct efforts with PRD leadership to convince them:

- -- first, of dangers to their own interests and those of country of positions and policies parallel to those of Communists, especially categoric, automatic opposition to government, and
- -- second, of compatibility our policies and programs with their legitimate aspirations.

Indirect efforts of same kind through more moderate elements in party, especially those in "middle left", although right elements like Brea Pena would be used also.

This approach means that we, at least for time being, stand aloof from or discourage a movement to set up an "orthodox" PRD. Moreover, an essential corollary to these efforts in PRD would be parallel action with the government to seek have it moderate its attitude on some issues of importance to PRD leadership. In process, we would have to try allay inevitable and instinctive fears of government that our contacts and efforts with PRD were tantamount to strengthening of opposition and consequently a weakening of support for Balaguer.

- D. The major risks of this option are:
 - first, that our concern with PRD leadership would be construed by conservative elements as condonation PRD extreme line and as a qualification of our support of government; and
 - -- second, that hard-line elements within government and Balaguer's sources of support would regard moderate line toward PRD as dangerously weak and would become uncertain in their allegiance to and support of him.

- 5. After assessing all factors, including Balaguer's still strong hold on his supporters, we conclude second option should be chosen as one which holds more promise success in helping arrest down-hill movement and provides greater flexibility. On that point, if we and government make no appreciable impact on current PRD leadership, we could turn to encouragement "orthodox" party with aim isolating radical group, with last resort possibility of returning to first gross option, which would have probably become more nearly viable as our and government's efforts rebuffed.
- 6. Specifically, I intend, unless otherwise instructed, make strong effort maintain dialogue with new leadership PRD along lines paragraph 4C and also with more moderate elements in Party, especially those in middle-left (some of whom are, of course, in new leadership). At same time, I intend explore in depth with Balaguer his readiness -- both for good of country and in order make record domestically and internationally that onus for any breakdown would be on radical PRD leadership -- to take series of measures to attenuate some of PRD s valid concerns, i.e., a modest, gradual bridge-building exercise.

I have in mind such things as:

- -- more specific action by Balaguer to reduce the incidents of violence by security forces, perhaps in the form of the establishment of some specific mechanism for receiving and investigating complaints;
- -- some general restatement of necessity for military to stay out of politics;
- -- the making of some relatively painless compromises with the PRD on some marginal issues before Congress and the Constituent Assembly;
- -- the reincorporation into the government of some capable PRD and PRSC-associated technicians and planners who are ready to make constructive contribution (we can name some and the government has desperate need for them, particularly as we go into development lending phase):

- -- agreement by President Balaguer to our considering aid financing of emergency program for the national district, which would be important in employment terms but also highly desirable as demonstrating government's concern for capital where much of its problem resides (proposal this sense will be submitted to AID/ Washington in next few days); and
- -- desirability frequent references to government's intention operate democratically within the law.

I also intend urge upon Balaguer necessity obtain high-quality public relations advice in order develop more positive image of government particularly as one which is devoted wholeheartedly to economic and social development and reform. Depending on Balaguer's overall reactions, I may raise question of bad impressions being created by some members "Palace crowd".

7. Having said all this, I want to make unmistakably clear so that there be no illusions, that we can have no assurance that our efforts to forestall further deterioration will be decisive. To a very real degree, we are working against, not with, very strong currents. US success in influencing Bosch has not been impressive, certainly since the revolution, and the new young and radical PRD leadership will be considerably more difficult. Their outspoken attitude of hostility to US policy and presence—partly an honest (if emotional) reaction to past events, partly calculated demagoguery—will at best severely handicap our attempts at dialogue and guidance.

On the government side, my counsels to Balaguer in past on the political truce bill and on the importance of the violence issue have had limited effect. Balaguer is responsible and well-intentioned, and I expect that he will give my counsel considerable weight. But it must not be forgotten that he, and the people around him, know just as well as we that we cannot afford, at least for the foreseeable future, to take the risk of toppling him by withdrawing support from him unless his government becomes guilty of truly outrageous conduct.

Our attempt to broaden political perspective and sense of responsibility of PRD leadership and government depends, then, essentially on moral sussion and reason -- and the history of this country does not

provide much basis for optimism about the efficacy of such appeals. The uncertain prospects for success of our efforts do not mean that we should adopt the unspoken third gross option to step back, let matters take their course, and hope for the best. The stakes for us are so high that we have no choice but to continue to make a vigorous, full-scale try.

8. I would welcome the Department's comments.

November 17, 1966

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E.O. 12356, Sec. 3.4

NLJ 90-48

By NARA, Date 7-17-90

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Funds for Southeast Asia Education Projects

I sent to the Ranch on November 10 a memo on the above subject from BOB Director Charles Schultze. A copy of the memo is attached.

You wanted a reading on Congressional attitudes toward the proposal. AID has made the requested sounding with the following results:

Chairman Morgan (reached in Pennsylvania) endorsed the commitment without qualification.

So did Congressman Zablocki, who was in Washington.

Senator Fulbright (from Arkansas) said he could not commit himself or his committee. He said the decision was up to the President; the Committee would want to review it next session. He speculated the educational plan might be theoretical since the course we were on in Southeast Asia would probably lead to war with China in a year or two. He said he knew of nb precedent for getting a committee chairman's endorsement of a long-term commitment of AID funds, and he would not give one without full committee review.

Congresswoman Bolton (reached in Florida) said she could not endorse a long-term commitment without studying the matter in detail. She said this was a matter for the Committee as a whole to consider. She agreed with the interpretation of her stand as meaning Gene Black should limit himself to stating an intention to seek support of the projects from the next Congress.

Congressman Mahon (in Texas) said the projects and the commitment sounded like good and necessary ideas, but he was reluctant to speak

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for the Appropriations Committee without consulting Congressmen Passman and Shriver. (Both out of the country.) He suggested Black limit himself to stating an intention to seek Congressional support for the projects.

Senators Hickenlooper, Pastore and Young are out of the country. Congressman Bow was unreachable on vacation.

As you know, Gene Black gives these educational proposals high priority under our program for Southeast Asian development. He thinks a firm commitment of U. S. financial support is essential if the projects are to get off the ground.

He will, of course, be discussing his trip with Congressional leaders on his return. He can be counted on to give the educational projects and a \$28 million commitment to them his full support.

We can assure initial funding for the approved projects within FY 1967 availabilities (\$2 million).

Beyond that, we can either:

- (1) Pledge to commit up to \$28 million to support not more than 50 per cent of the capital and initial operating costs of the new regional institutions over the next seven years, subject to the provision of funds by the Congress (as Black wishes); or
- (2) water down our pledge by saying only that we will seek specific support from Congress for future commitments for regional education projects.

The meeting in Manila (with Education Ministers from Laos, Malaysia, the Philippines, Singapore, Thailand, and Viet-Nam) is on November 28. Gene Black will need a little lead time to make preparations.

My inclination is to go with the original pledge as Black has proposed -- subject to Congressional provision of funds. Otherwise, I think we jeopardize these constructive projects in education.

W.	W.	Rostow
Authorize Black to proceed with		
pledge as proposed		
Promise \$2 million for 1st year	•	
and say we will ask Congress		
for additional in the future		
Let's discuss	_	Walden to the transfer

2. Pres file

Thursday November 17, 1966 5:30 p.m.

Mr. President:

The attached may have been overtaken by events; but this is just to clear the accounts.

W. W. Rostow

Dear Mike:

I read your letter of October 13 while on my trip to Asia, and have given much thought to its propositions, some of which we have touched on in our more recent conversations.

Our objectives are identical: to de-escalate the conflict, to get into negotiations, to achieve an honorable peace at the earliest possible moment.

As your proposals suggest, the crux of the matter is for Hanoi to share these objectives. If they come to that point, the means for proceeding step by step might be complex, but they would be manageable.

As you know, we are not passive in probing to see whether they are prepared to move down that path.

I should be delighted if the United Nations could serve as a channel and catalyst, or the coming Moscow talks between Brown and Gromyko, or, indeed, any other route for communication.

At the moment they still appear determined to test our staying power to its outer limit; but, as you know, we shall never flag in the effort to open unconditional discussions, public or private.

Sincerely,

Honorable Mike Mansfield United States Senate Washington, D. C.

THE WHITE HOUSE WASHINGTON

Mr. Rostow:

The President asked Sgt. Paul Glynn to give this to you.

Mrs. Boozer 10/21/66

United States Senate Office of the Majority Leader Washington, P.C.

October 13, 1966

The President
The White House
Washington, D. C.

Dear Mr. President:

In spite of your repeated efforts and those of Arthur Goldberg and others, a way to open the door to negotiations on Viet Nam has yet to be found. With the passing of time, I am afraid that the options are growing fewer and that we are beginning to run out of alternatives.

It would be my hope, as I know it is yours, that we lose neither the desire nor the will to continue to try to bring about an honorable conference. In my judgment, the negotiation of a just and mutually acceptable settlement in the near future is the one possible way to end this war in accord with the interests of the United States. The alternative of looking for a way out by continuing to raise the military ante gets us in deeper all the time, with no terminus in sight. In the end, we are likely to wind up either in war with China; or all of Viet Nam (if not all of Southeast Asia) will be so devastated and depopulated by protracted conflict that the great delta areas of that vast region may become once again, as in the remote past, "natural" areas for colonization by the surplus rice farmers of China.

So I would say, with all due respect, that we should go to very great lengths to try at once to reduce the intensity of the struggle, both from the point of view of checking the rising cost in lives and resources, and as a possible prelude to negotiations. We should do so, not out of fear of the Viet Cong--the war is far more miserable for them than it is for us-and they know it. We should do so, not because we lack the means or will to stay with this conflict--we have both for as long as it is necessary and useful, and the world knows it. We should do so, rather, because a prompt settlement is the best, if not the only way, to serve our interests and those of the people of Viet Nam whom we set out to help in the first place.

On the basis of this view, I would respectfully suggest that the following points be considered for incorporation into existing efforts to bring about negotiations:

We should be prepared to terminate the bombing of North Viet Nam abruptly, without indicating whether it is permanent or temporary, but in the expectation that it will help to open negotiations in any reasonable forum, whether it is Geneva, the U.N., and Asian Conference, or some other.

October 13, 1966

- 2. We should be prepared for an immediate and reciprocal "hold-fire" ("fire only if fired upon") in South Viet Nam, to be succeeded by a firm "cease-fire" and "stand-fast," as soon as the conditions thereof can be agreed upon in negotiations.
- 3. We should be prepared for a token and unilateral with-drawal of 30,000 U.S. forces, to be completed during the first week or ten days of negotiations, and we should be prepared to work out a time-table for joint and total withdrawals of all forces alien to South Viet Nam as part of a settlement by negotiations.
- 4. We should be prepared for the full participation of the South Vietnamese National Liberation Front in all negotiations, with the understanding that they can be represented separately or together with Hanoi, as they choose, along with the Saigon military government.

If these points seem useful in your judgment, I would suggest, further that U Thant be enlisted, in his diplomatic capacity, to convey their content, as he sees fit, to the Hanoi government. If, for some reason, his services cannot be effectively used at this time, other routes such as Rangoon, Paris, or the Vatican or even a direct U.S. approach to Hanoi might be considered. However, these would be of considerably less utility, in my opinion, than the mediation of U Thant, with whom I am sure, on the basis of your New York meeting, you have a closer rapport.

In writing you, I have advanced what I hope are helpful suggestions for you to use or discard as you see fit. Some of them you may have already considered, because all of them, in my opinion, fit in with public statements of our position which you have made in the past.

While a military victory against us is impossible, our national interests seem to me to require of us that we seek a restoration of peace at the earliest possible time. The approach suggested above is not "tuck tail and run." Rather, it is proposed in the hope that it will be useful in producing bonafide negotiations which will accord with our interests, the needs of the Vietnamese people, and the hope and expectations of the world.

Respectfully,

Mike Turnsfield

Thursday, November 17, 1966 6:15 p.m.

Mr. President:

Having produced a hypothesis about negotiation, I now find that there are three references in our intelligence to the point I made: one French; two Yugoslav.

W. W. Rostow

attachments

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E.O. 12:55, Sec. 3.4(b)

White House Gullelings, Seb. 24, 1983,

By Charles, Late 3 - 25 - 86

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WWRostow:rln

Extract from Department of State Airgram A-452 of September 25:

"VietCong Fears of Deescalation - Manac'b indicated that VietCong leaders could not offer a quid pro quo because they feared it would strike a permanent blow to guerrilla morale. He was told that the Americans could with their method of fighting call a halt to hostilities, cease fire, stop bombardment, and deescalate in any number of ways with impunity. Renewed fighting would present few problems for flexible American forces; however it was different for guerrilla forces which could not call off the fight one day and resume the next."

Extract from American Embassy, Ambassador Elbrick's report on his conversation with Yugoslav Foreign Minister Nikezic on September 15:

'On subject of Vietnamese reluctance to negotiate, and generalizing from Yugoslav partisan experience, Nikezic said that irregular nature of National Liberation Front guerilla army would make it difficult for South Vietnam National Liberation Front to keep army in field once negotiations were begun. He added he believed Hanoi is afraid US might not withdraw from Vietnam after negotiations and it would then be too late for National Liberation Front to reorganize and renew the fight."

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E.O. 12958, Sec. 3.5

State Dept. Guidelines

By , NARA, Date 9-3-98

ij

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Excerpt from USUN 1337, October 7, 1966 SECTO 42 -- EXDIS

Yugoslavs know from World War II experience that guerrilla movement cannot be stopped and resumed without grave danger. Nikezic said North Viet Nam "margin very thin" since they "have nothing behind them" in South Viet Nam, from organizational point of view. As result, movement could "decay" during 2-3 month period reduced activities. Nikezic said North Viet Nam must have fairly clear picture future developments before taking any step toward talks and this why they insist on "formulas of their own."

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

SECRE T

TOP SECRET
EYES ONLY

Thursday November 17, 1966 -- 1:30 p.m.

Mr. President:

Going to and from San Diego I brooded about how to end the war.

This is the result.

I am sending it to Sec. Rusk only -- on a personal, eyes-only basis.

W. W. Rostow

TOP SECRET EYES ONLY

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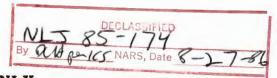
E.O. 12356, Sec. 3.4(b)

White House Guilelines, reb. 24, 1983

By Ordan NARS, Late 3

WWRostow:rln

92a



TOP SECRET -- EYES ONLY

Cy sent See Rush Cy sent n. Katzanbach

Thursday, November 17, 1966 -- 1:30 p.m.

Mr. President:

This memorandum suggests that the optimum form of negotiation with Hanoi may be:

- -- a secret negotiation of a total deal;
- -- a dramatic joint announcement followed by a complete end of hostilities, infiltration, and the beginning of troop withdrawals.

1. A Possible Problem

It is certain that the men in Hanoi have not yet decided that their best option is to negotiate. And there is still a probability that they believe that the burden of the war on the U.S. will give them a better resolution in the future than they could get at present, although that conviction may be waning.

But there may be another problem. They may be willing to accept the outcome we have outlined; but they may not be able to see how they can get from here to there without a complete collapse in their negotiating position along the way. Therefore, they may think a different outcome than the one we promise would result. That is why they may, with some candor, call our proposals "trickery" -- or worse.

Their problem is this: If they stop infiltration and if they stop terror in the South, two things are likely to happen:

- -- the Viet Cong movement will quickly collapse;
- -- they will then lose their international bargaining position.

This is because the Viet Cong are so dependent on northern supplies, men, and leadership and because the ability to disrupt and to terrorize is the only serious bargaining leverage they have -- or believe they have.

Once the Viet Cong movement collapses, it is almost impossible to envisage its starting up again. For example, they may well feel that any substantial de-escalation by Hanoi -- in infiltrated men, supplies, etc. -- would be immediately recognized by the Viet Cong as the beginning of the end.

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The Viet Cong might scramble for their place in the society of South Viet Nam. On the other hand, we could sustain various degrees of de-escalation without a collapse in our position or that of South Viet Nam.

With a patent collapse in the Viet Cong they may feel Saigon and we could claim a "new situation" and ignore prior commitments. Communists, as a matter of doctrine, are trained to rely on effective power, not verbal promises or good will.

In this context we should remember that, quite contrary to a popular cliche in the West, guerrilla wars have been won or lost clean: mainland China; Malaya; Philippines; Greece. The only compromise solutions were not political but territorial; e.g., the split of Indo-China at the 17th parallel. (I do not count the Laos solution because it is not a solution — the war continues, awaiting the outcome in Viet Nam.) We are, thus, up against a tough problem in trying to talk our way to a satisfactory resolution of a guerrilla war — with no clear precedents.

2. A Possible Solution

If I have correctly described a part of Hanoi's problem in ending the war by negotiation, the answer may lie in communicating to them a solution which takes that problem into account and making it credible.

Specifically, we must communicate three things:

- -- an end position which Hanoi and the Viet Cong could live with;
- -- a way of making our guarantee of that position credible;
- -- a way of getting there which would minimize the significance of Hanoi's and Viet Cong's weak bargaining leverage along the way.

Now each element in turn.

3. An End Position

We can offer the Viet Cong only two things in South Viet Nam and the substance of one of them is dependent on how soon they move towards peace:

-- a guarantee against slaughter, as in Indonesia.

TOP SECRET

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-- a right to organize politically and to vote, but only after arms are laid down. They cannot mix terror and political status.

The meaning of the second offer is contingent on when it is picked up; for example, they have already missed the constitutional assembly; if they want to get in on the next round of village and provincial elections, they had better move fast (before early 1967), and this could prove important in establishing a local political base for them; if they want to influence the presidential elections under the new constitution, they have only between now and September 1967.

Since they know that their prospects on a one-man-one-vote basis are not good in South Viet Nam, the Viet Cong may not find a role in domestic politics worth much; it may be more important to Hanoi which could be concerned to save some face for their proteges and protect them from the reprisals that could come if they persist in violence once the game from the North is called off.

As for Hanoi, we can only offer them our withdrawal six months after they are out and violence subsides, plus a free Viet Cong run at peaceful politics plus the promise of an ultimate plebiscite on unity under peaceful conditions plus economic assistance in reconstruction as part of Southeast Asia if they want it.

/It may, incidentally, be important to communicate to them soon that we do not intend to let the war drag; that we plan to up the ante; and our present offers to them may not hold indefinitely.

4. The Problem of Credibility

The credibility problem can only be fully solved in conjunction with the bargaining leverage problem discussed in Section 5 below. But two things could contribute:

- -- negotiating in secret the end position while the war goes on;
- -- announcing it publicly (and perhaps registering it before the UN) as the process described in Section 5 begins.

Specifically, the U.S. and the fighting allies would join the government of South Viet Nam in guaranteeing the amnesty to the Viet Cong. If the

TOP SECRET

-4-

Viet Cong wanted promptly to participate in peaceful elections — for example at the local level — we (and the government in Saigon) would accept international supervision. If asked what our sanctions would be in the case of violation of the amnesty, we could point out that the South Vietnamese would remain for a long time extremely dependent on our assistance and on the political support of the rest of the world. But no guarantee to the Viet Cong as an organization could be secure unless they cut out violence and did not revive it.

5. The Bargaining Leverage Problem

There is only one answer to the Communist bargaining problem: speed. Once the end position is negotiated in secret and announced, then the war -- North and South, main force and guerrilla -- must stop dramatically: the North Viet Nam units must immediately begin heading home (from Laos, too); and we must begin immediately some withdrawals. All infiltration and supply movements south must stop on a given day -- 100%.

The drama of the joint announcement of the agreement by ourselves, Hanoi, Saigon, and the NLF is the best facesaver they could have, with symmetrical movements promptly following.

Then a Geneva conference could take place on the details of the international aspects of the deal -- a beefed up control commission; straightening out Laos, etc.

6. How to Robe the Viability of this Concept

The probe should be a direct U.S.-Hanoi gambit, with no intermediaries.

It should be conducted in great secrecy, and evident seriousness, by a completely credible U.S. official. He should leave behind an aide memoire for communication to Hanoi.

W. W. Rostow

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Daily Foreign Affairs Summary

1. British Draft Reply to President's Letter to Prime Minister Wilson

Your November 14 letter to Prime Minister Wilson on the trilateral talks was a "very welcome development" for the UK, according to reports from Embassy London. A Foreign Office official said that the British will have to come back with some specific questions, i. e., what kind of purchases in the UK do we have in mind, over what period of time, etc. He also said that perhaps a system of advance payments can be worked out, since it will be important to have early dollar income because of HMG promises to show a surplus during calendar year 1967.

The draft reply from Wilson -- which may be approved today -- welcomes your offer, asks for an early discussion of specifics, and proposes that Under Secretary Rostow and George Thomson (UK representative in the trilateral talks) meet on Monday to pursue the matter in detail.

2. Free Democrats Now Look Toward Socialists

A Free Democratic Party (FDP) official has told Embassy Bonn that there was now virtually a consensus for a coalition with the Social Democrats (SBD). The Free Democratic Nuernberg program had been specifically designed to complement the SPD program, but the exclusion of the Berlin votes could still present a problem.

3. Chinese Checkers at the UN

Maneuvering continues in New York, with the Italians rounding up support for their study committee resolution. They want a resolution which (1) will not pre-judge the issue (therefore with no reference to a two-Chinas solution); (2) will be procedural (therefore requiring only a simple majority, not two-thirds); and (3) will be acceptable to us (therefore obliging us to stick to our commitment to vote for such a resolution if it has any substantial GA support). The Italians are trying to nail down our commitment more tightly in return for their accepting and supporting a one-two-three scenario: (1) Important Question (ensuring that two-thirds necessary on the Albanian Resolution); (2) Albanian Resolution; and (3) Study Committee.

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SANITIZED E.O. 12958, Sec. 3.6 NLJ <u>98-508</u> By ..., NARA Date <u>4-7-00</u> Chiang's Foreign Minister talked to Secretary Rusk November 15 and showed some willingness to go along with a simple non-prejudicial study committee if this proves necessary.

4. New Ecuadorian President

The Constituent Assembly last night elected Otto Arosemena Gomes as Provisional President of Ecuador. Arosemena is a Guayaquil businessman with 12 years experience in the Congress and a strong leader.

5. Panamanian Elected Chairman of OAS Council

Yesterday Ambassador Ritter of Panama was elected COAS Chairman for the next year. Linowitz made his maiden speech.

6. Kosygin Postpones Visit to Delhi

Kosygin has definitely postponed his rumored visit to Delhi until after the elections. He says he hasn't been able to arrange related dates in Rawalpindi, Rangoon, Katmandu and Golombo, and is terribly busy at home. But Delhi believes he has decided to avoid visiting so near the election, for this would sharpen contention between the two Communist parties and would be a political boost to Mrs. Gandhi.

7. Concern Mounts Following Israeli Raid

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

- a. King Hussein has made clear that he considers the unwritten agreement with israel which had neutralized the Jordan-Israel border has "now been permanently shattered." He feels he must beef up his military establishment -- hopefully with equipment from the US -- but from "the devil himself" if need be. He admits this buildup will cost Jordan much in both material and human resources.
- b. Several reports indicate that Israel's Sunday attack may have begun a dramatic shift of sentiment in the Jordanian Army -- heretofore Hussein's main support -- against the King. Some observers feel the King can only salvage his position by allowing a retaliatory raid on Israel. Other reports of anti-government demonstrations with anti-US overtones in Hebron near the attacked town tend to confirm embassy fears.

SECRET

- c. Ambassador Burns in Jordan recommends (a) a clear condemnation of Israel in the UN Security Council and (b) early announcement that we are suspending all military credit and sales to Israel pending review of the situation. Our ambassadors in the UAR, Syria and Lebanon also support a strong US stand against Israel in the UN.
- d. The UK Government will support condemnation of Israel, and the Iraq's Government has made a formal demarche requesting us to do so. Ambassador Goldberg spoke strongly against Israel in the Security Council yesterday and is working for a stiff resolution.
- e. Ambassadors in several Middle East posts report widespread Arab tendency to blame us for encouraging Israeli attack, or at least for failure to restrain Israel.
- f. Ambassador Barbour feels the Israeli Government is "chastened and chagrined at an operation that 'went wrong'." Apparently, the Israelis did not expect to run into the Jordanian army. "I detect a considerable measure of embassassment and uncertainty in retrospect as to the wisdom of their action." However, he feels the Israelis still do not comprehend the extent of the damage they have done. He thinks our most effective approach is to help increase effectiveness of control along the borders to end terrorist attacks.
- g. Eshkol made a rather weak speech to parliament justifying the raid and throwing responsibility on Syria and Jordan.

W. W. Rostow

SECRET

Thursday November 17, 1966 2:05 p.m.

Mr. President:

I thought you would like to see Gene Black's comment on the impact of your trip, as he is observing it.

W. W. Rostow

CONFIDENTIAL

THE WHITE HOUSE

WASHINGTON

American Embassy Singapore November 8, 1966

Dear Walt,

I think this idea deserves your attention.

We are having a very instructive time reaping some of the rewards of the President's trip.

Looked at through one particular knothole, the impact of the trip has been great and made our task a lot more manageable.

Best regards.

Sincerely yours,

Eugene R. Black

The Honorable
Walt W. Rostow
Advisor to the President
The White House
Washington, D. C.

Attachment: Ltr to ERBlack

fr N. McKitterick

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DECLASSIFIED

E.O. 12353, Sec. 3.4(b)

White House Guidelines, reb. 24, 1983,
By OWN NARS, Late 3 - 25 - 66

Thursday November 17, 1966 -- 12:40 pm

Mr. President:

Herewith a rather interesting evaluation of the atmosphere in Hanoi, reported by the

W. W. Rostow

TDCS DB-315/03359-66

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

SANITIZED E.O. 13292, Sec. 3.5 NLJ 04-232 By i.s., NARA, Date 2-11-05 Thursday, November 17, 1966 2:55 p. m.

Mr. President:

This is Ed Lansdale at his best -- worth reading.

W. W. Rostow



EMBASSY OF THE UNITED STATES OF AMERICA

American Embassy, Saigon, Viet Nam, November 12, 1966.

OFFICIAL-INFORMAL CONFIDENTIAL

Dear Walt:

You and Bill might find my crystal-balling of 1967 in Viet Nam, in the attached, stimulating to your own thinking. I wrote this mostly for the folks in Saigon, who are reading it now.

Warm regards,

· Sol

Edward G. Lansdale Assistant to the President

Enclosure: As stated.

The Honorable
Walt Rostow,
Special Assistant to the President,
The White House.

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DETERMINED TO BE AN ADMINISTRATIVE MARKING NOT NAT'L SECURITY INFORMATION, E. O. 12356, SEC. 1.1(a)

BY 15 ON 9-6-88

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CONTIDENTIAL.

TO:

The Ambassador

and U. S. Mission Council Members .

FROM:

Ed Lansdale

SUBJECT:

1967.

Attached are some personal views about 1967 in Viet Nam. You may not agree with them. Your own crystal ball may be better than mine. Thus, I offer them to stimulate thinking about a time and a strategy just ahead of us that can prove to be vital to our cause.

Atlachment: As stared.

SLO:EGLansdale:mlh November 8, 1966 DETERMINED TO BE AN-ADMINISTRATIVE MARKING NOT NAT'L SECURITY INFORMATION, E. O. 12356, SEC. 1.1(a)

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MEMORANDUM

BY

Ed Lansdale

SUBJECT:

The Battleground in 1967.

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E.O. 12356, Sec. 3.4

NLJ 88-2/4

By i.p., NARA, Date 1-27-89

All of us on our side in Viet Nam need to be saberly aware of what we are about to do in 1967.

We are adding something that is significantly more than the present hard push against the enemy. From the viewpoint of Hanol and COSVN, in 1967 we will be giving the most serious challenge yet to the Communist enemy in his favored position among the people in the countryside.

This challenge is inherent in plans for next year's Revolutionary Development campaign with its "Ap Doi Moi" concept in plans for changes in the military mission to provide support for the Revolutionary Development campaign, in plans for the holding of hamlet and village elections, in plans for forming a constability force from the RF. PF, and PFF, and in plans for a dynamic National Reconciliation Program. It hasn't been so voiced yet, but since these activities will be undertaken simultaneously they constitute a major strategy for us in 1967.

The Communist enemy can be expected to view this challenge as vital to him. In his book. If we succeed in wresting the initiative from him on what he believes to be the true battleground of the "people's war" he is attempting to wage, them 1967 will prove to be the turning point of the present war, against him. No doubt, he will react vigorously. He has local forces that are more numerous and more difficult to "fix" than the main forces we have been concentrating upon. He may have some main force units revert from Phase III missions to assist local forces in Phase II actions to counter. our 1967 challenge.

1967 also will levy its demand upon us to keep up the momentum we gained in 1966 in our military efforts against the enemy's

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main force units and in our political efforts of strengthening the GVN structure at the top through a Constitution, another national election, and a new form of Central Government. These two major enterprises require staunch continuation as we add a third one in 1967 and move onto ground that the enemy knows so well and where he has been following rules of people's warfare that have brought him success, 1967 is going to require much more from us all-Vietnamese, Americans, and Free World allies-than was given in 1966.

Some thoughts, suggestions, and comments about the era of the Vietnamese struggle into which we are heading are noted in the following:

- 1. Base. The true struggle in Viet Nam is being waged upon a political basis. We now have too weak a political foundation on our side. The Central Government, and even the new Constitution, are top layers of a foundation. The vital bottom layers are missing. The 1907 strategy deals with the bottom layers. Until there is something firm at the bottom, nothing else that is built can last. The collapse of so much during the past 12 years of Vietnamese-American collaboration, in military, political, social, economic, and psychological enterprises, was due primarily to this weakness.
- the ills of colonialism in Viet Nam. We tell the GVN what is good for it and the people. The Central Government goes down its structure with detailed instructions to its local officials on what they should do for the good of the people. At the rice-roots, most hamlet and village organizations are designed to respond to what comes from above, and not to work out their own affairs. This colonial attitude is a vulnerability which the Communists are masters at exploiting. It can be changed in 1967. The British departed from centralism with the Municipal Reforms of 1335. In our own country, we changed early in the 1770's long before the Revolution or the writing of our Constitution. As one of our founding fathers, John Adams, observed: "The Revolution was effected before the war commenced," because the colonists were "formed by law into corporations, or bodies politic" and possessed "the right to assemble

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in their town halls. there to deliberate upon the public affairs;" it was "in these assemblies of towns or districts that the sentiments of the people were formed in the first place."

- 3. Rice-Roots Action. The local elections proposed to be held in March to May 1967, hopefully in 5,000 hamiets and 800 villages, can provide the real genesis of viable democracy in Viet Nam. If the elected hamlet and village executives, along with the elected People's Councils, truly get the people started in handling their own affairs, then we will have the start of building the solid political foundation necessary for success in Viet Nam. This will require loosening the controlling grasp of paternalism, to let the people start having a real say in local development -- in selecting their own officials and in public discussion of social, security, economic, health, and educational improvement. as well as public works. Much greater use of "town meetings" needs to be made than is now contemplated; such use probably will require U. S. and GVN stimulation at the beginning. Americans who have participated in recent village development in Peru. East Pakistan, and several African nations, and who now are serving in Viet Nam, have some exceptional understanding of what is needed here; it would be profitable to bring them together in a short-term "task force" to develop more dynamic guidelines for 1967 hamlet and village self-reliance. The lessons of the changes made in India's "Panchayat 16-man village board of selectmen) over the past twelve years are worth noting, also.
- A. Constitution. The new Constitution for Viet Nam probably will contain beautiful and profound precepts. The precepts will have to be honored by the government and the people, if these precepts are to live. Two dead Vietnamese Constitutions—the 1956 Constitution and the 1964 "Vung Tau" Constitution—underscore the reality of this statement. The creation of the new Constitution comes at a time when a major strategic move is being made at the rice-roots, among the people of the countryside; its creation should become integrated with that strategy. This suggests that provisions for local self-government and self-reliance be considered for the new Constitution. The politicians themselves would gain more participation in the development of Viet Nam, given more stress on local initiative. Further, the concept of holding a series of public hearings throughout Viet Nam on proposed

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provisions for the new Constitution would help the 1967 strategy. The GVN should be encouraged to provide air transportation and other means to the Constituent Assembly, to get this done. The September 1966 election earned some credibility for GVN's honor among the people; the Constitution-making process can capitalize un this start. make it graw stronger, with popular participation that will make sense to the people.

- 5. Income. Full bellies do not equate with human freedom. Too many U. S. and GVN socio-economic programs, including a number of military "civic action" projects, seem to be based upon the premise that liberal handouts to the people will win their "hearts and minds." We cannot win that simply and cheaply when we are up against an Asian Communist enemy. The 1967 campaign calls for something more. What the Vietnamese at the rice-roots wants is a chance for his own independent stake in the future. He can get a start on this through increasing his own family income by his own efforts. A number of U.S. and GVN programs which could make dramatic changes in the Vietnamese incomes in the countryside - and probably double farm production in 1967 -- are now existing at far less than their potential. Topside executive action, not further study by committees, is required to get dynamic progress in farm production, marketing co-ops, agrarian credit unions, and local industry -- all designed to increase individual income and independence in a way that the Communists cannot do. Greater use of the Chinese agricultural technicians in operations with the RD Cadre in 1967, as now contemplated, is one example of tapping a real potential.
- targeted on hamlets. Yet, a prompt, secondary development-of then targeting on villages-is worth considering. The local elections planned for 1967 affer one means of doing this. Security and socio-economic operations are required to backstop the political operation. The Vietnamese village was the traditional basic unit. It comes closer than the hamlet to being a self-reliant unit, able to elect responsible executives with whom a Central Government can deal practically in security and socio-economic affairs. The NLF/VC changes and consolidations of villages were not purely a psychological-political move; the result was a basic unit amenable to streamlined administrative control and able to contribute economically to the VC war effort

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The NLF/VC breaking of tradition suggests that the GVN can afford to do so also, particularly if it helps the people. 1967 might well prove to be the time to start electing District officials, wherever security permits. We should be alert to encourage such progress, and even dare to think of electing Provincial officials someday before long.

- 7. Hard Core. There are hard core anti-communist hamlets and villages in Viet Nam today that the VC can occupy only by massacring all of the inhabitants They are anti-Communist by their own desires, and not through any national program. In effect. the people there have pledged "their lives, their fortunes, and their sacred honor" to their own freedom. Whatever help the inhabitants get from the GVN they make go a long way. Some are sustained by religious beltefs, such as Catholic and Hoa Hao communities. Others are political "believers." such as some VNQDO and even a few Dal Viet communities. This suggests that the 1967 "Ap Doi Moi," or new New Life Hamilet, concept be considered for further enlargement. with the GVN giving recognition and special status to the already selfsustaining, hard-core anti-Communist communities. The GVN can identify them readily through Provincial officials. When their status is established, they can be regarded by giving them priority for selfgovernment, means for self-defense, and credit, supplies, and technical help for self-development. This will give a big boost to individual initiative, as a strong ally to the GVN cadre-initiated campaign -
- 8. Partisans. Local initiative in pacification and development also can be greatly encouraged by adoption of some partisan proposals which have been long awaiting decisions by the GVN. Several already have many dedicated adherents who will work hard to make them succeed. Among these proposals, the Hoa Hao "Kien Ha Plan" and the planned Nung settlement along Route 20 between Saigon and Dalat have much to commend them. The voluntary commitment of great segments of the population, as port of a national plan, is a tactic of "people's war" which can truly hurt the Communist cause. Since these are large enterprises, U.S. interest in and support of the proposals seem to be a necessary first step for promoting GVN adoption of them. Thus, it is suggested that intense U.S. study be given them

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for consideration of including at least a start of one or more partisan projects as part of the 1967 strategy.

- More Parlisans. The 1967 strategy offers further opportunities for initiative by partisan groups whose participation will greatly strengthen the GYN campaign. The participation seems to need just a little spark of encouragement, even a nod of approval from the GVN and perhaps the U. S., to become active. A leading example of this is the CVT, with its hopes of expansion into the countryside with farmers' unions, coincident with the establishment of co-ops and credit organizations. A great potential also exists among groups of politicians in Viet Nam; democratic parties will grow as a way is opened for meaningful development, and 1967 can provide the opening. Participation of elected Provincial Councils in the selection of the "Ap Doi Moi" and "hard core anti-Communist communities" is worth consideration, as is some participation of delegates to the Constituent Assembly. A further suggestion, as an incentive for partisan political growth, would be that the GVN donate one or more houses in Saigon to provide office space for political parties to use in 1967, when Viet Nam's political evolution will be accelerated. Other than the formal chambers of the Assembly, there is no real center for political meeting and inter-communication as yet in Viet Nam.
- 10. Civics. The success of the 1967 strategy will depend to a considerable degree on evoking patriotism, a true sense. of citizenship in the nation of Viet Nam, among the people throughout the country. Family loyalties and ties still predominate, to the extent that a slogan such as "Family, Home, and Country" would have to be amputated to "Family and Home" to be meaningful. This suggests that courses in "civics," teaching the rights and duties of citizens the governmental processes of Viet Nam, and the aspirations for a free nation as described by Vietnamese leaders, be given special emphasis in educational programs. Such emphasis was given in Philippine schools by American teachers early in this century, making a sharp change from Spanish colonial customs; several Philippine Presidents and other leaders credit these early "civics" classes in the public schools as the most important element in the growth of tesponsible citizenship in the Philippines. In French West Africa a decade ago, General Le Pulloch added "civics" to the training courses

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for local recruits in the Army; local civil administrators and tribal chiefs credited this military instruction with introducing a great new element of stability throughout the territory. Long An Province, where many residents have only the vaguest notion of Viet Nam as a nation or of its government, might provide a good starting point in 1967.

- Wost modern nations require those who 11. Oath. serve the nation, both civil and military, to take an oath before they serve. It usually is fairly explicit and is so closely related to known national principles that the oath-taker is quite aware of the meaning of his pledge. The oath establishes the basis for the ethics of the service. Viet Nam, unfortunately, has a confusion of oaths for those who serve the nation, some related to ill-defined concepts, and others unrelated to the GVN wherein the service is performed. For example, RVNAF sees itself as the protector of the 1963 Revolution, yet the Revolutionary aims are still unclear and RVNAF members have not taken an oath to uphold these aims; this is in sharp contrast to the Indonesian Army, which also sees itself as the protector of a Revolution, whose aims it defined and has re-confirmed. The 1967 strategy in Viet Nam will demand singular, understanding loyally from RVNAF, from the RO Cadre, from the police, from civil officials at all levels. Since the new Constitution also will come into being in 1967, it is hoped that it will contain principles understood and accepted by the Vietnamese, explicit emough to provide the basis for a new oath of service by all who serve Viet Nam. Such an oath, related to defending, protecting, and upholding a principled Constitution that has the people's acceptance, can provide a forceful element in uniting the efforts of the hundreds of thousands now serving Viet Nam.
- among the people in the countryside, the cities cannot be forgotten. They are the geographical locus of the Communists' Phase III under the guiding slagar. "First the mountains, next the countryside, then the cities" In 1954, while waging the battle of Dien Bien Phu, the Communists were completing their secret control organization inside Hanol. There is evidence that the Communists are attempting similar control measures inside the Saigon-Cholon national capital area today. It also is apparent that a more effective means than is employed today will be required to

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clean out the subversives, terrorists, and enemy military units from the national capital area. Personal experience tells me that it will require clearly assigned responsibility to a single command to clear the Saigon-Cholon area of the enemy threat. In 1955, ARVIN did this successfully under the personal direction of President Diem, as Commander-in-Chief. In 1950, the Communist organization lincluding the Politburo) was cleared out of Manila, the Philippines' national capital, by the Philippine military under the personal direction of National Defense Secretary Magsaysay. Note that each of these operations was commanded by a decisive leader who also had great political skill. Saigon-Cholon requires similar action in 1967.

13. Integrity. A powerful corrosive will be present to harm the 1967 strategy, unless it is dealt with effectively. The corrosive is the people's belief that the GVN and RVNAF are riddled with corruption, including its top echelons. The enemy poses a contrast for the people to compare. The Communist leaders and forces. despite the savagery of their actions, demonstrate a personal honesty that is strictly disciplined. They, too, are Vietnamese. In 1967, success will demand the offer of a better choice to the people than between physical security with corruption under the GVN or harshoomtrol with honesty under the Communists. The surest start towards eliminating the corrosive would be action at the top first. Since the action would be politically traumatic also, it will require expert political assistance. Thus, if the top GVN leadership were to establish a new, strict code of conduct for those who serve the GVN, and then strictly enforce the code, commencing with the highest-placed officials first, there would have to be some form of evident, firm support from both a judiciary body and a body representing the popular will The People's-Army Congress partially fulfills the latter requirement, the elected Assembly fulfills it wholly. A "Blue Ribbon Committee" of the present or of the future elected Assembly, to determine decency in public service, is one instrument that can support executive action. In present day Viet Nam, due to its heavy input of fiscal support, the United States has the realistically decisive voice for supporting actions against GVN corruption. A U. S. policy decision to backstop GVN corrective acts, implemented by Americans working with Vietnamese from the top down through the whole structure, civil and military, could bring the change that the 1967 strategy requires.

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14. Command. The 1967 strategy encompasses political, military, social, economic, intelligence, and psychological operations, which hopefully will be conducted in an integrated tashion. The present structure of the GVN and of the U. S. Mission in Viet Nam is not designed for firm control and informed executive decisions that the complex 1967 strategy requires improvement is indicated as an essential ingredient for success. The organization and methods of both the GVN and the U. S. Missian need to be such that the top man In each is aware of the true current situation and can take the coordinated action of telling a responsible official to do something, and it will be done. This means an operational staff for the top man; neither the GVN Cabinet nor the U. S. Mission Council is the operational staff required This means an organizational span of control that is practical for one man; only partially effective elements of this requirement exist today the Prime Minister has Super-Ministers and the U. S. Ambassador has the Deputy Ambassador for the civil side and COMUSMACV for the military. This means, also, better mechanical control, such as is afforded by an Operational Command Center and precise field coordination, as in the Malayan Red Book procedure; neither the GVN nor the U. S. have such a Center for the top command today, nor a way to coordinate Centers for the EVN and U. 5. 1967 awaits command improvement.

SLO:EGLansdale:mlh November 8, 1966

CONFIDENT AL

Thursday November 17, 1966 1:05 p.m.

Mr. President:

Herewith Lodge's weekly report.

The feature is his judgment of Ky's increasing political maturity -- a judgment I share, seen at a distance.

W. W. Rostow

SECRET Saigon 11117

DECLASSIFIED

E.O. 12.55, Sec. 3.4(b)

White House Garlelines, ceb. 24, 1983

By Octo NARS, Late 8-25-96

Thursday, November 17, 1966

FOR THE PRESIDENT FROM LODGE (Saigon, 11117)

Herewith my weekly telegram:

DECLASSIFIED

E.O. 12356, Sec. 3.4

NLJ 90-45

NARA, Date 6-19-90

A. U.S. Vietnam Policy Denied Due Credit

I continue to think your policy in Vietnam is not getting the credit and appreciation which it deserves. This is because it is not understood by many people as being what is truly is. It is truly the spearhead of a very big aim: to deny East Asia to Communist China. This, in turn, is the frame for much of East Asia'a progress in the past few years. I, therefore, submit a brief statement for public use by someone at some appropriate time. I would be glad to say something along this line myself, but you may think someone else would be more expedient. The statement is as follows:

"What do you see when you look at East Asia, starting up at the northern end and working south?

"First is South Korea -- which is having a real economic takeoff and which is a strong, responsible state, whose stable government has even sent a first-class army and medical team to Vietnam.

"Japan, on a much larger scale, has a spectacular economic system, which is the envy of the world.

"Taiwan is humming with activity.

"Hong Kong is the greatest center for light industries in the world.

"In Vietnam, the Communists cannot win; we cannot lose.

"This directly helps the modern and prosperous kingdom of Thailand.

"The recent visit of the Prime Minister of Burma to the United States marks a complete break with their previous attitude.

SECRET - NODIS

"Singapore is booming.

"In Indonesia, events are turning away from Communism.

"These things are due to the efforts of the people in these countries. And in virtually everyone of them, there has been the American helping hand, in some form.

"It in no way detracts from the credit due to the people of all these countries to say this:

"Thanks in important degree to the United States, East Asia has been denied to the imperialism of Communist China. And the defense of Vietnam is the keystone to it all.'

"That in brief is what our sacrifices have achieved in East Asia and in the Pacific in the past -- and notably what these sacrifices are accomplishing in Vietnam today.

"All Americans, regardless of party, who are involved in this advance towards freedom and away from domination, can take pride in it."

B. Really no Fine Tooth Comb

I am trying to get information on the extent to which the real hard-core Viet Cong terrorists are being ferreted out and eliminated. These are human monsters who are directly responsible for the torturing and assassination. I don't imagine that there are more than a few thousand leaders, and yet if they could be eliminated, the whole bottom would drop out of terrorism, the organization would cease to exist and the war would almost be over.

To ferret them out requires first-class police work with census, identity cards, curfew, etc. -- what we call the "fine tooth comb" operation. It must be done in each hamlet or city precinct and then done over again -- as much as eight or nine times.

I cannot find that this has really been done in a systematic, wholesale way anywhere.

-SECRET - NODIS

I am, therefore, putting out a requirement on all Americans to whom it applies to give me information about this, which I hope may stimulate them to start doing something about it. Now that we are getting the shield we need against the main force units, we should be able to get to work on this sort of thing.

I expect that the new U.S. Team Chief in Long An, Sam Wilson, will try to get it started there.

Certainly, the shelling of Saigon on November 1 indicates to me that even in greater Saigon the requisite amount of police work has not been done. I just don't think it would be possible for men with recoilless rifles or mortars to shell F Street in Washington or Beacon Street in Boston.

I hope that the new reorganization of revolutionary developmen and pacification will rapidly lead to this. But as of today, I believe what little fine tooth comb work there has been, has been spasmodic and quite incidental. The reason may be that such work is neither characteristically military: nor is it typical of American city police.

C. Terror

The Viet Cong terrorist attacks continued this week to take a heavy toll of Vietnamese lives and property. Typical terrorist actions reported to me included the following:

On November 8 in Chau Doc province, a 53-year-old woman was tortured and shot to death by the Viet Cong in Tinh Bien district. A note pinned to her body declared that she was a traitor working for the Government of Vietnam.

The Viet Cong attacked the National Police sub-station in Tan Binh district, Gia Dinh province, on November 12; two policemen were killed and three others were wounded. Two civilians were killed and eight others wounded. This is the second Saigon area police post hit in the last three weeks.

SECRET NODIS

D. Chieu Hoi

The number of returnees for the period November 3-9 was 566, continuing the upward trend we have noted for the past five weeks. The daily average for the past six weeks was 62.6, which compares with 31.6 during the low we experienced in September. However, there were higher daily averages in February and March, 74.4 and 66.7 respectively. Total returnees for 1966 as of November 9 was 15,787. The total for all of 1965 was 11,124.

E. Vietnamese Killed

During the weekending November 12, the Viet Cong killed 32 Vietnamese civilians, wounded 108, and kidnapped 164. The dead included a hamlet chief, four policemen, two revolutionary development cadre, and one Chieu Hoi returnee. These figures can be compared with last week's 36 killed, 107 wounded, and 98 kidnapped.

F. Prime Minister Ky

Herewith three items about Prime Minister Ky:

- A. During the weekend before elections he went to Dalat and stayed out of sight where he could not bump into anybody so that there would be no incidents which would get into the American papers before our elections;
- B. After turning in a good performance in a speech and question and answer session with the Peoples Army Council, he actually asked me how I thought he had done, and seemed genuinely pleased when I told him he had done well:
- C. Yesterday, he and I were present at the opening of the medical school, a magnificent USAID project, which was begun four years ago. This school could in ten years increase the supply of doctors in Vietnam from one for every 15,000 of population, which it is now, to one for every 5,000. When we were sitting on the stage in the auditorium, Ky, who is normally reserved in his manner, turned to me and said with obvious feeling, "Isn't this really wonderful?"

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G. Political

Since the Manila Conference: Prime Minister Ky has been facing the following: a squabble involving some Ministers which threatened to stir regional antagonisms; opposition within the Constituent Assembly to decree 21 which permits the government to make changes in the draft Constitution; by the old problem of corruption, notably involving Generals Quang and Co; and by an upswing of prices.

Regional prejudices are a constant, and will be for many years. Ky has momentarily damped the issue down. He has continued his round of talks with all factions. As he put it when he appeared before the Peoples Army Congress on November 11, he talked so much that his throat was sore. At the Congress, he made an emotional appeal for unity and stated repeatedly that his regime does not and will not countenance regional discrimination. He pledged his determination to work toward a democratic society, and denied that his government is moving towards a "police state."

He spoke without notes and with such obvious sincerity that he evoked a warm response. Following his presentation, he answered questions for over an hour. Some of the questions were rough, and some delegates lectured him. He handled them with considerable skill, disarming his questioners by appealing for their help and by dealing with them both as equals and as comrades in the struggle to build a better Vietnam. At the same time, he gave an impression of forcefulness and devotion to his ideals. He is growing into a much more competent political operator, though still erratic.

The upshot of the Ministers' squabble is that three of the dissidents will stay on in the government, including Deputy Prime Minister Vien, Minister of Labor Hung, and Minister of Communications Thuan. The Ministers of Youth, Social Welfare, and Education will leave the Cabinet.

Ky is having trouble finding competent southerners to fill their shoes, particularly in the case of the Minister of Economy. The absente of top direction there disturbs the business community, which is now uncertain about the government's economic policies, and contributes to the recent increase in prices, which would have psychological repercussions.

SECRET - NODIS

The regional problem is also related to the problem of Generals Quang and Co. Ky has long wished to get rid of these two men -- and their wives. Their power within the military plus the fact that they are Southerners may defend them regardless of their widely rumored corruption -- has until now made it difficult to act.

The issue of Decree 21 remains a potential source of trouble between the Government and the Constituent Assembly. A committee of 12 has been selected to discuss the problem with the Government, hopefully to work out a mutually agreeable compromise. The deputy who led the attack on the Decree in the Assembly, Dr. Phan Quang Dan, says he believes a compromise will be found.

<u> SECRET - NODIS</u>

The Assembly has finally begun work on drafting the Constitution. The drafting subcommittees are now working on "basic principles;" and the People's Aspirations Committee has publicly asked the people to send in their ideas on what should be in the Constitution. This latter committee will also be touring the country to take testimony. (This is an idea which we have been quietly urging ever since I came here in August 1965.) The Assembly will probably begin debate on the "basic principles" early next month if not before.

H. Economic

Last week the Saigon Retail Price Index stood at 225. This week it is 222, but this is 13 percent above that of a month ago. These prices increases reflect transportation difficulties in the wake of the Delta floods. They were also influenced by a shortage of pork and by the November 7 announcement of an increase in the Saigon price for U.S. rice.

Hoarding by merchants in anticipation of the TET and Christmas holidays has already started. JUSPAO reports that in the Fourth Corps the Viet Cong are using the theme that the expected arrival of U.S. troops will drive prices up, and the people are inclined to believe them.

Prices of imported commodities held relatively steady this week, but dollars stand at 175, up from 171 last week -- and increase evidently due largely to rumors of further devaluation.

The National Bank has lowered the price of gold from VN\$9,700 per tael to VN\$9,000 in order to build confidence in the piaster and dispel the rumors of another devaluation. This is the third time since devaluation that the price of gold has been lowered. The market price of gold responded by falling from VN\$11,000 to VN\$10,200 per tael.

Governor Hanh of the National Bank has announced that he will release \$150 million in foreign exchange for imports in November and December. These funds will be used mostly to import industrial equipment and raw materials in order to increase local production capabilities. The Governor also announced liberalized credit for industrial investment, but gave no specifics. He stated an additional \$350 million in foreign exchange will be made available during 1967.

SECRET - NODIS

Thursday November 17, 1966 12:45 p. m.

Mr. President:

Attached to this note from Henry Owen is a well-written and perceptive analysis of German politics, by a man whose judgment I have been able to test over many years. His policy suggestions are in the right direction but take some staffing.

W. W. Rostow

DEPARTMENT OF STATE

Geomesics and Chairman Policy Planning Council Washington

November 15, 1966

Walt:

The attached letter from Bill Griffith in Germany is worth reading.

Bill's analysis of the SPD is particularly good. Mark my words (as Charlton Ogburn used to say): The real nationalists in future German politics will be the Socialists - much as in the UK. The difference between them and the Strauss group is that they express their nationalism (a la Schumacher) via an independent policy vis a vis the East, whereas Strauss concentrates on improving Germany's position within the West. This makes the "national" character of the SPD's policy less evident. But the object is the same in both cases - to exploit Germany's position astride the balance of power, in order to enhance its power of maneuver.

Henry Owen

P.S. Since writing the above, I ran into von Staden (socially, Sunday). He thinks a Grand Coalition is in the making and has the same view of the SPD as indicated above; this is interesting because he's one of the few German FSO's who has gone out of his way to keep up good contacts with the SPD.

Mr. Rostow

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MAS \CHUSETTS INSTITUTE OF TEC OLOGY center for International Studies 30 Wadsworth Street Cambridge, Mass. 02139

8 Munich 13 Keferloherstr. 130 3 November 1966

Dear Zbig,

As you suggested, I have set down some thoughts on the current situation in Germany as it seems to me after living here three months, and their implications for U.S. policy.

Since 1949 West Germany has been living on economic prosperity, American protection, and hope of reunification—in short, on the expectation that it would eventually over—come most if not all of its losses in World War II. Now in 1966, for the first time, its present assets and future hopes have begun to Germans to see m shaky. West Germany is today increasingly gripped by frustration and malaise. Why?

First, the West German people have begun to fear for their prosperity. In fact they are probably over-reacting to inflation and budgetary deficit, plus the inability of Chancellor Erhard to cope with them. Although the economic disequilibrium here is much less than in Britain and no worse than it was recently in Italy, the very German over-reaction to it demonstrates how dependent the Bonn republic's stability is upon economic prosperity.

Second, to the West German political elite, and in a more simplified fashion to the whole population, Bonn's post-war foreign policy has collapsed. West German strength has not brought reunification, but, rather, the increasing mistrust of its neighbors, east and west.

The American alliance, far from leading to reunification, was unable to prevent the construction of, or overcome the results of, the Berlin Wall--the great trauma in recent German foreign policy.

Worse, Washington appears to Germans to be increasingly concerned with the Far East, and for that reason, and to insure itself against the danger of nuclear war, prepared to agree with Moscow, notably on non-proliferation, at the expense of German and European interests, to withdraw substantial troop strength from West Germany, even if Moscow does not reciprocate, and thus in general to abandon its former coupling (Junktim) of reunification with detente, thereby reducing Western power in Europe and German security while de facto recognizing the status quo in Europe, including the division of Germany.

Seen from Bonn, the two great defeats of Germany's main foe, the Soviet Union, in Cuba in 1962 and in China's post-1960 revolt, have, paradoxically enough, brought improvement of Moscow's relations with Washington, thus making both capitals less likely than before to pay any attention to reunification.

The Berlin Wall not only confronted West Germans with the hermetic division of their country and deprived West Berlin of its main raison d'etre-the link between West and East Germany-but also has enable Ulbricht to build up an impressive economy and the beginnings of "state" (although not of "national") consciousness, thus raising in West Germany, for the first time, the spectre that the East Germans will slowly but surely lose their feeling of belonging to one German nation. Moreover, the Soviet loss of influence in East Europe has led Moscow to strengthen its bonds to East Berlin, and has thus, in spite of Schroder's successes in his more flexible policy (notably in Romania), on balance, at least in the short run, worked against Bonn's interests.

West Germany is thus faced with the frustrating paradox of its power leading to its impotence. Its rising power, and the resultant rise in national consciousness, has increased popular desire for reunification. Moreover, de Gaulle has largely destroyed the earlier emotional commitment of many Germans, notably the youth, to European political unity. In addition, this same youth feels no guilt for Nazi crimes and therefore no

inhibitions in pushing for reunification. Finally, the decline in Soviet influence in East Europe has raised their hopes that East Germany also might be liberalized and eventually reunified.

Frustrated by Soviet and East German intransigence on reunification; increasingly fearful that the U.S. is disinteresting itself in Europe and Germany and being driven nolens volens toward agreements with Moscow which will in fact cement not only the partition of Germany and of Europe but also the technological and military inferiority of both vis-a-vis the United States; seeing its West European allies either dealing directly with Moscow politically (France), economically (Italy), or paralyzed (Great Britain), and falling out among themselves and with Washington--need one wonder that malaise is the main characteristic of West German political life today?

This malaise has been deepened, as its seriousness has been demonstrated, by the current political crisis in Bonn--a situation which reminds many Germans of the parliamentary paralysis of the Weimar Republic. CDU/CSU knew that Adenauer's low opinion of Erhard was correct and chose him as Chancellor only because they thought him a sure vote-getter. After the recent Nordrhein-Westfalen elections demonstrated that he was not even that, they are now disengaging from him with less grace than rapidity. But there is no obvious CDU/CSU successor to him, nor will the Bundestag likely be dissolved. One should therefore probably anticipate a weak German government until the next elections, in 1969. Thus all the tendencies described above will not be contained or molded by a strong chancellor, but probably intensified by another weak one.

This combination of German strength and frustration is intensified by the realization that although the 1914-1918 and 1939-1945 dreams of German hegemony are gone, West European economic strength is out of proportion to its political and military weakness, vis-a-vis not only Moscow but Washington as well.

Some Germans, notably Adenauer and Strauss, have therefore become attracted to de Gaulle's vision of Europe as a third world power, the more so because, they feel, the U.S. deterrent can no longer be depended upon by Europe because of the vulnerability of U.S. cities to Soviet missiles. Finally, they realize that the enormous American research and development base (made possible only by our defense and space expenditures) will lead inexorably to U.S. domination of European "frontier" technology (computers, electronics, etc.) unless something like an equivalent European R & D base can be established.

Hence, in spite of de Gaulle's flirtations with Moscow and East Europe, and his determination to deny Germany any access to nuclear weapons, these "German Gaullists" continue to demand priority for Bonn-Paris relations.

Nor is this view confined to the CDU/CSU. Helmut Schmidt, the SPD defense expert, has lately been making noises, and the FDP is not unsympathetic to this view. There is now a potential majority in the Bundestag for a more pro-French and less pro-American policy. The next German government, whatever its complexion, will probably emphasize more its relations with France, even if this means allowing its relations with Washington to suffer thereby.

More important than all this, though, is another, main development in SPD foreign policy. Fortunately, the party is united and strong; thus, contrary to Weimar times, a democratic alternative is available. But the SPD seems to be abandoning the joint, "Atlantic" foreign policy to which it acceeded in 1960 for a return to its former policy of giving priority to reunification, through negotiations with Moscow and, now, with Pankow, to alliance considerations.

Wehner's recent proposal for an economic confederation between West and East Germany will probably be seen in retrospect as the SPD's new break with Atlanticism. Wehner and the SPD are making this shift probably primarily because of the weakness of the CDU/CSU. They shifted to Atlanticism in 1960 in the hope of winning

elections; and they are shifting back today because, as the polls indicate, the SPD is now far in front of the CDU and also, as the Nordrhein-Westfalen elections showed, the proposal for joint SPD-SED discussions was popular.

Finally, the SPD expects little from Washington except the continued U.S. security guarantee, it knows it can expect nothing now from Moscow, and it therefore feels that its only alternative to activate the German question again is to negotiate with an increasingly strong East German government, if only to keep contacts open and to prevent the two parts of Germany from growing apart. The FDP has long favored such a policy.

The above analysis poses several serious problems for U.S. foreign policy. The most difficult one is the fact that the deepening West German malaise is essentially psychological. There is no rational alternative for West Germany to its present foreign policy. It must have U.S. security guarantees, the more so because only thereby can West Berlin be safe from Soviet and East German pressures.

There is no rational prospect for reunification except at the end of a long development of gradual detente in Europe; and only by alliance with Washington can Bonn insure that this detente will not turn out to its disadvantage. It cannot gain military (i.e. thermonuclear) equality with France, and the French deterrent alone is insufficient to insure German security (and will be even less so if and when ABM deployment occurs); while French policy, being more directly menaced by a strong Germany than American, will inevitably be less inclined to support German interests in the long run than will Washington. (Great Britain and Italy will be still less so.)

Schroder's policy of the isolation of East Germany, in my view still a sound one, has had some success, particularly in the economic area; West Germany is well on the way to becoming the dominant Western economic influence in East Europe.

However, Moscow and East Berlin have good psychological cards: only they can allow the contacts which alone can both satisfy present West German humanitarian desires (for contacts) and also provide even only apparent progress on reunification. Moreover, up to now Ulbricht has proved himself a much more skilled negotiator than Erhard and Brandt put together.

Washington's potential field of action is thus limited. It should anticipate for several years to come not only the continuation of a weak government in Bonn but also of one which will drift away from a firmly pro-U.S. policy. The probable forthcoming U.S. troop withdrawals will further strengthen this tendency, along with U.S. demands for German off-shore purchases. Since troop withdrawals are the main incident cause of disquiet in Germany about the U.S. alliance, U.S. counteraction should begin here.

This might best be done, perhaps in connection with the report of the tri-partite committee, by a speech by the President or the Secretary of State which would (a) set forth the total present strategic balance between Moscow and Washington in some detail, stressing particularly the U.S. advantage through the introduction of the Poseidon missile, (b) reaffirm U.S. intentions to maintain major forces in Germany, ones by definition not necessarily tied to foreign exchange costs, and (c) reaffirm the interdependence of U.S. withdrawals with Soviet equivalent moves.

The next question to be taken up, preferably in the same speech, is the tie (Junktim) between reunification and detente/troop withdrawals. The following points might well be made: Contrary to its attitude toward the East European states, and proceeding from the basic U.S. foreign policy position that relations between West and East Germany are a matter of vital national interest to West Germany, which Washington by treaty recognizes as the sole legitimate representative of the German people, the United States therefore, following the Bonn position, does not recognize the authorities in East Berlin as a government, does not deal with them, and will not, unless

and until the West German government changes its position. (Even then, as now, Washington reserves its position with respect to its occupation rights in West Berlin.)

Moreover, in view of the fact, as the President said in his October 7 speech, that the reunification of Germany is one of the basic objectives of the U.S. policy in Europe, and although in all likelihood such reunification can only come at the end of a long period of detente and within the context of the reunification of Europe, the exploration of the context of German reunification can itself serve as a means of furthering detente, provided that it treats reunification under conditions acceptable both to the German people and the neighbors of Germany in West and East Europe and the Soviet Union, as well to the United States. This involves the boundaries, military status, and economic ties of a future reunited Germany.

The U.S. should therefore propose a high-level conference of the U.S., the U.K., France, and West Germany, with appropriate consultation with other NATO members, in order to discuss these matters with a view toward reaching a consensus which would allow discussions of them thereafter with the Soviet Union, Poland, and Czechoslovakia.

The U.S. should prepare to go ahead with such a meeting even if France refused to attend, unless for that reason the Germans also preferred not to; in that case, bilateral discussions should be held. Negotiations should be secret and should be expected to be prolonged; but their very existence would both reassure West Germans that the U.S. was not accepting the status quo and contribute toward detente by the position the U.S. would take in them--e.g., for recognition of the Oder-Neisse line contingent upon reunification, for no access to offensive nuclear weapons to a reunited Germany, etc.

A U.S. proposal for such a conference would symbolize the continuing significance of the President's October 7 speech and serve as a step in its implementation.

With respect to non-proliferation and the technological gap, Washington should publicly indicate:

- (1) it will not, in principle, sign a non-proliferation treaty which disregards the vital interests of one or more of its NATO allies--i.e. it will not "sell out" Europe to Moscow;
- (2) specifically, it will not preclude a politically united, federal Western Europe from absorbing the present British and French nuclear deterrents into a Europe-wide one; and
- (3) it will take the initiative with respect to the technological gap by proposing:
 - (a) formation of an inter-governmental European public corporation for research and development expenditures, in cooperation with the United States if the Europeans so desire,
 - (b) the creation of a "European M. I. T."--i.e. a technical university with Europe-wide research facilities and R & D contracts,
 - (c) in order to utilize what will increasingly be the main Western influence toward the East, propose multilateral relations between such a European R & D corporation and multilateral R & D organizations in the East, and
 - (d) formation of a U.S.-West European advisory working group to study the problems of ABM deployment, including its implications for U.S. and European R & D bases and for a multilateral ABM system for West Europe, if the West Europeans desire one.

I hope all the above may be of some help to you and your colleagues.

As ever,

Bill

Mr. Z. K. Brzenzinski Policy Planning Council Department of State Thursday November 17, 1966 12:35 p. m.

Mr. President:

Herewith as requested Bill Bundy's report on his post-Manila tourism.

W. W. Rostow

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E.O. 12/53, Sec. 3.4(b)

White House Gulleling, Cab. 24, 1983

By NARS, Date 3 - 35 - 6

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E.O. 12356, Sec. 3.4

NLJ 90 - 45

NARA, Date 6-19-50

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November 15, 1960

MEMORANDUM FOR THE PRESIDENT

Subset: Bundy Trip to Talpei and Tokyo

This is a brief summary of the results of my stops in these two capitals, for your use as desired.

My principal purpose was of course to explain the Manila Conference documents in detail, both the action elements and the discussion of a peaceful settlement. In the latter case, I stressed that the Conference had produced two significant accomplishments:

(a) a full and clear statement of South Vietnamese views on essential elements of a peaceful settlement, pulling together and dramatizing their views so that there could be no misunderstanding; (b) the withdrawal provision, dramatizing and making crystal clear that the US and all the troop-contributing countries were indeed prepared to withdraw from South Viet-Nam once the external threat was removed, and could do so within six months.

In Taipei, I expounded the Conference results at length with Chiang Ching-kno, the Foreign Minister, and Vice President C. K. Yen (who may be visiting you in mid-December). My conversation with President Chiang was somewhat shorter, as he had obviously received a fall report from the others. I should note that his personal manner and the conduct of the call were a trifle on the cool side; this I believe reflected his unhappiness that Taipei was not included in your trip and was thus virtually inevitable. This atmosphere was most definitely not the case in my other conversations, which were if anything more cordial and frank than on my several previous visits to Taipei. I think the "moderates" in Taipei understood and accepted the reasons for the omission, although they were probably not happy with them either.

I did not deal with the press in Taipei.

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In general, the response to my explanation of the Conference. and of the trip as a whole, was most understanding. The Republic of China understands fully how we are conducting ourselves in the search for peace, and appeared to have no misgivings on our tactics and approach. This in itself is useful and should keep us from having any negative reactions to further steps we may be taking. In particular, we and the Chinese are perhaps closer than we have ever been in our underlying analysis of the Soviet role and policy: I laid great stress on the importance of current Soviet and Eastern European interest in peace in Vist-Nam, and I found a very high degree of acceptance of this thesis. In short, I think the Chinese attitude is realistic on the Viet-Nam problem, and my visit may have contributed to reinforcing this realism. This does not mean that the GRC has abandoned its hope that things on the Mainland may come apart and permit them to return at some stage, but there was a very definite absence of stress on doing so by military means or in the short run.

In terms of the search for peace, I believe my Telpai stop contributed to a realistic understanding of what we are doing. We have never expected initiatives from that quarter, but I think we can now be a shade more certain that they will not inject a negative note at the wrong time.

In <u>Tokyo</u>, of course, the task was very different. I had a long and detailed session with all the senior members of the Foreign Office, and followed up the next morning with Sato's Cabinet Secretary. We were later told that my report was given fully to Sato himself, who much appreciated it.

But beyond these official contacts, I had a full two-hour press conference in order to meet Japanese criticisms and misunderstandings of the Conference. I believe this was fairly successful to this end.

Both in private and in public, I made essentially the same points that I had made in the Manila backgrounder. I found the Japanese Government officials highly receptive and understanding, and I particularly stressed that the Manila grouping would not be an action body in regional cooperation, and that we continued to look to existing organizations and to the initiatives of others, especially the Japanese.

In the discussions of peace, I found complete Japanese understanding

of the importance of the South Vietnamese peace statement and of the withdrawal statement in Manila. For their part, the Japanese reiterated that while they continued to support our objectives in Viet-Nam they were virtually prevented by public opinion and their Constitution from making any military contribution. They went on to stress that this put them in the position of being able to play a useful part in the search for peace, as a sympathetic but non-involved nation. I made clear that we fully understood this policy, and in particular welcomed any possible Japanese role in bringing about an honorable and realistic settlement.

In sum, both publicly and privately I believe my visit encouraged Japanese desires to play an effective role in the search for peace. Incidentally, I had the opportunity to meet former Foreign Minister Kosaka, who had just returned from China and is visiting us here in Washington this week. However, neither Kosaka nor the Japanese officials saw any specific move at the present time that offered promise. They were very much impressed by my report of current Soviet and Eastern European attitudes, and were totally in agreement that for the time being the most promising approach was that of quiet diplomacy. I am sure that they themselves will keep their ears open and will be prepared to take any constructive action that may appear indicated at any time.

William F. Bundy

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November 17, 1966

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E.O. 12356, Sec. 3.4 NIJ 90-46 NARA, Date 7-16-90

CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Funds for Southeast Asia Education Projects

I sent to the Ranch on November 10 a memo on the above subject from BOB Director Charles Schultze. A copy of the memo is attached.

You wanted a reading on Congressional attitudes toward the proposal. AID has made the requested sounding with the following results:

Chairman Morgan (reached in Pennsylvania) endorsed the commitment without qualification.

So did Congressman Zablocki, who was in Washington.

Senator Fulbright (from Arkansas) said he could not commit himself or his committee. He said the decision was up to the President; the Committee would want to review it next session. He speculated the educational plan might be theoretical since the course we were on in Southeast Asia would probably lead to war with China in a year or two. He said he knew of nb precedent for getting a committee chairman's endorsement of a long-term commitment of AID funds, and he would not give one without full committee review.

Congresswoman Bolton (reached in Florida) said she could not endorse a long-term commitment without studying the matter in detail. She said this was a matter for the Committee as a whole to consider. She agreed with the interpretation of her stand as meaning Gene Black should limit himself to stating an intention to seek support of the projects from the next Congress.

Congressman Mahon (in Texas) said the projects and the commitment sounded like good and necessary ideas, but he was reluctant to speak

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for the Appropriations Committee without consulting Congressmen Passman and Shriver. (Both out of the country.) He suggested Black limit himself to stating an intention to seek Congressional support for the projects.

Senators Hickenlooper, Pastore and Young are out of the country. Congressman Bow was unreachable on vacation.

As you know, Gene Black gives these educational proposals high priority under our program for Southeast Asian development. He thinks a firm commitment of U. S. financial support is essential if the projects are to get off the ground.

He will, of course, be discussing his trip with Congressional leaders on his return. He can be counted on to give the educational projects and a \$28 million commitment to them his full support.

We can assure initial funding for the approved projects within FY 1967 availabilities (\$2 million).

Beyond that, we can either:

- (1) Pledge to commit up to \$28 million to support not more than 50 per cent of the capital and initial operating costs of the new regional institutions over the next seven years, subject to the provision of funds by the Congress (as Black wishes); or
- (2) water down our pledge by saying only that we will seek specific support from Congress for future commitments for regional education projects.

The meeting in Manila (with Education Ministers from Laos, Malaysia, the Philippines, Singapore, Thailand, and Viet-Nam) is on November 28. Gene Black will need a little lead time to make preparations.

My inclination is to go with the original pledge as Black has proposed -- subject to Congressional provision of funds. Otherwise, I think we jeopardize these constructive projects in education.

W Doctor

***	** *	TOPTOM
Authorize Black to proceed with		
pledge as proposed		
Promise \$2 million for 1st year		
and say we will ask Congress		
for additional in the future		
Let's discuss		
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November 10, 1966

MEMORANDUM FOR THE PRESIDENT FROM SCHULTZE VIA ROSTOW

SUBJECT: Proposed Commitment of Funds for Southeast Asia Regional Education Projects

As you know, Eugene Black is now in the Far East discussing regional development possibilities with Southeast Asian leaders. On November 28, in Manila, he plans to meet with the Ministers of Education of six Southeast Asian nations -- Laos, Malaysia, the Philippines, Singapore, Thailand, and Viet-Nam -- to discuss proposals they have developed for regional projects in the field of education. The November meeting in Manila will culminate a year's work on development of specific proposals following Black's initial meeting with the Education Ministers in November 1965. It is likely that during the upcoming conference, the six Ministers will agree on the establishment of several regional educational institutions and related programs. The best developed proposal to date is the establishment of a graduate-level Asian Institute of Technology in Bangkok.

Black accords these educational proposals -- developed through Asian initiative -- high priority under our program for Southeast Asian development which you announced in April 1965. He believes that a firm commitment of US financial support is essential if these projects are to get off the ground.

If you approve, Black would like to announce at the upcoming Manila meeting that the United States, subject to provision of funds by the Congress, stands ready to commit up to \$28 million to support not more than 50% of the capital and initial operating costs of several new regional educational institutions over the period FY 1967-73. This assistance would be furnished on a declining basis over that period, with the Asians picking up the tab thereafter. The commitment would be made only if the six Ministers reach agreement on a package of proposals. Funds would be provided by AID, starting with \$2 million in FY 1967 and \$3-5 million in FY 1968.

Because the Manila meeting is only 2-1/2 weeks away, Black needs guidance quickly so that he can make the necessary preparations. Bill Gaud recommends approval of this request, and has secured the concurrence of the interested Executive Branch agencies, including Treasury.

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E.O. 12356, Sec. 3.4

NLJ 90-46

By 440 NARA. Date 7-16-90

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I recommend that you approve this request. If you approve, I will proceed with the required documentation and notification. Walt Rostow concurs.

CHARLES L. SCHULTZE DIRECTOR

Approve	
Disapprove	

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Limited Official Use

Thursday - November 17, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Congratulatory Message to Ecuadorean President

The Ecuadorean Constituent Assembly last night elected Otto Arosemena Gomez as "Provisional Constitutional President". He succeeds interim President Yerovi who took over last spring after the military junta quit under strong public pressure.

The Assembly has not fixed the term of President Arosemena. It may be for a full 4-year term or for the time necessary (1-2 years) to organize general elections.

Arosemena inherits a still unstable situation, but he has these things going for him:

- -- he is a successful businessman with long political experience in Congress;
- -- he is a strong leader;
- -- he is a moderate who obtained the support of responsible elements from the left and the right in the Assembly.

State recommends that you send him the attached congratulatory message. I concur.

W. W. Rostow

Attachment	
	Jake Jacobson Telephoned at 7: 25pm 11/18/66 mr Bowsler notified who will notify 5/
Approve	Jake Jacobson telephoned pet mv Bowsler notified who will notify 5/
Disapprove	· Mr Bowdler may
Speak to me	
cc - Bill Moyers	Limited Official Use

PROPOSED PRESIDENTIAL MESSAGE TO ECUADOREAN PROVISIONAL PRESIDENT AROSEMENA

His Excellency

Dr. Otto Arosemena Gomes

Provisional Constitutional President of

the Republic of Ecuador

Culto, Ecuador

On the occasion of your election as provisional constitutional president, I send you my personal congratulations and warm regards, as well as those of the American people. May you have every success as you lead your great country during this important period of its history.

Lyndon B. Johnson

CONFIDENTIAL

Tuesday - November 15, 1966

Mr. President:

Because of the urgency in getting on with loan negotiations with Colombia. Secretary Rusk will raise at the luncheon meeting today the attached authorization request.

If time permits. I recommend that we dispose of this matter.

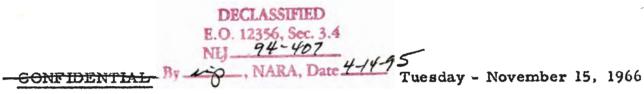
W. W. Rostow

Attachment

White House Guidelines, Feb.24, 1983

By OUF, NARA, Date 1-16-\$70

CONFIDENTIAL



MEMORANDUM FOR THE PRESIDENT

SUBJECT: Program Loan for Colombia for 1967

AID and BOB request, under the new commitment procedures, your authorization to negotiate a \$100 million program loan for Colombia for the balance of CY 1966 and CY 1967. Joe Fowler raises no objections on balance of payments grounds although he maintains his reservations on program as against project lending.

The amount is \$35 million more than you approved for 1966:

- -- \$20 million to support Lleras and his vigorous development program.
- -- \$15 million to cover the balance of 1966 (our loan went only to October).

As last year, we will coordinate our loan negotiations with the IMF and the IBRDled Consultative Group for maximum leverage on self-help commitments. They are expected to furnish \$65 and \$100 million respectively.

A loan of this magnitude is justified because:

- -- Lieras needs this amount to launch his development program while continuing stabilization measures.
- -- Colombia's self-help performance this year has for the most part been highly satisfactory, and should be better under Lleras, a sophisticated economist and more able political leader than his predecessor.
- -- The self-help requirements and tying procedures are well conceived to maximize our interests.
- -- Lieras belongs to the new generation of democratic, progressive Latin American leaders whom we wish to/Succeed.
- -- Lieras has already taken the leadership in promoting accelerated Latin American economic integration -- the cornerstone of our summit package.

I am satisfied with the soundness of the proposed loan and join in the recommendation that you approve it.

Later this month we will seek your approval of CY 1967 program loans to Brazil and Chile, both in considerably lesser amounts than you approved for this year.

		W. W. Ro	stow
Approve	Disapprove	Speak to me	

Mes file November 15, 1966 MEMORANDUM FOR THE PRESIDENT SUBJECT: Follow-up Correspondence on Visit to Korea In drafting letters of appreciation to the ROK Government during your recent visit to Seoul, the Embassy inadvertently neglected the Minister of Home Affairs. The Minister was responsible for supervision on all police arrangements for the visit. You may want to sign the attached draft letter to Minister Um Min Yung. W. W. Rostow Att.

Dear Mr. Minister:

Mrs. Johnson and I sincerely appreciate the excellent arrangements made for our visit to your country, and especially the important part you and members of your Ministry played in making them. We thoroughly enjoyed our stay in Korea and we are grateful that we had this opportunity to see for ourselves the great progress that has been made there.

Sincerely,

His Excellency
Um Min Yung
Minister of Home Affairs of
the Republic of Korea
Seoul, Korea

LBJ:WJJ:pas

Mr. Rostow 103

November 15, 1966

MEMORANDUM FOR THE PRESIDENT

May I recommend your signature on this reply to the Secretary General of the World Buddhist Sangha Council in Ceylon, who wrote to you expressing that group's support for the objectives of the Manila communique.

I share State's view that a letter from you will consolidate our rapport with the Ceylonese Buddhists as an offset to Vietnamese Buddhist extremists.

W. W. Rostow

Att.

DWR:hg

November 15, 1966

Venerable Sir:

Your letter of November 3 touches a subject of the utmost concern to me. It was appreciated very much. Governor Harriman had already informed me of the importance he attached to his discussion with you. I am happy that you found your meeting with him fruitful.

Your assurance to me that the World Buddhist Sangha Council joins with the seven nations which met in Manila in our efforts to uphold freedom and peace throughout the world is most comforting. I am sure that the leaders and the peoples of all those nations will agree with me when I say that we, as you, are determined to contribute our share to build a world in which peoples shall not be conquered by aggressive force and shall enjoy the inherent right to choose their own way of life and their own form of government.

Please accept my best wishes for your continued success in advancing the ideals set forth in the Manila Communique.

Sincerely,

(5) Lyndon B. Johnson

The Venerable Pimbure Soratha Thero Secretary General World Buddhist Sangha Council

World Buddhist Sangha Council

Y. M. B. A.

Colombo 1, Geylon

2. Pres file

SECRET

November 15, 1966

MEMORANDUM FOR THE PRESIDENT

I recommend your approval of this determination, in accordance with the Foreign Assistance Act, that cash sales of modest military equipment to Singapore will advance our security interests.

The defense articles and services involved will improve Singapore's capacity for maintaining internal security. Terms are cash, and this will be a small plus for our balance of payments.

W. W. Rostow

Att.

DECLASSIFIED E.O. 12356, Sec. 3.4 NLJ 90-46 By 200. NARA, Date 7-16-70

DWR:hg





104a

EXECUTIVE OFFICE OF THE PRESIDENT

BUREAU OF THE BUDGET WASHINGTON 25, D.C.

GROUP 4
DOWNGRADED AT 3-YEAR INTERVALS;
DECLASSIFIED AFTER 12 YEARS

NOV 1 0 1966

MEMORANDUM FOR THE PRESIDENT

Subject: Determination Permitting Sales of Military Equipment to the Republic of Singapore

Attached are a memorandum and background annex from Bill Gaud and a determination, for your signature, which would permit cash sales of defense articles and services to Singapore.

Singapore is interested in the cash purchase of military equipment for internal security purposes, primarily small arms and communications gear. Before we can make a firm offer, the Foreign Assistance Act requires that you determine that furnishing military equipment to Singapore will strengthen the security of the United States and promote world peace. The Defense Department estimates that Singapore's annual purchases may eventually amount to \$4 to \$6 million per year, a small plus for our balance of payments.

As the attachments indicate, the democratic Republic of Singapore has maintained generally friendly relations with the United States and the sale is in our interests.

I recommend you sign the determination. Walt Rostow concurs.

(signed) Charles L. Schultze
Charles L. Schultze
Director

Attachments

Broup 4 DECLASE SFIED

Dy DUA NARS, Date 8-15-86





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

OFFICE OF THE ADMINISTRATOR NOV 5 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Request for Finding under Section 503 of the Foreign

Assistance Act of 1961, as amended (the "Act"), Permitting the Furnishing of Military Assistance to

the Republic of Singapore

I request that you find that the furnishing of military assistance to the Republic of Singapore will strengthen the security of the United States and promote world peace.

The Government of Singapore is interested in purchasing defense articles and defense services from the United States. However, the Act does not permit such sales unless the President finds, pursuant to Section 503 (introductory clause) of the Act, that the furnishing of military assistance to the Republic of Singapore will strengthen the security of the United States and promote world peace.

Strengthening the internal security of a viable democratic government in Singapore will contribute to the stability of Southeast Asia and promote world peace. The present Government of Singapore has maintained generally friendly and cooperative relations with our Government, and modest military assistance to the Republic of Singapore would tend to sustain and strengthen this relationship. Only cash sales of defense articles and services are now contemplated. However, the requested finding would also satisfy the requirements of Section 503 (introductory clause) with respect to other forms of military assistance should such assistance later appear to be in the interest of the United States.

Accordingly, I recommend that you sign the attached memorandum, thereby making the necessary finding. The Departments of State and Defense concur in this recommendation.

William S. Gaud

William 1. Frank

Enclosures:

- 1. Proposed Determination
- 2. Background Annex

Group 4

By Octo, NARA, Date 1-16-90

STORT

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



BACKGROUND ANNEX

The Government of Singapore is interested in purchasing defense articles and services from the United States. Authority for sale of defense articles and services by the United States is set forth in Section 503 of the Act. Section 503 includes such sales within the concept of "military assistance" and requires that before military assistance may be furnished to a country (which must be a friendly country) the President must find that assisting the country "will strengthen the security of the United States and promote world peace." It is recommended that the President make such finding for the following reasons:

- 1. The Government of Singapore has demonstrated generally democratic and responsible attitudes in its internal and foreign affairs. The continuance of this type of government in Singapore will contribute to the stability of Southeast Asia.
- 2. Since Singapore became an independent country on August 9, 1965, it has maintained generally friendly and cooperative relations with the United States. In military matters, the Government of Singapore has facilitated cur ship visits and served as a recreation and rehabilitation area for U.S. armed service personnel. The furnishing of military equipment and services to Singapore would tend to sustain and strengthen this good relationship.
- 3. Singapore, with its extensive base facilities, is strategically situated at the "cross roads" of the Far East. For this reason also, it is important to the security of the United States that cooperative relations between the two countries be continued.
- 4. The defense articles and services to be purchased from the United States are military ground equipment useful in maintaining the internal security of the Republic of Singapore. Examples of equipment for which price, availability and/or other information have been requested are: (1) automatic rifles, (2) .223 cal. rifles, and (3) VHF radio equipment such as AN/PRC 25, AN/VRC 53, and AN/GRC 125, together with spare parts, accessories and test equipment. This would amount to minimal defense expenditures.
- 5. The Government of Singapore is willing to pay cash for such procurement. Accordingly, the proposed military export sales would improve the U.S. balance of payments.
- 6. The sale of U.S. military equipment would strengthen U.S. military influence in the country while forestalling third country influence, except for Britain and Commonwealth countries.

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

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THE WHITE HOUSE

WASHINGTON

nov 15, 1966

Presidential Determination No. 67-10

MEMORANDUM FOR THE ADMINISTRATOR AGENCY FOR INTERNATIONAL DEVELOPMENT

SUBJECT: Finding Under Section 503 of the Foreign Assistance Act of 1961, as amended, Permitting the Furnishing of Military Assistance to the Republic of Singapore

As requested by your memorandum of November 5, 1966, I hereby find, pursuant to Section 503 (introductory clause) of the Foreign Assistance Act of 1961, as amended, that furnishing military assistance to the Republic of Singapore will strengthen the security of the United States and promote world peace.

[5] Lyndow B Johnson

By Dat NARS, Date 8-35-86

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

SEGRET

Tuesday, November 15, 1966

Mr. President

The attached message from Prime Minister Wilson was supposed to have been sent from London Friday, November 11.

Due to a communications slip-up in the Prime Minister's office, we did not receive it until today. The British have apologized for the delay.

W. W. Rostow



Tuesday, November 15, 1966

Message to the President from the Prime Minister, dated November 11, 1966, delivered by the British Embassy.

Begin:

I have asked Pat Dean to give you the full text of what I said yesterday in the House about our new approach to the problem of British entry into the Common Market. I hope this speaks for itself. But there are two points that I should like to underline to you personally.

Before doing this, however, perhaps I could explain briefly how I see this whole operation. As you know, I have never been one of the little band of so-called "Europeans." I believe that the way our predecessors set about things five years ago was the wrong way: the failure of their attempt was inevitable: and no government under my leadership is going to get into a similar situation. Moreover, it always seemed to me doubtful -- and I never hesitated to make this clear in public -- whether the six left to themselves were likely to develop into a community dedicated to a concept of ever-widening and freer world trade: or whether the trend would not be towards a tight little inward-looking group of countries concerned essentially with their own affairs. I am bound to say that in their attitude towards agriculture and on the whole towards the Kennedy Round, they have sometimes seemed to justify doubts of this kind. This tendency represents a real danger for all of us. And, as I made clear yesterday, George Brown and I intend to emphasize during the probing visits we shall be making to European capitals that a forthcoming attitude by the six towards the Kennedy Round will be a significant earnest of their desire for British membership in a joint enterprise with them.

On the other hand -- and this is perhaps the main reason why I feel that our present initiative is right -- I believe that the situation in Europe has changed pretty fundamentally since 1962 and is continuing to change: that the prospects of building a new and wider community including, as well as ourselves, a number if not all of our EFTA partners, are now much more promising than they were: and that if we can build such a community, it will greatly strengthen not only Britain and Europe, but the West as a whole. Obviously this concept of an outward looking European community, designed to play the constructive role in world affairs that each of us individually is now finding too difficult, is bound to raise once more the fundamental issue of our own relationship with the United States which stuck in DeGaulle's gullet last time. The prophets of gloom say

DECLASSIFIED

Authority UK 6 undelines

By W. NARA, Date 3-26-46



that this remains as total an obstacle to our present approach as it proved for our predecessors. We shall see. My own belief is that the General has not changed one iota in his general view of the world or of our own relationship with yourselves. But, as I say, Europe and the world are changing around him and so is the situation in France itself. In 1962 DeGaulle was on the crest of the political wave. I am sure his power in France is still absolute. But I am equally sure that his subordinates are now thinking very deeply about the future of France without DeGaulle and that a great many of them realize how necessary to France in that period partnership with Britain must be -- as well as a close partnership between the two of us and Germany. Clearly, our talks in Paris will be by far the most difficult and delicate of any we shall have. But if I despaired of them, I would not have said what I did yesterday.

This is the background against which I wish you to see my personal commitment to the policy I explained to the House yesterday. The two points that I mentioned at the outset and on which I want you to be clear in your mind beyond a peradventure are, first the firm determination of my colleagues and of myself that there shall be no change in the fundamental relationship between our two countries and in our own basic loyalty to and belief in the Atlantic concept. As I have suggested earlier in this message, I am convinced that British membership of the right kind of European community -- conscious of its responsibilities to the rest of the world and not simply concentrating on its own narrow interests -- British membership of that type of community, which is the objective of our present approach, far from being incompatible with the Atlantic concept will be, on the contrary, a means of strengthening and enriching it. Secondly, the key to this whole exercise rests in the words at the end of the paragraph in my statement where I speak of our clear intention and determination to enter EEC if, as we hope, our essential British and Commonwealth interests can be safeguarded. Those words are, "We mean business." We are going into this in the firm belief -- and the Cabinet are united with me in agreement on this -- that the sort of European concept I have outlined above is the right ane and that our efforts to achieve it shall succeed.

I confidently believe that our discussions during the coming months will confirm the sincerity of our approach and the strength of support for it among our potential partners in Europe. I am convinced that, with this support, we shall succeed together in what I personally regard as an historic initiative.

SECRET

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Chinese Representation in the UN

We introduced the Important Question Resolution at the UN this afternoon with the Belgians and others as co-sponsors.

Efforts to enlist the Italians and Canadians as co-sponsors were unsuccessful. The Italians wanted iron-clad assurances — we did not feel we could give them — that we would not drop the study committee idea if we win the votes on the Important Question and the Albanian resolutions. We are trying to make sure that the order of voting in New York is: first, the Important Question (to require a two-thirds vote for any change in Chinese representation); second, the Albanian Resolution (to substitute Red China for the Republic of China in the UN); and third, the modified Canadian or Italian Resolution (looking toward a study committee). The introduction of our Resolution today makes it likely that it will be the first to be voted on. If the study committee proposal comes up, we might have to go through a second Important Question vote.

Canadian Foreign Minister Martin and Italian Foreign Minister Fanfani met today in Rome to discuss their respective tactics on Chinese representation. Preliminary reports indicate that they did not reach any agreement. The Foreign Minister of the Republic of China is expected to arrive in Washington tomorrow.

Secretary Rusk will address himself to this issue at tomorrow's luncheon meeting.

W. W. Rostow

DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 94-407

By 120, NARA, Date 4-14-95

SECRET

Monday, November 14, 1966 5:15 p.m.

Mr. President:

Herewith two memoranda you may wish to read.

- 1. Memorandum of my conversation this morning with B. K. Nehru, with a question at the end.
- 2. A memorandum of our conversation this morning with Sir John Crawford and Bernard Bell, just back from India on behalf of George Woods.

One observation not included in the memorandum was Sir John's judgment that the hold up on fertilizer negotiations is now on the side of the companies which are awaiting the election at the end of February.

W. W. Rostow

SECRET

State 1-12-78; NSC 8-15-78 (#53) By Ref Per (NAKS, Date 8-22-86

November 14, 1966

MEMORANDUM FOR MR. BENJAMIN READ

Attached Memorandum of conversation with Amb. B. K. Nehru is transmitted for whatever distribution you think necessary in the Dept of State. A copy is attached for Mr. Eugene V. Rostow.

W. W. Rostow

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 98-510 By is , NARA Date 10-20-99

SECRET

November 14, 1966

Memorandum of conversation with Ambassador B. K. Nehru, 10:00 a.m., 14 November 1966

At my request, Ambassador Nehru came in at 10 o'clock this morning. I told him that the President, as well as many senior officials in the Government, has been assessing the Indian food problem in the light of the failure of the monsoon in an important region of the country.

The President had concluded that, in order to deal with this second crisis, we would require:

- -- an objective assessment of Indian self-help efforts in agriculture under the Freeman/Subramaniam Rome agreement;
- -- a multilateral effort to assist India, in which we could only take an equitable share;
- -- Congressional consultations to establish a base for our part in the common effort; and
- -- probably a Congressional resolution to underpin the action of the Executive Branch.

I explained that we were conscious of the pipeline problem; but the President had decided not to proceed now with the two-million-ton interim deal. The Indian government should consider ways of financing the continuity of the pipeline from its own resources. I suggested that he might discuss this with Secretary Freeman, whom he is to see at 11:00 this morning.

I also used the occasion to point out, as a matter of simple fact, how the communique resulting from the Nasser-Tito-Gandhi meeting had complicated things here.

I also observed that we hoped the Indian government would respond positively to President Ayub's apparent willingness to proceed with secret talks which would separate the arms level issue from the political issues separating the two countries.

He said he would report these observations.

The Ambassador then asked me to convey to the President the following judgment: The course that we plan to pursue would give the Indian government an excuse for not facing up to its food problem.

If the pipeline stopped, they would blame starvation in Bihar on the U. S. rather than on their own feebleness in dealing with the surplus states and making sure the harvest was properly moved around.

His own recommendation was for us to decide what we could or could not offer India; make that available; and tell the Indian government that it had to figure out what to do at home and abroad on its own.

He went on to say that the Indian government would only face up to the food problem under powerful domestic pressures. He thought it was a good thing that Kamaraj's house was burned down and the Governor of Bihar had been attacked. He did not feel that, with a weak government, diplomacy would work.

In short, he felt that we were taking unnecessary risks in our relations with India, both by holding up in the short run on the interim deal and by assuming longer term responsibility for organizing international aid on a multilateral basis for the year as a whole.

As he was leaving, he said he thought that, in any case, there would be some starvation in Bihzr, and perhaps this was the only way for Indian politicians to come seriously to grips with food and agriculture policy in the country.

Comment: Knowing Ambassador Nehru for a good many years, I believe his observations were in part candid, in part, contrived. I have no doubt that he regards the present Indian government as weak. He observed, in fact, that we cannot expect a strong Indian government until the coming election. On the other hand, his instruction is to get the interim deal at the earliest possible moment; and he obviously felt that this hard line was a pretty shrewd way to put the case.

W. W. R.

P.S. After his talk with Sect. Freeman, Amb. Nehru asked if we would consider Indian grain purchases on the basis of a reimbursable purchase authorization; that is, if a deal later emerged the purchases could be folded into it; if not, it was on their own commercial account.

SECRET

November 14, 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Determination on Moroccan Military Aid

I recommend you approve the attached routine determination to permit continuation of our ongoing program. This \$3 million is mostly for training and establishing a maintenance program for the 12 F-5 aircraft you approved for them in 1965.

This program is modest in contrast to what King Hassan would like. He is rightly worried about the substantial Soviet-backed buildup next door in Algeria, but we haven't wanted to encourage him to rush into a full-scale arms race. However, this is one item on the King's agenda when he comes to see you in January or February, and we will have a fuller picture of your options on possible additions to our program then.

Apart from Morocco's generally helpful posture on Vietnam a	ınd
other important issues, our main reason for continuing a small mil	itary
aid program is his verbal deal with President Kennedy to let us sta	У
on at our naval communications base at	2 1 6 (1)
Kenitra.	3,40,000

For signature if you approve.

W. W. Rostow

SANITIZED

E.O. 12958, Sec. 3.6

NLJ 98-510

By is, NARA Date 10-20-99

SECRET

Monday, Nov. 14, 1966 7 pm

CONFIDENTIAL

MR. PRESIDENT:

Herewith Subramaniam's reply to Chet Bowles' presentation of our position:

"He indicated that the government of India would be happy to confer with the visiting team from the U. S. Department of Agriculture, and later with the visiting members of the U. S. Congress. He inquired whether, meanwhile, pending completion of this study it might be possible for the U. S. immediately to release an additional 500,000 tons of food grains to maintain the flow of imports in January at the million-ton-a-month rate that now looks likely for December. The Minister stated that the Indian Government would be glad to take responsibility for these shipments on its own account if an amendment to the present PL 480 agreement cannot be promptly arrived at."

This is essentially the same request Ambassador Nehru made to me by telephone after our interview this morning; namely, that we clear 500,000 tons of food grains on a reimbursable PL-480 purchase basis.

W.W.R.



DECLASSIFIED E.O. 12356, Sec. 3.4 NLJ 9/-8/ By , NARA, Date 5-7-93

SECRET

November 14, 1966

MEMORANDUM FOR THE PRESIDENT

We're quite discouraged over Israel's Sunday morning 3000-man raid into Jordan--by far the largest since the 1956 Suez attack. They demolished most of one town, caused at least 30 civilian deaths and gave the local Jordanian army unit a bad mauling.

We've reacted sharply. Ambassador Goldberg issued a statement in New York deploring the attack. We refused to pass an Israeli message to King Hussein justifying the raid. We will probably support Jordan if it goes to the UN (though we'll also have to deplore the Jordan-based road-mining incident that killed three Israelis and provoked this attack). Ray Hare gave Ambassador Harman a pretty hard time this afternoon. Harman was more embarrassed than defensive.

We understand the pressures on Eshkol to protect Israel's border citizens and his fear that the recent sharp increase in sabotage is a new phase in Arab policy. Israelis argue they must strike at Arab civilians in force to induce them not to cooperate with Arab raiders using Jordan despite King Hussein's effort to prevent them.

But we've consistently urged the Israelis not to retaliate—especially against Jordan where King Hussein has made an honest effort to crack down on raiders and runs the most moderate of the Arab regimes. Although it's hard to argue wholeheartedly that the Israelis should not use their superior strength to protect themselves, every time they strike back it sets back chances for long range accommodation with neighboring states. This time, they've destroyed much of the international support they gained in the UN Security Council last month and—judging from Hussein's initial reaction—have just about killed promising tacit cooperation with Hussein. Hussein is trying to be more independent of Cairo, but such pressures from Israel only make this harder for him.

We will continue urging Hussein not to strike back. We are also looking at longer range measures to help the Israelis seal off their borders by using radar fences and other simple techniques successful in Vietnam. This is the only way to get at the root of the problem.

W. W. Rostow

SECRET

Monday, 14 Nov. 1966 6:45 p.m.

MR. PRESIDENT:

Herewith Secretary McNamara's report on progress in the anti-infiltration barrier.

It's moving.

W.W.R.

SECRET attachment (dtd 14 Nov. 1966)

Mr. Caston

11/2

THE SECRETARY OF DEFENSE WASHINGTON

14 November 1966

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Anti-infiltration barrier between North and South Vietnam

I recommended in my October 14 trip report to you that we install south of the 17th Parallel a barrier against infiltration from North into South Vietnam.

We are now preparing to proceed to install the ground portions of this barrier. The easternmost portion will be a continuous ground barrier of fences, wire, mines and sensors, supported by artillery, aircraft and mobile troops, and will extend from the South China Sea westward approximately 30 kilometers, as far as the land remains relatively flat. To the west of this continuous ground barrier will be intermittent ground barriers placed in the ravines or defiles through which men and supplies are forced by the terrain to move. These barriers are supported by General Westmoreland and by the Joint Chiefs of Staff.

West of the ground barriers there is a clear need for an air barrier. The exact character of the air barrier has not been decided. It may be an intensification of the present program of air strikes on infiltration routes, a form of the Air Force "Beaver" proposal involving continuous bombing of three or four lines of choke points, or some other air method of denying transit to enemy trucks, men and supplies. We are now taking steps to acquire the munitions, sensors and other equipment and facilities necessary to implement the air portion of an anti-infiltration barrier.

Robert S. McNamara

cc: Secretary of State Chairman, JCS



MEMORANDUM FOR THE PRESIDENT

SUBJECT: Chinese Representation in the UN

We introduced the Important Question Resolution at the UN this afternoon with the Belgians and others as co-sponsors.

Efforts to enlist the Italians and Canadians as co-sponsors were unsuccessful. The Italians wanted iron-clad assurances -we did not feel we could give them -- that we would not drop the study committee idea if we win the votes on the Important Question and the Albanian resolutions. We are trying to make sure that the order of voting in New York is: first, the Important Question (to require a two-thirds vote for any change in Chinese representation); second, the Albanian Resolution (to substitute Red China for the Republic of China in the UN); and third, the modified Canadian or Italian Resolution (looking toward a study committee). The introduction of our Resolution today makes it likely that it will be the first to be voted on. If the study committee proposal comes up, we might have to go through a second Important Question vote.

Canadian Foreign Minister Martin and Italian Foreign Minister Fanfani met today in Rome to discuss their respective tactics on Chinese representation. Preliminary reports indicate that they did not reach any agreement. The Foreign Minister of the Republic of China is expected to arrive in Washington tomorrow.

Secretary Rusk will address himself to this issue at tomorrow's luncheon-meeting.

W. W. Rostow

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 97-92 By is , NARA Date 9-4-97

Monday, November 14, 1966 - 12:45pm

MEMORANDUM TO THE PRESIDENT

SUBJECT: Letter of Condolence to Ambassador Matthews

Attached for your signature is a suggested letter of condolence to H. Freeman Matthews, a retired Career Ambassador who is currently your representative on the United States-Canada Permanent Joint Board on Defense.

Ambassador Matthew's wife, Helen S. Matthews, died this week. Funeral ceremonies will be held in Washington Tuesday.

The State Department recommends, and I agree, that a letter of condolence is appropriate in view of the fact that Ambassador Matthews reports directly to you as Chairman of the Joint Board.

W. W. Rostow

WWR:BKS:amc Nov 12 66

Dear Ambassador Matthews:

I was distressed to learn of the untimely death of Mrs. Matthews. You have my sincere sympathy and heartfelt condolence.

Sincerely,

The Honorable H. Freeman Matthews 4955 Glenbrook Road, N. W. Washington, D. C. 20016

LBJ:BKS:amc

Mr. Koston 114

November 14, 1966

Mr. President:

I am sorry to bother you with minor items now, but it would be a nice touch if you could send Maltese Prime Minister Borg-Olivier a short note of regret. You were tentatively scheduled to have him in this week.

Attached, for your approval and signature, is a draft.

Francis M. Bator

13 - Jen 12,1666

Dear Mr. Prime Minister:

I very much regret that I will be unable to see you while you are in Washington. Unfortunately, my doctors have decided that I must spend this week in their company.

I do want to welcome you to the United States, and ask that you extend my good wishes and those of all Americans to the people of Malta when you return home.

Sincerely,

JEG

The Honorable
Dr. Giorgio Borg Olivier
Prime Minister of Malta

LBJ:FMB:LSE:djw 11/14/66

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EE A2 14 OD WTE 10 DE WTE 2228

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 98-510 By is, NARA Date 10-20-99

SENT WHCA

FROM: To: WALT ROSTON THE PRESIDENT

CITE: CAP66982

1966 NOV 13 / 21 27

Sent SUN NOV 13, 66 4:37 PM

THE SECRET

HEREWITH A JOINT MEMORANDUM TO YOU FROM THE SECRETARIES OF STATE, DEFENSE AND TREASURY PLUS A DRAFT MESSAGE TO PM WILSON APPROVED BY THEM. IT ARISES FROM THE RECOMMENDATIONS OF MCCLOY AFTER THIS FIRST RATHER PROMISING ROUND OF TALKS WITH HIS BRITISH AND GERMAN COLLEAGUES.

IT WOULD FURTHER NAIL WILSON EAST OF SUEZ AND WOULD COMMIT HUM TO FOREGO UNILATERAL TROOP CUTS UNTIL WE HAVE THE TIME:

FIRST, TO GET A GERMAN GOVERNMENT WITH ITS FEET UNDER THE TABLE;

SECOND, TO WORK OUT A MULTILATERAL SYSTEM FOR FINANCING THE ALLIANCE WETHOUT BURDENING UNFAIRLY THE US AND UK BALANCE OF PAYMENTS.

IN ADDITION, THE MESSAGE FORESMADOWS OUR GOING TO THE UK ON LINDIAN FOOD AND OTHER COMMON PROBLEMS.

THE PRICE TAG: \$35 MILLION IN U.S. MILITARY ORDERS FOR THE U.K., EXPLICITLY MADE CONTINGENT ON CONGRESSIONAL APPROVAL, TO PERMIT WILSON TO HOLD HIS CABINET TOGETHER AND TO UNHOOK FROM HIS DEADLINE FOR THE ANNOUNCEMENT OF TROOP WITHDRAWALS FROM GERMANY.

THE ROAD AHEAD MAY BE QUITE LONG IN WORKING DUT AND NEG-OTIATING THIS MULTILATERAL FINANCING SYSTEM; BUT IF AND WHEN IT IS DONE WE WILL ALSO BE SOME DISTANCE TOWARDS A MORE RATIONAL OVER-ALL INTERNATIONAL FINANCIAL SYSTEM, BECAUSE THE GERMANS WILL BE FORCED BY THIS EXERCISE TO END THE SCHISM BETWEEN THEIR DEFENSE POLICY ON THE ONE HAND AND THEIR INTERNATIONAL FINANCIAL POLICY ON THE OTHER.

AS YOU KNOW, WE HAVE BEEN TRYING TO GET A HANDLE ON THIS PROBLEM LITERALLY FOR YEARS. WE MAY WELL HAVE IT NOW. AND YOU HAVE THE THREE SECRETARIES AT LAST UNITED IN THIS MATTER.

SO THAT YOU HAVE THE FULL FLAVOR, YOU SHOULD KNOW;

-JOE FOWLER HAS RESERVATIONS ABOUT CONGRATULATING WILSON ON HIS COMMON MARKET POSTURE, PROBABLY BECAUSE HE IS WORRLED ABOUT THE INTERNATIONAL MONETARY ADJUSTMENTS THAT MAY COME IF AND WHEN BRETAIN GETS IN. THERE WILL BE PROBLEMS OF FINANCIAL ADJUSTMENT IF THE BRITISH GET INTO THE COMMON MARKET; BUT THE POUND WILL BE, IN ANY CASE, AN INTERNATIONAL PROBLEM FOR SOME TIME AND THERE IS MORE CHANCE OF A STAPLE RESOLUTION OF THE U.K. POSITION IF THEY GO IN THAN IF THEY STAY IN LIMBO WHERE THEY ARE NEITHER A PART OF EUROPE NOR A VIABLE WORLD POWER.

CONDA

w

BOB MCNAMARA, HAVING PLAYED THE BILATERAL OFFSET GAME TO ITS LIMIT, WISHES THE MULTILATERAL FINANCIAL APPROACH WELL AND BELIEVED IT THE RIGHT COURSE. HE THINKS IT MAY BE A TOUGH AND LENGTHY ROW TO HOE. HE'S ALMOST CERTAINLY CORRECT. BUT IT'S THE RIGHT ROW.

THEREFORE, THE DRAFT MESSAGE HAS MY STRONG SUPPORT AS WELL AS FRANCIS BATOR'S.

MEMORANDUM TO THE PRESIDENT FROM THE SECRETARIES OF STATE, TREASURY AND DEFENSE

WE HAVE HEARD A REPORT FROM MR. MCCLOY ON THE WORK OF THE TRILATERAL GROUP. THEY ARE MAKING ENCOURAGING PROGRESS ON ALLIANCE STRATEGY, BUT HAVE NOT YET COME TO GRIPS WITH FINANCIAL PROBLEMS. MR. CARSTENS, THE GERMAN REPRESENTATIVE, EXPRESSED FULL AGREEMENT WITH OUR STRATEGY OF MEASURED RESPONSE. HE SAID THAT THE GERMANS COULD CONTINUE THE WORK OF THE TRILATERAL GROUP, BUT THAT NO FIRM POLICY DECISIONS COULD BE EXPECTED "FOR SOME TIME" AFTER A MEN GOVERNMENT WAS FORMED. MR. THOMSON, THE BRITISH REPRESENTATIVE, CONFIRMS THAT THE BRITISH POSITION IS MAINLY INFLUENCED BY THEIR BALANCE OF PAYMENTS TROUBLES.

THE ABSENCE OF A GOVERNMENT IN GERMANY PRESENTS A REAL PROBLEM, IN VIEW OF THE BRITISH TIMETABLE. WE THEREFORE RECOMMEND, AS MR. MCCLOY DOES, THAT YOU SEND THE ENCLOSED MESSAGE TO THE PRIME MINISTER.

IF THE BRITISH AGREE, THIS ACTION WILL PREVENT AN IMMEDIATE UNRAVELLING OF THE NATO FORCE STRUCTURE, WHICH THE TRI-LATERAL TALKS ARE INTENDED TO AVOID. CONTINUED BRITISH PARTICIPATION IN THE TRILATERAL GROUP WOULD NOT GUARANTEE THE SUCCESS OF OUR EFFORTS TO GET EUROPE TO ACCEPT MORE EQUITABLE RULES OF BURDEN-SHARING. BUT SUCCESS IS INCONCEIVABLE IF THEY WITHDRAW NOW.

WITH HIS DECISION ON EUROPE, WILSON MAY BE ANXIOUS TO AVOID TROOP WITHDRAWALS; BUT WE MAY NEED MORE HELP. IF HE CAN AGREE TO \$35 MILLION IN FOREIGN EXCHANGE -- THE AMOUNT THE BRITISH ESTIMATE THEY WOULD SAVE OVER A SIX MONTHS PERIOD. THE BAOR -- THE BARGAIN PROPOSED IN THIS LETTER IS CERTAINLY WORTH OUR WHILE. WE BELIEVE WE CAN JUSTIFY THE STEP TO CONGRESS ON THIS BASIS.

THE SECRETARY OF THE TREASURY, WHILE HESITANT ABOUT THE PROPOSAL, RELUCTANTLY AGREES ESPECIALLY IN VIEW OF THE PROSPECTIVE FAVORABLE STATE OF OUR MILITARY ACCOUNTS WITH THE UNITED KINGDOM. AS WE SEE IT NOW, THAT ACCOUNT WILL BE IN ROUGH BALANCE DURING THE NEXT FEW YEARS. IN FY 1967 OUR OUT-PAYMENTS WILL BE LARGER THAN BRITISH PAYMENTS FOR MILITARY PROCUREMENTS IN THE UNITED STATES. THAT DEFICIT WILL BE CUT IN HALF IN FY 1968, AND THERE SHOULD BE A SURPLUS IN FY 1969 AND THEREAFTER. THE ADDITION OF \$35

MILLION IN NEW UNITED STATES ORDERS IN THE UNITED KINGDOM WILL DEEPEN THE MILITARY DEFICIT WITH BRITAIN IN FY 1967 BY ABOUT 20 PERCENT BUT WILL NOT AFFECT FUTURE SURPLUSES NOR THE OVERALL ROUGH BALANCE.

FROM PRESIDENT TO PRIME MINISTER

I AM IMMENSELY HEARTENED BY YOUR COURAGEOUS ANNOUNCE-MENT ABOUT JOINING THE EEC. YOUR ENTRY WOULD CERTAINLY HELP TO STRENGTHEN AND UNIFY THE WEST. IF YOU FIND ON THE WAY THAT THERE IS ANYTHING WE MIGHT DO TO SMOOTH THE PATH, I HOPE YOU WILL LET ME KNOW.

THE REPORT FROM JOHN MCCLOY ON THE TRÎLATERAL TALKS IS ENCOURAGING, DESPITE THE REAL DIFFICULTIES WE STILL FACE, THOMSON NADE AN EXCELLENT CONTRIBUTION. I AM HOPE-FUL THAT WE CAN GET A GENERIC RETURN FROM THIS EXERCISE -MILITARILY, POLITICALLY AND FINANCIALLY.

THE IMMEDIATE SNAG, WHICH CARSTENS CONFIRMED, IS THE INEVITABILITY OF DELAY ON THE SERMAN SIDE. WHILE THEY CAN FRUITFULLY CONTINUE TO WORK WITH US IN THE TRILATERAL GROUP, IT WOULD BE IMPOSSIBLE FOR THEM TO REACH A RESPONSIBLE GOVERNMENT POSITION ON THESE MATTERS IN TIME TO KEEP THE PRESENT SCHEDULE. WE SHOULD SURELY GIVE THE GERMANS A CHANCE TO GET THEMSELVES A GOVERNMENT.

I KNOW WE AGREE THAT WE MUST MOVE TOGETHER IN ORDER TO MAINTAIN NATO AS A CREDICLE DETERRENT AND AS A STABILIZING INFLUENCE, ESPECIALLY IN GERMANY. YOUR PRESENCE IN GERMANY IS AS IMPORTANT TO US AS YOUR PRESENCE IN THE EAST, WHICH I ASSUME REMAINS AS WE LAST DISCUSSED IT.

I UNDERSTAND, AS YOU KNOW, THE IMPORTANCE TO YOU OF BEING ABLE TO JUSTIFY A CHANGE IN YOUR ANNOUNCED PROGRAM, IN VIEW OF THE PRESSURES INHERENT IN YOUR DIFFICULT BUT PROMISING POLICIES OF ECONOMIC ADJUSTMENT. WOULD IT HELP

I PLACED IN THE UNITED MIMEDOM IN THE NEAR FUTURE \$35
MILLION IN ORDERS BEYOND THOSE ALREADY AGREED TO? I
THINK I COULD DO SO ON ASSURANCE FROM YOU THAT YOU WILL.
STAY WITH US AND THE GERNANS IN COMPLETING THIS FUNDAMENTAL
REVIEW OF THE MILITARY, POLITICAL AND FINANCIAL BASIS FOR
THE US-UK PRESENCE IN GERMANY, MAKING NO CHANGE IN YOUR
TROOP AND SUPPLY DISPOSITIONS THERE UNTIL AFTER THE COMPLETION OF THE REVIEW, AND THEN THAT YOU WILL CONCERT WITH US
ON ANY SUCH CHANGES IN THE LIGHT OF THAT REVIEW. THIS
PROCUREMENT WOULD SUPPLEMENT THE ACCRUALS OF DOLLARS TO YOU
ASSOCIATED WETH THE RECENT SHIFT OF OUR FORCES AND INSTALLATIONS TO BRITAIN FROM THE CONTINENT.

MOVE DEFINITIVELY UNTIL I HAVE TALKED IT OVER WITH SOME OF MY PROPRE OF WILL I THINK I CAN PRESUADE THEM TO GO

I MAY GET SOME HEAT PROM CONGRESS ON THIS, AND CANNOT MOVE DEFINETIVELY UNTIL I HAVE TALKED IT OVER WITH SOME OF MY PEOPLE ON THE HILL. I THINK I CAN PRESUADE THEM TO GO ALONG ON THE BASIS OUTLINED HERE.

MCCLOY AND OUR GOVERNMENT OFFICIALS ARE MORKING ON PLANS TO HANDLE DEFICITS THAT RESULT FROM THE PRESENCE OF OUR TROOPS ABROAD THROUGH A MULTILATERAL CLEARING ARRANGE-MENT THAT SHOULD HELP WEUTRALIZE BALANCES, AND CONTRIBUTE TO AN ULTIMATE RESOLUTION OF THE HONETARY PROBLEM. THAT MAY TAKE SOME TIME TO NESOTIATE. IF SUCCESSFUL, SUCH AN ARRANGEMENT SHOULD HELP TO SATISFY SOME OF OUR CRITICS IN CONGRESS, AND MOVE THE GERMANS TO ACCEPT THEIR OWN PROPER RESPONSIBILITES.

I CANNOT STRESS TOO STRONGLY THE NEED FOR PROGRESS
TOWARDS MORE EQUITABLE PATTERNS FOR DEALING WITH THE
VARIOUS RESPONSIBILITIES WE ALL BEAR THROUGHOUT THE WORLD.
AS WE BOTH KNOW, SOME OF THE CRITICISM I GET HERE ON THE
SUBJECT IS JUSTIFIED, AND, AS YOU CAN IMAGINE, THE NEW
CONGRESS WILL NOT BE EASIER TO PERSUADE THAN ITS PREDECESSOR.

I VERY MUCH HOPE THAT THE ARRANGEMENTS PROPOSED HERE WILL HELP YOU TO JOIN US IN KEEPING THIS EXERCISE ON THE TRACKS, LET'S KEEP IN CLOSE TOUCH ON THIS.

DTG: 131658Z NOV 1966

GPS ARE 1600 IMI 1600

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SENT WHCA

FROM: WALT ROSTOW TO : THE PRESIDENT

CITE: CAP66960

1966 NOV 12 00

CONFIDENTIAL

NOVEMBER 11. 1966

TO THE PRESIDENT

FROM WALT ROSTOW

I THOUGHT YOU WOULD ENJOY THIS MEASURED ASSESSMENT OF YOUR THAI VISIT. IT WAS WORTH THE HEAT AND CEREMONIALS.

(REPEAT BANGKOK 6185)

HAD WE REPORTED ON THE PRESIDENT'S VISIT IMMEDIATELY AFTER HIS DEPARTURE, WE SHOULD CONFIDENTLY HAVE TERMED IT A GREAT SUCCESS. HOWEVER WE DELAYED ASSESSING THE EFFECTS OF THE VISIT IN ORDER TO MAKE CERTAIN THAT OUR REPORT REFLECTED A SAMPLING OF ALL SHADES OF THAI OPINION AROUND THE COUNTRY AS WELL AS THE VIEWS OF PERCEPTIVE FOREIGN OBSERVERS. THE EVIDENCE IS IN AND IT IS NOT POSSIBLE TO DRAW ANY JUDGMENT EXCEPT THAT THE VISIT WAS A COMPLETE AND UNQUALIFIED SUCCESS.

PUBLIC IMPACT

THE PUBLIC REACTION TO THE PRESIDENT'S VISIT WAS MOST IMPRESSIVE. NUMEROUS THAI, BOTH PRIVATE AND OFFICIAL, WITH EVIDENT SINCERITY EXPRESSED THEIR DELIGHT WITH THE VISIT AND THEIR AFFECTION FOR THE PRESIDENT. MUCH OF THIS COMMENT WAS EFFUSIVE TO THE POINT OF BEING EMBARRASSING AND SOME CAME FROM SURPRISING SOURCES. FOR EXAMPLE, THE CSOC OPERATIONS HEAD, GENERAL SAIYUD, A NOTABLY HARD-NOSED COUNTERINSURGENT, WAXED POETIC ABOUT THE PRESIDENT'S "HUMILITY, SINCERITY, AND COMPASSION" AND ABOUT THE DEEP IMPRESSION MADE ON THE THAI BY THE CONTRAST BETWEEN THE MODESTY OF HIS BEHAVIOR AND THE STRENGTH AND POWER OF HIS LEADERSHIP.

THE REACTION OF FOREIGNERS IN THAILAND IS CONSISTENT WITH THE THAI REACTION. THE GENERAL OBSERVATION OF THE DIPLOMATIC CORPS IS THAT THE VISIT WAS UNIQUE IN TWO RESPECTS (A) THE ATTENTION AND IMPORTANCE GIVEN THE VISIT BY THE THAI GOVERNMENT, (B) THE INTEREST SHOWN BY THE THAI PUBLIC.

ALL ELEMENTS OF THE AMERICAN COMMUNITY FEEL THAT THEIR STATUS AND ACIVITIES HAVE BENEFITED FROM THE VISIT. THIS VIEW WAS EXPRESSED BY AMERICAN MISSIONARIES UPCOUNTRY, BY THE ACADEMICIANS WHO WERE PROMINENTLY REPRESENTED AT THE CHULALONGKORN CEREMONY AND WITH PARTICULAR FERVOR BY THE AMERICAN BUSINESS COMMUNITY WHICH FEELS THAT ITS ASSOCIATION WITH THE PRESIDENT'S VISIT HAS HAD AN IMMEDIATE LUBRICATING EFFECT ON RELATIONS WITH THAI OFFICIAL AND BUSINESS PERSONALITIES.

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

3. THAI INTELLECTUAL COMMUNITY

THIS GROUP, NOT NOTED FOR PRO-AMERICAN SENTIMENT, WAS COMPLETLEY CAPTURED BY THE PRESIDENT'S ACCEPTANCE OF AN HONARARY DEGREE FROM CHULALONGKORN AND ESPECIALLY BY HIS SELECTION OF THAILAND FOR THE SIGNATURE OF THE INTERNATIONAL EDUCATION ACT. A MEASURE OF THE THAI REACTION IS THE FACT THAT THE UNIVERSITY HAS PETITIONED THE ROYAL HOUSEHOLD FOR THE PERMANENT POSSESSION OF THE TABLE AT WHICH THE PRESIDENT SIGNED THE ACT (THE TABLE BELONGED TO THE KING) AND INTENDS TO SET UP A PERMANENT MEMORIAL OF THE EVENT COMPLETE WITH TABLE, PHOTOGRAPHS, PENS, ETC.

4. THE SPEECHES

THE PRESIDENT'S PUBLIC REMARKS WERE AVIDLY READ AND ENTHUSIASTICALLY RECEIVED BY THE THAI. IN PARTICULAR, THE PRESIDENT'S REMARKS ABOUT THAI INDEPENDENCE PRE-DATING THAT OF THE UNITED STATES WAS JUST THE NOTE REQUIRED TO NEGATE FULLY THE EFFECTS OF SENATOR FULBRIGHT'S REMARKS ABOUT THAILAND'S COLONIAL STATUS. BOTH THE PRIME MINISTER AND PRAPHAT HAD PUBLICLY PREDICTED THAT THE PRESIDENT WOULD DEAL WITH THIS ISSUE, AND THERE IS NO QUESTION THAT HE DID SO TO THE COMPLETE SATISFACTION OF ALL, EXCEPT FORMIN THANAT (SEE PARA 9 BELOW).

5. THAI PRESS COMMENT

THE THAI PRESS, WHICH SINCE SARIT'S DAY HAS DEVELOPED SUBILE CRITICISM INTO A FINE ART, WAS UNCOMPLICATEDLY ENTHUSIASTIC. THE COVERAGE WAS UNIQUELY INTENSE.

6. IN SHORT THE PUBLIC ASPECTS OF THE TRIP ADDED UP TO A TENSTRIKE WITH ALL ELEMENTS AND CLASSES OF THE COMMUNITY. SO FAR AS WE CAN DETERMINE THERE WAS NO FALSE NOTE ANYWHERE. ON THE SUBSTANTIVE SIDE, AS WELL, MUCH GOOD WAS DONE.

7. REGIONAL COOPERATION

THE PUBLIC AND PRIVATE PRAISE WHICH THE PRESIDENT GAVE TO THAI LEADERSHIP IN REGIONAL ACTIVITIES GAVE ADDED MOMENTUM TO THIS ASPECT OF THAI POLICY. THE PRESIDENT SET THE SCENE FOR THE ARRIVAL OF EUGENE BLACK WHO TOOK FULL ADVANTAGE OF THE WARM GLOW TO MAXIMIZE THE THAI COMMITMENT TO REGIONALISM. BLACK STRESSED AND THE THAI WHOLEHEARTEDLY ACCEPTED THEIR SHARE OF RESPONSIBILITY FOR: A) DEVELOPING GOOD REGIONAL PROJECTS, B) OBTAINING MEANINGFUL AND MATERIAL CONTRIBUTIONS FROM THE COUNTRIES OF THE REGION, AND C) OBTAINING SIGNIFICANT THIRD COUNTRY PARTICIPATION. ALL OF THIS HAS SERVED TO BRING TO FRUITION THIS MISSION'S LONG EFFORT TO ENGENDER RESPONSIBLE AND EFFECTIVE THAI LEADERSHIP IN THE REGIONAL FIELD. ALL THE NECESSARY INTANGIBLES ARE IN HAND. IT REMAINS ONLY FOR THE U.S. TO MOVE FROM EXHORTATION (WHICH IS NO LONGER NECESSARY) TO EXPENDITURE (WHICH IS BECOMING OVERDUE).

8. THE KING'S ROLE

A FASCINATING BY-PRODUCT OF THE PRESIDENT'S VISIT WAS THE KING'S RESPONSE TO THE DEFT ENCOURAGEMENT HE WAS GIVEN TO TAKE A MORE ACTIVE ROLE IN THAI POLICY. THE KING WAS NOT ONLY GRATEFUL BUT WILLING, AND WITH OBVIOUS RELISH DESCRIBED HIMSELF AS IN THE PROCESS OF BECOMING "A LITTLE MORE OF AN UNCONSTITUTIONAL CONSTITUTIONAL MONARCH." THERE IS NOTHING FOR US BUT BENEFIT IN A GREATER ROLE FOR THE KING IN THAI POLICY FORMULATION; AND THE PRESIDENT'S VISIT HAS OPENED THE DOOR TO THIS DEVELOPMENT.

9. THANAT'S "NEW COMMITMENT"

AT THE SUBSTANTIVE MEETING BETWEEN THE PRESIDENT AND THE PRIME MINISTER, THANAT, ON HIS OWN INITIATIVE, RAISED ONCE AGAIN HIS BELIEF THAT THE THAI INTEREST REQUIRES A NEW AND FIRMER COMMITMENT FROM THE U.S. SECY RUSK SEIZED THE OPPORTUNITY TO ARGUE THE MATTER IN THE PRESENCE OF THE WHOLE TOP LEVEL OF THE THAI GOVT. AT THE END OF THE REBUTTAL THANAT WAS HAPPY TO DROP THE ISSUE HAVING RECEIVED NOT ONE WORD OF SUPPORT FROM HIS COLLEAGUES. IN A SUBSEQUENT CONVERSATION WITH THE PRIME MINISTER, THE PRESIDENT MADE A COMPELLING PRESENTATION OF THE DEPTH OF THE AMERICAN COMMITMENT ILLUSTRATED IN PERSONAL AS WELL AS POLICY TERMS. I BELIEVE THAT FOR THE TIME BEING WE HAVE PUT AN END TO THIS INITIATIVE, AND WE WILL TRY TO BUILD UPON THE GOOD WORK DONE DURING THE PRESIDENT'S VISIT. WE MUST, HOWEVER, RECOGNIZE THAT TIME WILL ERODE THE CURRENT THAI SENSE OF SATISFACTION. THIS IS TRUE FOR THE SIMPLE REASON THAT THE DEPENDABILITY OF THE AMERICAN COMMITMENT TO THE SECURITY OF SOUTHEAST ASIA IS, FOR THE THAI, A QUESTION OF NATIONAL SURVIVAL. THAI NEED FOR ASSURANCE IS, THEREFORE, ESSENTIALLY INSATIABLE. IT IS A CONSTANT FACT OR IN OUR RELATIONS AND WE MUST RECOGNIZE MORE THAN ON ANY OTHER SINGLE FACTOR IN OUR RELATIONS AND WE MUST RECOGNIZE THAT THE SPEED WITH WHICH THAI CONFIDENCE ERODES WILL DEPEND, MORE THAN ON ANY OTHER SINGLE FACTOR, ON THE REALISM WITH WHICH THE U.S. GOVT DEALS WITH THE SPECIFIC PROBLEMS OF OUR RELATIONS WITH THAILAND.

10. AN IMMEDIATE CASE IN POINT IS THE SOFA NEGOTIATION.
IT IS ESSENTIAL THAT WE UNGRUDGINGLY BEHAVE LIKE PARTNERS IN A GREAT ENTERPRISE. NOTHING COULD BE MORE INCONSISTENT WITH THE SPIRIT OF THE PRESIDENT'S VISIT THAN A NIGGLING AND UNGRACIOUS APPROACH TO THE THAT DESIRE THAT WE OBSERVE THE FORMS (IF NOT THE REALITY) OF AN EQUAL RELATIONSHIP BETWEEN SOVEREIGN NATIONS.

DTG: 112055Z NOV 1966



SENT

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1966 NOV 12 00 12

Authority Agricultus Letter, 10-28-82 By OCH, NARA, Date 1-1690

FROM: ORVILLE L. FREEMAN VIA WALT ROSTOW

TO : THE PRESIDENT

CITE: CAP66966

OONFI<u>DENTIAL</u>

CONFIDENTIAL

NOV 11, 1966

FROM ORVILLE L. FREEMAN
VIA ROSTOW
SUBJECT INDIA TRIP

- MARTIN ABEL AND ART THOMPSON FROM MY STAFF (BIOGRAPHIES ATTACHED) WILL LEAVE AT 5:00 P.M. NOVEMBER 14 AND TRAVEL DIRECTLY TO INDIA. EACH HAS HAD EXTENSIVE EXPOSURE TO INDIAN AGRICULTURE BOTH FROM A THEORETICAL AND AN OPERATIONAL STANDPOINT. MARTIN ABEL IS A TOUGH-MINDED CRITIC OF INDIAN PROGRESS WHO HAS CONSISTENTLY EMPHASIZED THE NEED FOR STRONG AND UNRELENTING PRESSURE FROM THE UNITED STATES TO GET INDIAN AGRICULTURE MOVING. ART THOMPSON HAS REPRESENTED ME IN INDIA SEVERAL TIMES OVER THE PAST THREE YEARS ON AGRICULTURAL QUESTIONS. THEIR OWN FIRM VIEWS IN REGARD TO WHAT INDIA MUST DO HAVE BEEN FORTIFIED BY MY OWN STRONG INSTRUCTIONS. THE USDA AGRICULTURAL ATTACHE IN NEW DELHI, JIM BOULWARE IS ALSO EXPERIENCED, TOUGH-MINDED AND WELL INFORMED.
- 2. ASSISTANT SECRETARY DOROTHY JACOBSON WILL JOIN ABEL AND THOMPSON THE WEEK OF NOVEMBER 20 TO REVIEW THEIR FINDINGS AND HELP PREPARE A REPORT AND RECOMMENDATIONS FOR ME BY NOVEMBER 26.

THIS TEAM OF FOUR RANKING USDA PEOPLE IS WELL BALANCED. I AM CONFEDENT THAT THEY WILL BE ABLE TO DETERMINE THE EXTENT TO WHICH INDIA HAS MET THE COMMITMENTS MADE TO US A YEAR AGO, AND WILL MAKE REALISTIC AND TOUGH-MINDED RECOMMENDATIONS TO ME.

3. I AM TRYING TO ARRANGE FOR CONGRESSIONAL PARTICIPATION IN INDIA THE WEEK OF NOVEMBER 20, BUT THIS MAY NOT BE POSSIBLE. I HAVE TALKED WITH SENATORS MANSFIELD, DIRKSEN AND JACK MILLER. I HAVE NOT YET BEEN ABLE TO REACH THE SPEAKER BUT WILL CALL OTHER HOUSE MEMBERS AFTER CLEARING WITH HIM.

IF WE CAN'T GET CONGRESSIONAL REPRESENTATIVES TO NEW DELHI THE WEEK OF NOVEMBER 20 I WILL TRY TO GET A FOUR MAN GROUP TO GO SOMETIME IN DECEMBER.

4. MY CABLES TO AMBASSADOR BOWLES AND MINISTER OF AGRICULTURE SUBRAMANIAM ARE ATTACHED.

CABLE----

TO : AMBASSADOR BOWLES, NEW DELHI

FROM: ORVILLE L. FREEMAN

IN ORDER TO MORE ACCURATELY ASSESS PROGRESS IN INDIA'S AGRICULTURAL DEVELOPMENT EFFORT (AND AT THE DIRECTION OF THE PRESIDENT) I AM SENDING TWO OF MY TOP ECONOMISTS, MARTIN ABEL AND ART THOMPSON, FOR A QUICK ON-THE-SPOT REVIEW. BOTH HAVE BEEN TO INDIA SEVERAL TIMES WORKING TO ESTABLISH THE FOOD GRAINS CORPORATION AND EVALUATING THE DRAFT OF INDIA'S FOURTH FIVE-YEAR PLAN.

BEFORE ALLOCATING ANY MORE FOOD AID, A DETAILED ASSESSMENT OF PROGRESS AND PERFORMANCE IN SEVERAL KEY AREAS SUCH AS THE FUNCTIONING OF THE FOOD GRAINS CORPORATION, PRODUCTION AND DISTRIBUTION OF FERTILIZER, AGREEMENTS FOR NEW FERTILIZER PRODUCTION, THE HIGH-YIELDING VARIETIES PROGRAM, ETC. IS NEEDED.

ABEL-THOMPSON TEAM SCHEDULED TO ARRIVE ON PAA-2 EARLY WEDNESDAY MORNING, NOVEMBER 16. DURING FIRST 2 DAYS, STARTING NOT LATER THAN WEDNESDAY NOON, THEY WOULD LIKE TO MEET WITH KEY MISSION OFFICIALS INCLUDING JIM BOULWARE, OLEN SALISBURY (IN NEW DELHI), ERNIE STERN, RUSSELL OLSON, AND JIM COOPERMAN OF AID, AND SELECTED OFFICIALS FROM THE FORD AND ROCKEFELLER FOUNDATIONS WHO MIGHT BE HELPFUL IN THIS ASSESSMENT.

THE UTMOST URGENCY IS ATTACHED TO THIS ASSESSMENT. THE NEW LEGISLATION REQUIRES THAT FUTURE FOOD AID SHIPMENTS BE JUST IFIED BY ADEQUATE SELF-HELP EFFORTS. AS DEMONSTRATED BY LAST TUESDAY'S ELECTION WE FACE SERIOUS POLITICAL PROBLEMS.

MRS. JACOBSON WILL JOIN THE TEAM THE WEEK OF NOVEMBER 20. WE ARE TRYING TO ARRANGE FOR KEY MEMBERS OF THE HOUSE AND SENATE, BOTH REPUBLICANS AND DEMOCRATS TO JOIN IN THE EVALUATION SCHEDULED FOR THAT WEEK, BUT THESE MAY BE DELAYED.

TO: C. SUBRAMANIAM

FROM: ORVILLE FREEMAN

WE ARE MUCH DISHEARTENED HERE BY THE REPORTS OF ANOTHER POOR CROP IN INDIA. COMING AFTER LAST YEAR'S NEAR DISASTROUS CROP, IT POSES EXCEEDINGLY DIFFICULT PROBLEMS. WE FACE DIFFICULT SUPPLY, DOMESTIC FOOD PRICE AND POLITICAL PROBLEMS HERE AS EVIDENCED BY THIS WEEK'S ELECTIONS.

THIS ADMINISTRATION IS DEEPLY CONCERNED OVER THE FAILURE OF MAJOR FOOD PRODUCING COUNTRIES OTHER THAN CANADA TO CONTRIBUTE FOODGRAINS TO INDIA ON A MEANINGFUL SCALE.

THE NEW FOOD AID LEGISLATION REQUIRES THAT WE CAREFULLY ASSESS AGRICULTURAL PERFORMANCE IN COUNTRIES REQUESTING FOOD AID. AT THE DIRECTION OF THE PRESIDENT I AM THEREFORE SENDING IMMEDIATELY 2 OF MY TOP ECONOMISTS TO INDIA TO UNDERTAKE A QUICK ON-THE-SPOT ASSESSMENT OF THE AGRICULTURAL PRODUCTION EFFORT, PARTICULARLY THE FUNCTIONING OF THE FOODGRAINS CORPORATION, PRIVATE INVESTMENT IN THE PRODUCTION OF FERTILIZER, THE EXTENT TO WHICH THE 6.5 MILLION TONS TARGET OF ADDITIONAL FOODGRAIN PRODUCTION IS BEING ACHIEVED UNDER THE HIGH-YIELDING VARIETIES PROGRAM, AND OTHER JOINTLY AGREED TARGETS WHICH HELP TO DETERMINE WHETHER THE SELF-HELP REQUIREMENT OF OUR NEW LEGISLATION IS MET.

THIS TEAM OF ECONOMISTS, CONSISTING OF MARTIN ABEL AND ART THOMPSON, HAVE WORKED WITH YOU AND YOUR STAFF PREVIOUSLY.
THEY WILL BE JOINED BY ASSISTANT SECRETARY DOROTHY JACOBSON THE WEEK OF NOVEMBER 20. IT IS TENTATIVELY PLANNED THAT SEVERAL MEMBERS OF CONGRESS FROM BOTH HOUSES AND BOTH PARTIES WILL JOIN THE TEAM THAT WEEK. OUR SHORT SUPPLY SITUATION HAS RESULTED IN INCREASED CONGRESSIONAL CONCERN.

11-11-66

BIOGRAPHIC SKETCHES

MARTIN E. ABEL, STAFF ASSISTANT, OFFICE OF THE ADMINISTRATOR, ECONOMIC RESEARCH SERVICE, U. S. DEPARTMENT OF AGRICULTURE

DR. ABEL'S PRINCIPAL RESPONSIBILITY IN THE ECONOMIC RESEARCH SERVICE IS THE AREA OF FOREIGN AGRICULTURAL DEVELOPMENT AND TRADE. HE HAS BEEN INTIMATELY INVOLVED WITH AGRICULTURAL DEVELOPMENT PROBLEMS IN INDIA IN RECENT YEARS. HE WAS A MEMBER OF THE U. S. DEPARTMENT OF AGRICULTURE'S FOODGRAIN PRICE POLICY TEAM THAT ASSISTED IN THE FORMULATION OF INDIA'S PRICE SUPPORT POLICY AND THE ESTABLISHMENT OF THE FOODGRAINS CORPORATION OF INDIA.

DR. ABEL WAS LAST IN INDIA JUST OVER A YEAR AGO WHEN HE AND LES BROWN DID AN INTENSIVE EVALUATION OF THE AGRICULTURAL PART OF INDIA'S TENTATIVE FOURTH FIVE YEAR PLAN. ONE OF THE DEPARTMENT'S BRIGHT YOUNG ECONOMISTS, HE HAS BEEN WORKING ON INDIAN AGRICULTURAL DEVELOPMENT PROBLEMS ON AN ALMOST CONTINUOUS BASIS OVER THE PAST 3 YEARS.

ARTHUR THOMPSON, DIRECTOR, GRAIN POLICY STAFF, AGRICULTURAL STABILIZATION AND CONSERVATION SERVICE, U. S. DEPARTMENT OF AGRICULTURE

ARTHUR THOMPSON, BORN IN IOWA ON SEPTEMBER 2, 1906, HAS SPENT 30 YEARS ADMINISTERING FARM PROGRAMS AT LOCAL, NATIONAL, AND INTERNATIONAL LEVELS. IN RECENT YEARS HE HAS SPENT MOST OF HIS TIME WORKING ON DOMESTIC FARM POLICIES AND PROGRAMS. HE SERVED ABROAD AS AGRICULTURAL ATTACHE IN ARGENTINA FROM 1945 TO 1949.

THREE YEARS AGO HE WENT TO INDIA AS A MEMBER OF THE FOODGRAIN PRICE POLICY TEAM WHICH ASSISTED IN THE FORMULATION OF THE FOODGRAIN PRICE POLICY AND THE ESTABLISHMENT OF THE FOODGRAINS CORPORATION OF INDIA. HE HAS VISITED INDIA ONCE YEARLY SINCE THEN TO ADVISE ON THE CONTINUING OPERATIONS OF THE CORPORATION.



DTG: 112202Z NOV 1966

118

SENT

Sent to tale VIA LDX at 12 1045.

1966 NOV 12 02 42

THE FOLLOWING MSG TO BE DELIVERED AT THE OPENING OF THE REGULAR BUSINESS DAY

PRUS 001/12

22 10Z NOV 66

FROM THE PRESIDENT

TO THE PRIME MINISTER

(wilson)

England

SECRET

CAP6697Ø

MANY THANKS FOR YOUR KIND THOUGHTS WHICH I GREATLY APPRECIATE.
IT IS FRUSTRATING TO BE TIED UP LIKE THIS BUT MY DOCTORS ASSURE
ME THAT IT WILL ONLY BE FOR A FEW DAYS.

THE ASIAN TRIP WAS FASCINATING AND WE WERE PLEASED WITH THE RESULTS OF THE MANILA CONFERENCE. I BELIEVE WE ARE ON THE RIGHT TRACK ALTHOUGH THERE IS STILL MUCH TO BE DONE IN VIET -NAM AND IN ASIA. ABOVE ALL, I AM CONVINCED A VITAL NEW ASIA WILL RAPIDLY EMERGE IF WE SEE IT THROUGH IN VIET-NAM.

AVERELL TELLS ME HE HAD A GOOD GO-AROUND WITH YOU.

SINCERELY

LYNDON B. JOHNSON

END OF MESSAGE

DECLASSIFIED E.O. 12356, Sec. 3.4 NII 90-46

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SECRET

Saturday, November 12, 1966

MEMORANDUM FOR WALT ROSTOW

sent by Rich

SUBJECT: Haiti

I recommend that you send this status report to the Ranch:

TO: The President FRCM: W.W.Rostow SUBJECT: Haitian Situation

There have been no significant over-night developments.

Ambassador Timmons has the names of some/officers dismissed or retired by Duvalier. None of them are from the Presidential Guard or the Dessalines Battalion - the principal combat units stationed in the Haitian capital.

Timmons observes:

- 1. The correlation between our intelligence on the alleged plotters and those dismissed would indicate that some plotting was going on and Duvalier had the group penetrated.
- 2. The fact that the officers were dismissed without first being arrested appears to indicate that Duvalier was sure of his ground and of retaining the loyalty of the two key military units.

WGBowdler

SECRET

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E.O. 12356, Sec. 3.4 NLJ 90-49 By NARA, Date 7-17-90