

116

The scenario for the day (Thursday, January 19) looks like this:

- Noon -- Full Board of Trustees of Johns Hopkins meets to confirm appointment.
- Between noon and 1:00 p.m. -- Milton Eisenhower telephones Linc informing him of final decision.
- " -- Linc informs me, Brom Smith, or Bowdler.
- " -- Micrograph confidentially exchange of letters.
- " -- Give letters for translation for USIA.
- 2:30 p.m. -- Linc informs senior colleagues in ARA/State.
- Before 3:00 p.m. -- Deliver to Linc for Baltimore 40 mimeographed copies exchange of letters.
- 3:00 to 3:15 p.m. -- Linc departs for Baltimore
- 4:00 p.m. -- Letter released at White House briefing and a little later in Baltimore.
- 4:15 - 4:30 p.m. -- Linc makes a brief appearance in Baltimore and returns to work in Washington.

Dear Linc:

I accept with real regret your letter of resignation of January 19, 1967. Given the distinguished position you will occupy from July 1, I have no choice. Our great educational institutions are fundamental to the progress of our society. Increasingly, they play a major role in lifting the level of education on the world scene. They require the kind of leadership you will, I am sure, provide.

I congratulate both you and The Johns Hopkins University.

You have brought to Latin American affairs in the last six years a rare combination of experience and scholarship, idealism and practical judgment. Your career in public service illustrates the change through which we have passed in recent years: from a primary focus on Europe to a balanced global policy. You made a major contribution after the war to European reconstruction, but then turned to the great adventure of Latin American economic and social development.

You helped formulate and bring to life the Alliance for Progress; at a critical time you served with great distinction as our Ambassador to Brazil; you have driven forward the Alliance for Progress over the past years with marked success.

As you leave to take up your post in Baltimore, the Alliance for Progress is no longer a concept or a hope, it is a working reality. You have contributed much to bringing this about.

In the weeks and months ahead we shall be working together to continue the momentum of the Alliance and, especially, to make the Inter-American meeting of Presidents the greatest possible success.

*rewritten*

After you have assumed your new post, I shall be counting on you from time to time to serve your country in an advisory capacity.

You will leave your post in Washington with the thanks and gratitude of your President.

Mrs. Johnson joins me in very best wishes to Allison as well as to yourself.

Sincerely,

Honorable Lincoln Gordon  
Assistant Secretary of State  
Department of State  
Washington, D. C.

LBJ:WWRostow:rlm

116 X

ASSISTANT SECRETARY OF STATE  
WASHINGTON

January 19, 1967

Dear Mr. President:

The purpose of this letter is to submit to you my resignation as Assistant Secretary of State for Inter-American Affairs and United States Coordinator for the Alliance for Progress, effective June 30, 1967. As you know, the reason for this action is to permit me to accept the position of President of The Johns Hopkins University.

With this move, I shall have completed some six years of full-time service in the field of inter-American affairs under the direction of President Kennedy and yourself, first in the formulation of the Alliance for Progress, then as United States Ambassador to Brazil, and now in my present post. During these years, cooperation among the governments and peoples of this Hemisphere has taken on a major new dimension. Without weakening the long-standing tradition of common action in matters of international policy and mutual security, our nations have moved together to accelerate economic and social progress under free institutions. Under your leadership, the United States has made clear its firm dedication to this cause and is giving vigor and continuity to these cooperative efforts.

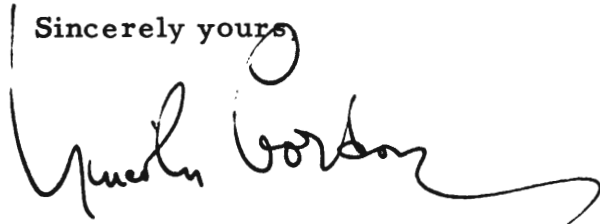
Today the Alliance for Progress is a vital and growing enterprise, whose principles are at the core of governmental action programs throughout Latin America. The CIAP and the Inter-American development Bank are well-established institutions, growing steadily in effectiveness. With the amendment to its basic Charter worked out last year, the Organization of American States will become a more powerful instrument of intergovernmental cooperation. I am confident that the forthcoming Inter-American Meeting of Presidents will consolidate the substantial progress of recent years and give new impetus to the needed major advances in the pace of economic growth, in the broadening of social justice, and in closer integration among the nations of the Hemisphere. As this movement goes forward, we can see the growing confidence of Latin America in its capacity to create prosperity in freedom, and to play that full and positive part in world leadership for which its talented peoples and great resources are so well suited.

It has been a great privilege for me to participate at the center of these events. It has been a special privilege and pleasure to work directly with you on them, to enjoy your unflagging support, and to have the certain knowledge of your deep personal interest in the freedom and welfare of Latin America and in the strengthening of inter-American relations on the basis of true mutual respect and partnership. Only those who have worked closely with you on these matters can know the time and energy you have devoted to pressing forward the active collaboration of the United States in support of Latin America's economic and social progress. These purposes have been fully shared by my old and good friend Secretary Dean Rusk.

My willingness to leave the Department of State at this time is due only to the opportunities for continued service to the national interest afforded by the Presidency of The Johns Hopkins University which for ninety years has distinguished itself for pioneering innovations in higher education and for major contributions to the advancement of knowledge and to the shaping of constructive national and international policies. A valued part of The Johns Hopkins tradition is the advisory services of its Officers and Faculties in many fields of national policy-making, a tradition which I shall certainly expect to maintain.

With gratitude, affection, and esteem, I am

Sincerely yours

A handwritten signature in dark ink, appearing to read "Lyndon B. Johnson", with a long, sweeping horizontal stroke extending to the right.

The President  
The White House  
Washington

17

Thurs., Jan. 19, 1967  
1:15 p.m.

~~TOP SECRET-SENSITIVE~~

MR. PRESIDENT:

Herewith the ABM portion of Secretary Rusk's discussion yesterday with Ambassador Dobrynin.

It comes to this. They are willing to discuss ABM's on the understanding that offensive missile systems would also be discussed.

This has always been their formal position in disarmament talks. It is understandable that they should take this position.

The question now is: Can we make such discussions fruitful?

I am conscious that you want a discussion of a scenario on this over the weekend, and will be in touch with Secretaries Rusk and McNamara.

W. W. R.

~~TOP SECRET-SENSITIVE~~ attachment  
1/18/67 memcon Rusk/Dobrynin

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NLJ 91-256  
By ing, NARA, Date 12-2-93



G:FDKohler:mn  
(Drafting Office and Officer)

~~TOP SECRET~~  
SENSITIVE  
DEPARTMENT OF STATE

# 7 117a  
~~NODIS~~

Memorandum of Conversation

DATE: January 18, 1967

SUBJECT: U.S.-Soviet Discussion of Strategic Nuclear Weapons

PARTICIPANTS: Soviet Ambassador Anatoliy Dobrynin

The Secretary

Deputy Under Secretary Foy D. Kohler

COPIES TO:

DECLASSIFIED  
E.O. 12958, Sec. 3.6  
NLJ 99-15  
By is, NARA Date 1-11-00

The Secretary received Ambassador Dobrynin at 7:00 p.m. at the latter's request.

Ambassador Dobrynin read the following oral statement:

"They have reviewed in Moscow the communication of Ambassador Thompson in a meeting with the Soviet Ambassador on December 6, 1966, with respect to an exchange of views between Soviet and American representatives on the question of the possibilities of reaching a mutual understanding between the U.S.S.R. and the U.S.A. relating to anti-missile defense systems.

"This question, raised in the meeting of December 6 of last year, deserves attention. Indeed, the deployment of anti-missile defense systems involves enormous expenditures, and it would be desirable to avoid them. The Soviet Union has always come out for, and comes out for, the reduction of military expenditures, for the limitation or cessation of the arms race.

"The Soviet Union constantly strives to reach an

~~TOP SECRET SENSITIVE~~

~~NODIS~~

~~TOP SECRET~~  
~~SENSITIVE~~

-2-

~~NODIS~~

agreement on the liquidation of the threat of a nuclear missile war. That would be responsive to the interests of both of our two countries, and of all peoples. The question of reaching a mutual understanding with respect to anti-missile systems could be considered simultaneously with a solution of the problem of offensive means of delivering nuclear weapons and in close association with the problem of general and complete disarmament. If the Government of the U.S.A. has any reflections in this respect, these reflections could be brought to the attention of the Soviet Government."

Ambassador Dobrynin left behind the Russian text of his oral statement (attached).

In the ensuing discussion, Ambassador Dobrynin clarified that it was his understanding of his instructions that the Soviet Government was prepared in principle to enter discussions on this subject on the understanding that the discussions would cover offensive as well as defensive missile systems.

The Ambassador added that he had alerted his Government to the urgency of the matter after his talk with Ambassador Kohler last Saturday, January 14, in order to obtain a reply prior to the President's presentation of his budget to the Congress.

Attachment:

As stated.

~~TOP SECRET~~  
~~SENSITIVE~~

~~NODIS~~



В Москве рассмотрели высказанные послом Томпсоном в беседе с совпослом 6 декабря 1966 года соображения относительно проведения между советскими и американскими представителями обмена мнениями по вопросу о возможности достижения между СССР и США взаимопонимания относительно систем противоракетной обороны.

Вопрос, затронутый в беседе от 6 декабря прошлого года, заслуживает внимания. Действительно, развертывание систем противоракетной обороны сопряжено с огромными затратами и было бы желательно их избежать. Советский Союз всегда выступал и выступает за сокращение военных расходов, за ограничение и

прекращение гонки вооружений.

Советский Союз неизменно проявляет стремление прийти к соглашению о ликвидации угрозы ракетно-ядерной войны. Это отвечало бы интересам как наших двух стран, так и интересам всех народов. Вопрос о достижении взаимопонимания в отношении систем ПРО можно было бы рассмотреть одновременно с решением вопроса о наступательных средствах доставки ядерного оружия и в тесной увязке с вопросом о всеобщем и полном разоружении. Если у правительства США есть какие-либо соображения на этот счет, то эти соображения будут доведены до сведения Советского правительства.

DECLASSIFIED  
E.O. 12958, Sec. 3.6  
NLJ 99-15  
By is, NARA Date 1-11-00

Thurs., Jan. 19, 1967  
1:15 p.m.

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E.O. 12356, Sec. 3.4  
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By rip, NARA, Date 8-3-94

G:FDKohler:mn  
(Drafting Office and Officer)

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SENSITIVE  
DEPARTMENT OF STATE

# 7 118a  
NODIS

Memorandum of Conversation

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PARTICIPANTS: Soviet Ambassador Anatoliy Dobrynin

The Secretary

Deputy Under Secretary Foy D. Kohler

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-2-

~~NODIS~~

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DECLASSIFIED  
E.O. 12958, Sec. 3.6  
NLJ 99-15  
By is, NARA Date 1-11-00



Thursday, January 19, 1967  
2:00 p. m.

~~SECRET~~ - LITERALLY EYES ONLY

MR. PRESIDENT:

Last evening I had a long and fruitful talk with Clark Clifford about your instruction that I explore the setting up of a committee to examine the effects of our bombing of North Viet Nam.

Clark posed the following questions and made the following points.

1. What use does the President propose to make of the committee's report: Is it for him? Is it for the public? Is it for the Congressional leadership?
2. Would the existence of the committee be known?
3. If the desire is to keep it secret, is this possible? He cited the success of the non-committee on foreign aid. He said secrecy was possible in that case because the subject matter was not controversial and it was not necessary to engage the various government departments very deeply. In this case, we would have to be seeking evidence and views from government departments where the issue was extremely controversial. He gravely doubted, therefore, whether we could count on keeping the existence of such a committee secret.
4. Would the committee make policy recommendations? He strongly believed that this is not a subject on which a committee should make recommendations to the President. There is no substitute, in a matter of this kind, for the President's personal, lonely judgment. And the very fact that the President was asking for outside advice in this matter would indicate, to the public and the world, that the President was uncertain. Whatever recommendations the report made would complicate the President's problems.
5. Specifically, if the committee were representative, and it came up with recommendations different from current policy, it would be very hard for the President to deal with it, as President Eisenhower found with the Killian Report, etc. On the other hand, if the committee is handpicked, it would be less than valueless, a millstone around the President's neck, which would fool no one. The effect on the public would be the same; namely, an impression of Presidential indecision on a vital controversial issue.

DECLASSIFIED

~~SECRET~~ - LITERALLY EYES ONLY

Authority NLS 85-332

By ig, NARS, Date 3-10-86

1/19/67

6. In short, it is Clark's strongly held view that this is not an issue on which a committee whose existence became publicly known, could be helpful to you.

7. Clark went on to say that if the President needs more information, a wider spectrum of views, then he should set out to get the data and the views quietly, with my (WWR) assistance.

8. If the President wished to have a fresh, clean look at the problem by men that he trusts, the prime requirement is that secrecy be maintained. If that is the way the President wishes to go, Clark recommends a very small group which would not be a committee at all. It might consist of three men -- the fewer the better. I (WWR) could get them, on my own account, the materials from the bureaucracy to read them into the problem. They would not file a report. They might sit down with the President on a long evening and exchange impressions. If there were any leak, the President could then say truthfully: There was no committee. I talk to a great many people on a great many subjects.

9. If the problem is to deal with Vance Hartke's ridiculous idea, the only advice Clark has is: ignore it. This one will go away, and Hartke will have another damn fool idea within a month which also should be ignored.

10. Clark asked me, finally, to tell you this:

-- Of course he will serve in any capacity that you wish him to serve;

-- But, before entering such an enterprise, he would welcome a chance to present directly to you his view.

11. Now my own reaction. On the committee I am, basically, in agreement with Clark. It would be most difficult to keep it secret. It would serve no political purpose if it were secret. It would be unsettling and possibly explosive, if made public -- among other things, because it would appear you were not confident of JCS and Bob McNamara's advice. But I do think you may face a problem to which we should address ourselves and on which a certain amount of wise guidance from people like Clark, Gruenther, etc., might be helpful at the right time.

12. The problem is this: If we do not get a diplomatic breakthrough in the next three weeks or so, it probably means that they plan to sweat us out down to the election of 1968. As you know, I share your view that we would then have to think hard about how to apply our military power against the North with maximum effect and minimum risk of enlarging the war as a whole.



1/19/67

13. Because of the way in which bombing policy has evolved in the North -- with pulling and hauling on each target -- there has been little systematic thought about a northern strategy as a whole. Because of this, I have stimulated Cy Vance (via the Katzenbach Committee) to take a fresh look, leaving no options out, setting out the pros and cons of the three major possible strategies against the North as if we had never heard of them before. I am doing the same.

14. In broad terms, the three strategies are:

- Cut off supplies coming from outside North Viet Nam (mining, etc.);
- Bomb so as to disrupt the whole North Vietnamese economy, without interdicting external supplies;
- Apply our military power with great concentration in the southern part of North Viet Nam -- at the bottom of the funnel -- in effect, to separate North and South Viet Nam.

15. Under each heading there are various lines of action; and we could do all three. But this is the problem to which I think we should address ourselves and the broad strategic approach with which we should begin.

16. In addressing that problem in mid-February, if necessary, I believe you should instruct your senior advisers and their departments to clear their minds and come up with a fresh appraisal of all the courses open and the pros and cons.

17. In making up your own mind as to what course to pursue, something like Clark's informal non-committee might be helpful to you.

W. W. R.

THE WHITE HOUSE  
WASHINGTON

January 19, 1967  
3:00 P. M.

MR. PRESIDENT:

The counterattack is  
under way.

Walt

January 18, 1967

## MEMORANDUM FOR THE RECORD

Benjamin Welles (New York Times) and Jerry O'Leary (Washington Evening Star) called me concerning the Frei visit. Both reporters seemed to assume that the Frei visit was off and both were fishing for what impact this would have on the holding of the Summit meeting.

On deep background, I told them that President Frei had not cancelled his visit to Washington and that they should not take the vote by the Chilean Senate yesterday as the last word, since there might be other ways for President Frei to obtain authorization. I told them that in view of this, speculation as to Frei's ability to attend the Summit conference was completely unjustified.

In my conversation with Jerry O'Leary, I took the occasion to inquire about yesterday's editorial in the Evening Star on the OAS summit and the Alliance. I stated that the observations regarding the Alliance for Progress were totally unwarranted. He interrupted to say that he completely agreed and that he was not responsible for the writing of the editorial. He said that he thought that Bill Harrison was the author. I arranged for him to come to my office on Friday to discuss the accomplishments of the Alliance. O'Leary observed that Ambassador Linowitz was having lunch with the Star's editorial board today.

I called Linowitz immediately after my conversation with O'Leary to ask him whether he had seen the Star editorial. He told me that he had, and that he was going to the luncheon prepared to rebut the statements on the Alliance.

William G. Bowdler

Cc: Mr. Rostow

12  
~~SECRET~~ -- EXDIS

Thursday, January 19, 1967  
3:25 p.m.

Mr. President:

These two cables from Gene  
indicate another nickel has been made --  
in New Delhi.

W. W. Rostow

New Delhi -- 10326  
New Delhi -- 10328

~~SECRET~~ -- EXDIS

**DECLASSIFIED**

Authority State 1-25-78, NSC 4-14-80

By JK (y), NARA, Date 2-5-91

WWRostow:rlm

Thursday, January 19, 1967

TEXT OF CABLE FROM NEW DELHI (10326)

From Rostow and Schnittker

At meetings today with Chaudhuri, Subramaniam, Mehta and ranking civil servants:

1. The Indian Government confirmed that it fully concurs in our approach to the solution of the Indian emergency food problem for this calendar year and succeeding years. It has instructed its Embassies in the capitals we shall visit to make appropriate representations.

2. Finance Minister Chaudhuri conveyed an expression of regret from the Prime Minister who was unavoidably out of town campaigning. Chaudhuri indicated her great appreciation for the President's letter and for the effort the President has undertaken in India's behalf, and Chaudhuri expressed his own appreciation of the President's interest.

3. We discussed whether we should aim for a single consortium meeting, or two meetings, one devoted to food and the other to the broader program of economic assistance. The merits of these alternatives might be explored during the week with the staff of the IBRD.

We explained that this was a question we would keep in mind during our remaining consultations.

4. A fuller list of detailed points raised will be reported later by the Embassy.

DECLASSIFIED

Authority State Ltr Oct 11/79  
By copy, NARA, Date 2-5-81

~~SECRET - EXDIS~~

SECRET - LIMDIS

1216

Thursday, January 19, 1967

TEXT OF CABLE FROM NEW DELHI (10328)

Ambassador Bowles, Under Secretary Schnittker, and I discussed with Subramaniam and L. K. Jha the idea of approaching Russians on food aid.

They believe it would be inadvisable for us to approach the Russians. Subramaniam stated he believes the Indians should do so and he is prepared to make such an approach.

He thinks it would be best to make such an approach after we have done further spade work with other consortium countries on general idea of greater collective effort.

E. V. Rostow

DECLASSIFIED

Authority State Dec 1979

By wp/y, NARA, Date 2-5-91

SECRET - LIMDIS

Thursday, January 19, 1967 -- 6:25 p.m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: News Media Contacts

I saw Drew Pearson this afternoon; delivered your letter; expressed our respect for and interest in his suggestions on Latin America; promised to talk further with him on Latin America; gave him the list of our East-West initiatives; and gave him the line that you were fulfilling your responsibilities as sheriff but trying to bring a new and peaceful world to birth. I said he would be amazed at how much time this "hawk" spends on how to make peace, feed people, stop proliferation, etc.

As I reported on the telephone, I enlisted Russ Wiggins and Max Frankel in dealing with the East-West passage in Senator Dirksen's speech. Francis Bator will pick up this account and push it hard.

Jerry O'Leary telephoned me. I raised hell about the editorial. He apologized. He said he wasn't consulted and he disagreed profoundly. I said, why don't you write a factual article on the Alliance for Progress; he said he would consider it after he got back from 2 weeks duty in the Marine Corps Reserve.

O'Leary asked if I had any idea about a successor for Linc Gordon. I said no. He then said he had some ideas. On a man-bites-dog basis, I said: What does your list look like? He said: Linowitz, Bowdler, Dungan, Hoyt, Crimmins.

W. W. Rostow

WWRostow:rln



MEMORANDUM

THE WHITE HOUSE

WASHINGTON

~~SECRET~~

Thursday, January 19, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Foreign Affairs Summary

123  
DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NEJ 91-256  
By ing, NARA, Date 12-2-93

1. Israel Requests Arms

Ambassador Harman yesterday gave Under Secretary Katzenbach Israel's request for additional military aid. The request included a grant of almost \$6 million worth of armed personnel carriers and \$2 million in tank spares and \$14 million in special credit for spares for the Hawk missiles and tanks. The Israelis had made a tentative approach along these lines -- part of this year's aid request -- back in October. But they have been lying low since their November attack on Jordan. Now they apparently figure their acquiescence in our Jordan military aid package and Syria's current pressure on them strengthens their hand in reactivating their request. Katzenbach simply promised to consider.

2. Soviets Expand Civil Air Operations

Discussions are going relatively smoothly between the US technical team and the Russians on implementation of the Civil Air Agreement. Apparently, the Russians are not planning to start service until late this year -- probably because they want to await the availability of their IL-62 plane, which they believe can meet US Port Authority noise requirements.

The Russians have agreed with the Japanese to establish service across Siberia -- using Russian planes and crews. (The Russians are extremely sensitive about over-flights of their Far Eastern territory). They have also granted the Scandinavian countries rights to fly across Siberia in Soviet planes and crews in return for over-flight rights for a Moscow-Havana route. Previously the Soviets have had to fly all the way around the north of Scandinavia. The Scandinavians may have struck a good commercial bargain in getting a direct route between Europe and the Far East.

~~SECRET~~

~~SECRET~~

- 2 -

### 3. Japan's Views on Security Talks

Japanese Prime Minister Sato commented to Under Secretary Rostow and Ambassador Johnson that we are getting closer to a non-proliferation agreement, and that the European problem in this matter is similar to the Asian. In the case of Japan, however, he said we could not have multilateral talks. Ambassador Johnson stated that we were anxious to pursue the question of bilateral talks raised earlier. Sato remarked that he was not satisfied with a situation where Japan relies totally on the US.

### 4. East European Detention Cases:

The Czech Ambassador called on Secretary Rusk yesterday on the Kazan case. He repeated earlier allegations that the "test of our sincerity" would be the return to Czechoslovakia of about \$20 million of Nazi-looted gold. He also said that Foreign Minister David was awaiting Secretary Rusk's views about the "future of our relations." Secretary Rusk said that we too desire to see an improvement in relations between the two countries, but commented that the implications of the Kazan case have made this difficult at the present time. (We know that right after he left Secretary Rusk's office, the Czech Ambassador asked to see Ambassador Dobrynin immediately).

We have been granted consular access to Csala, the American imprisoned in Hungary, and he is well. Cooper, the American imprisoned in Bulgaria has smuggled out what seems to be an authentic letter to us in the barrel of a fountain pen. It was brought into the Embassy by a Bulgarian national. According to the letter, another American named Armstrong from Toledo, Ohio is also being detained by the Bulgarians. We are making urgent efforts to find out who this may be.

### 5. Balaguer Makes Personnel Charges

President Balaguer has removed two presidential assistants widely regarded as "trujillistas" and replaced them with "more polished individuals." The designation of a long-time career diplomat as head of the Foreign Ministry may indicate that Balaguer intends to delegate more responsibilities in this field. It is likely, however, that Balaguer will retain very close control over day-to-day government operations, particularly implementation of economic policies.

~~SECRET~~

~~SECRET~~

- 3 -

Despite these changes, opposition groups will continue to play up the theme that the Government is reverting to a Trujillo-style dictatorship.

Meanwhile, the strike of secondary students is well into its second week with no sign of resolution. Some student leaders have privately admitted, however, that discouragement and disorganization exist in their ranks.

6. Nuclear Explosion Used by Soviets to Extinguish Gas Well Fire

Analysis of a seismic disturbance in the Southern USSR on 30 September 1966, indicates that it probably was caused by an underground nuclear explosion -- in the low kiloton range -- set off to extinguish a gas well fire.

The fire had burned unchecked for nearly three years near Karshi, in Uzbek SSR. According to an article published a year ago in a Soviet technical journal, the State Geological Committee had given the highest priority to the task of bringing the burning well under control. Several unsuccessful attempts had been made to put out the fire using conventional techniques. It was out in mid-October, and reportedly had been extinguished the previous month.

This is the first time any country has used a nuclear explosion for this purpose. Two earlier Soviet nuclear shots -- at Ufa in June 1965 and at Azgir last April -- took place in oil and gas producing areas. However, they probably tested techniques that would permit economical recovery of oil and gas.

7. Thieu on Constitution and Pacification

In a talk with Ambassador Lodge, General Thieu expressed satisfaction with the work of the Constituent Assembly and discussed prospects for the presidential elections, including himself and General Ky among seven potential candidates. He also expressed his strong support for using the South Vietnamese Army in pacification work, stating that the program would really move forward once the military understood its objectives.

~~SECRET~~

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- 4 -

8. Czech Arms in Cyprus

Turkish Ambassador Esenbel has informed us that his Government views as "unsatisfactory" the U Thant-Makarios agreement on the supervision of the Czech arms in Cyprus. The Turks want the arms placed directly under UN custody and eventually re-exported, and have asked us and other interested government to continue applying pressure to this and in New York and Nicosia.

9. New Philippine Peace Initiative

Foreign Secretary Ramos told Ambassador Blair that his Government is considering a "new initiative in stages" for an all-Asian approach to end the Vietnam war. Blair comments that the Ramos proposal seems to be another well-intentioned, but essentially unfortunate, example of the Philippine's desire to remain in the post-summit limelight.

*W. A. R.* Rostow

124  
Thurs., January 19, 1967  
12:30 p. m.

MR. PRESIDENT:

I am taking seriously your instruction to see the top 20 newspaper people in a month, beginning with Evans, Potter, and Pearson this afternoon.

Attached is the first take from Potter. You can judge better than I whether it is useful. I welcome guidance.

Rowly Evans called this morning. He is doing a column on the Viet Nam passage in your State of the Union message with which he said he agrees. I underlined to him that the passage from Grant was very much your own idea and reflects the seriousness and steadiness of your intent to see this through, as Grant did in the Wilderness.

Again, we'll see what it sounds like when it comes out of the trumpet.

W. W. R.

124a

## Rise Of 'Pragmatic' Rulers Stirs U.S. Hope For Detente

By PHILIP POTTER  
[Washington Bureau of The Sun]

Washington, Jan. 18 — When the Johnson Administration casts its eyes abroad it sees beyond the Vietnam conflict to what it considers hopeful vistas—even in China.

Concededly the present situation in Vietnam remains "dour and difficult," although the President and his principal foreign policy advisers believe there is some light at the end of that tunnel.

Elsewhere, the Administration sees heartening signs.

### Pragmatists Coming In

In Latin America, Africa and in the rest of Asia, it is contended, there is "a tremendous amount of slow turning in the right direction"—toward economic and political stability.

Administration foreign policy, in fact, is increasingly predicated on a belief that the world is

in "transition" from an era in which "romantic revolutionaries" have held sway to one in which "pragmatists" are coming into power.

The inference is that pragmatists will be easier to deal with.

Placed in the category of "romantic revolutionaries" who have faded or are fading from the scene are such leaders as Red China's Mao Tse-tung, President Sukarno of Indonesia, Ghana's Ex-President Kwame Nkrumah, Algeria's former Premier Ahmed ben Bella; The United Arab Republic's President Gamal Abdel Nasser and former Premier Nikita Khrushchev of the Soviet Union.

While the cautious reading here is that Mao is not yet to be classed among the "faded," the belief seems to be that the trend

(Continued, Page A 2, Col. 5)

## U.S. BELIEVES PRAGMATISM AIDS DETENTE

### Decline Of 'Romantic Revolutionaries' Builds Hopes

By PHILIP POTTER  
(Continued from Page A 1)

in Communist China, as elsewhere, is in the direction of a "pragmatic regime."

Ironically, in respect to Red China, neither the United States nor the Soviet Union is entirely confident about what a pragmatic turn there would involve.

The Russians have some apprehensions that it could mean a "deal" between Peking and the United States, while there are some here who think it would mean a healing of the breach between Russia and Red China, again confronting the West with combined Communist power.

On the whole, however, the Russians seem to be doing the most worrying. One of their chief fears is that the current strife in China could destroy the Communist party there and bring rule by a military "Nasserist" who conceivably would cast covetous eyes on once-Chinese territories now embraced in the Soviet empire, just as Nasser would like to rule or at least dominate a United Arab world.

It should not be lost sight of, however, that another area on which Peking casts covetous eyes is Formosa (Taiwan), now included in our sphere of protection. A Peking "Nasserist" could look that way, too.

In any event, the turmoil in Red China is of momentous import in the world. It could affect, for instance, the course of the Vietnam war, since so much of Hanoi's supplies come from Red China.

### 800,000 Tons Of Rice

Harrison Salisbury, in a series of articles about his visit to North Vietnam, said it was believed that Hanoi may be dependent on China for as much as 600,000 or 800,000 tons of rice in 1967-1968 because of the short-fall in North Vietnam's crop due to bad weather and lack of manpower. That is almost as much grain tonnage as the United States sent to India last year (largely wheat and sorghum).

Red China has no food surplus of its own, and has been purchasing about 6,000,000 tons of wheat a year from Canada, Australia and Argentina.

Obviously if the turmoil continues to spread, China's industrial output will go down and so will the foreign exchange earnings which permit it to buy foreign grain. Hanoi could soon feel the squeeze.

#### **Rail Transport Disrupted**

Actual shipment of supplies from Red China to Hanoi also could be affected. Reports reaching here are that the rail line between Shanghai and Peking, for instance, has been idle since the third week in December, because of strikes and strife.

Whether or not there is gain for America in Vietnam as a result of developments in Red China, the Administration wishes its foreign policy critics would focus not only on the conflict there but on what is happening in Asia and in other parts of the world.

The President, in his State-of-the-Union message, dealt with Vietnam only in the last three pages because he wanted to focus attention on other things domestic and foreign.

#### **Regional Solutions**

One thing pointed to with pride is a growing trend toward regional solutions to problems among the many small states (and some large ones) in Latin America, Africa and Asia.

Mr. Johnson and his foreign policy advisers see such regionalism as a healthy alternative to excessive nationalism. Regional combines produce a sense of status and dignity, it was said, and make it easier for smaller states to deal with big ones on a basis of parity.

For the United States, it means possibilities of sharing burdens it has been carrying alone, or almost alone. Mr. Johnson notes, for instance, that the United States was called upon to put up only 20 per cent of the capital in the new Asian Development Bank, an amount matched by Japan.

#### **Through "Filling Vacuums"**

That is a trend he would like to cultivate in all our undertakings abroad.

As one source put it, America has passed from the time of "filling vacuums" — as in Greece, Korea and Vietnam—to a time when it can hope to pull some of the "saved" countries into regional combines in a way that will spare national sensibilities and save the United States money.

In short, the Administration believes its foreign policy has been formulated with more wisdom than it has been credited with.



Thursday, January 19, 1967 -- 12:30 p.m.

Mr. President:

State delivered the letter from Sec. Rusk to Senator Fulbright at 8:45 a.m. via Pat Holt. The Senator did not see it until 10:00 a.m. when he arrived at his office.

W. W. Rostow

WWRostow:rlh

126

THE WHITE HOUSE  
WASHINGTON

January 19, 1967

Dear Drew:

I am most grateful for your thoughtful memorandum of January 16 on Latin America.

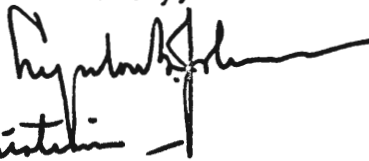
I agree with you that the forthcoming Summit meeting must have substance. The Alliance has moved from an idea to a working reality. Now is the time to set new directions to meet the challenges which reach from here into the 1970's.

I promise that every one of the ideas you suggested will be staffed out. Some are new. Some are already under consideration. Some are interesting variants on ideas now being developed.

You have made a helpful contribution to what I hope and believe will be an important conference.

Again, I thank you for taking the time to give me your insights on the Latin American scene. You know that they are always welcome.

Sincerely,



*Keep in touch with Rostow and Christian*

Mr. Drew Pearson  
2820 Dumbarton Avenue  
Washington, D. C.

C

*Mr Rostow handed to Mr Pearson 1/19/67*

~~SECRET -- NODIS~~

Wednesday, January 18, 1967 -- 7:50 p.m.

Mr. President:

This report of the wild Mexican's trip to Hanoi with Ashmore and Baggs is of limited interest, not for anything it accomplished but because he confirms certain impressions that we also have come to consider seriously.

1. There is an impulse in Hanoi to settle the war.
2. Any such talks would have to be directly with the U. S. and not through any third country intermediary.
3. They are worried about the NLF, the Chinese and possible direct Chinese Communist influence over the NLF.
4. Some bomb damage in Hanoi was done by their own antiaircraft missiles; although he claims some done by our bombs also.

I have marked the text to permit you to get quickly at what I found interesting, at least, in this otherwise odd adventure.

W. W. Rostow

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NEJ 91-256  
By ijp, NARA, Date 12-2-93

WWRostow:rlh

~~SECRET -- NODIS~~

~~SECRET -- NODIS~~

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NIJ 91-255  
By ing, NARA, Date 1-3-92

MEXICO 3955, January 18, 1967, from Ambassador Freeman

SUBJECT: Quintanilla's Visit to Hanoi

1. I invited Quintanilla to residence last night to hear his account of recent visit to Hanoi with Ashmore and Baggs. (We were joined by Political Counselor Stuart and First Secretary MacKay.)
2. Visibly tired from his trip, Quintanilla spoke in rambling and often disjointed manner for three hours. He glowed with conviction, however, that peace attainable if right approach used, and that his mission to Hanoi with Ashmore and Baggs had created favorable climate for possible future diplomatic talks between Hanoi and Washington. He emphasized that any such talks would have to be directly with U. S. and not through any third country intermediary, and that he confident they could be initiated "within two weeks" after cessation of bombing.
3. As far as he personally concerned, his mission, except possibly for acting as channel of communication, was completed with submission to Hanoi of draft paper to be signed between "Government of Hanoi and Government of Washington," setting forth the basis of military truce and statement of principles on which agreement could be reached.
4. Quintanilla says he gave copy draft paper on arrival Hanoi to Vice Chairman Cultural Committee (Hong Tu), whom Quintanilla believes has become one of Ho Chi Minh's closest and most trusted advisers. Although Ho Chi Minh did not mention paper during group's audience with him, Hong Tu made certain revisions in draft which Quintanilla believes based on former's discussions with Ho Chi Minh. Hong Tu told Quintanilla draft paper thoroughly examined and said "what we want to know is impressions of other side." Quintanilla informed Hong Tu that on return Mexico City he would give draft paper with Hanoi revisions to me with request they be transmitted Department and request any Washington comments promptly. Quintanilla said he would relay any Washington comments to North Vietnamese representative in Cambodia (Nguyen Thy Vi). Full text Quintanilla paper, described as "first draft revised," sent Department by Mexico 3956. Quintanilla attaches great importance to fact that Vietnamese discussed his draft and even proposed changes in it. (Among changes was addition in article 7 of FLN. Quintanilla did not include in his draft any reference Government of South Vietnam and admitted this might be stumbling block.) He said that Hong Tu volunteered suggestion that negotiations might be conducted Mexico City, and particularly pleased to learn they could reach Mexico on flight via Vancouver without transitting U. S.

~~SECRET -- NODIS~~



~~SECRET -- NODIS~~

-2-

5. Quintanilla emphasized importance of his discussions was not specific text of his draft but rather evidence indicated above that Hanoi interested in negotiating.

6. This paper, which Quintanilla jokingly referred to as "Pact of Mexico," was shown to Ashmore and Baggs en route to Hanoi but he did not associate them with it in any way during discussion Hanoi, and specifically did not mention it in conversation with Ho Chi Minh since they were both present. While Quintanilla believes Ashmore and Baggs made favorable impression on Ho Chi Minh, and they personally gained valuable perspective with respect situation North Viet Nam, any follow up with Hanoi he believes should be "professional diplomats."

7. In discussion of possible ways in which dialogue initiated by their visit Hanoi could best be exploited, one solution in particular appealed to me, and I offer it for Department's consideration:

A. Arrange to have Ambassador-at-Large Bunker (whom Quintanilla confident has exactly type of diplomatic style Hanoi would respect) meet with Hong Tu either in Katmandu or some other acceptable place to discuss in secret conditions military truce and basis on which agreement might be reached.

B. If foregoing appeals to Department, Quintanilla would convey proposal to Hanoi by letter containing suggestion that such meeting might lead to cessation of bombing. He believes Hanoi would accept this proposal.

8. Among general impressions gained by Quintanilla, of particular interest Department, are following:

A. <sup>NLF</sup> ~~PLN~~ very strong political force North Viet Nam and Hanoi officials somewhat apprehensive of this.

B. Quintanilla understood Ho Chi Minh disturbed by efforts Chicoms wean ~~PLN~~ away from Hanoi.

C. <sup>NLF</sup> Hanoi officials stated they welcomed increase American troops in Viet Nam and would like to see another 500,000 arrive, since this will convince South Vietnamese war is between foreigners and Vietnamese people rather than civil war between North and South Viet Nam.

~~SECRET -- NODIS~~

~~SECRET -- NODIS~~

-3-

D. North Vietnamese readily recognize they cannot push us out of Viet Nam, but confident U.S. cannot win war either and insisted they are prepared to continue war for ten or fifteen years, if necessary, during which time they expect us to tire of war effort.

E. In connection with latter point, Quintanilla said he told North Vietnamese they are entirely mistaken; i.e., U.S. is not similar to French in this regard and he assured them in strongest possible terms that, while there was some opposition to President Johnson's conduct of the war, most of opposition comes from those who desire the war be stepped up rather than stage a U.S. withdrawal.

F. With respect to war damage, Quintanilla admitted that some damage in Hanoi undoubtedly was caused by antiaircraft missiles but that large craters in some populated areas of Hanoi could only have been caused by bombardment.

were

G. Quintanilla said that he and his American companions/received in most friendly fashion and he saw no anti-American signs or posters in Hanoi, as he had in China last October.

H. As during his previous visit, he was impressed with simplicity and sincerity of Ho Chi Minh.

~~SECRET -- NODIS~~

Copy of MEXICO 3956 from Freeman Jan. 18, 1967

Following is text of draft paper submitted by Dr. Luis Quintanilla during visit to Hanoi, setting forth basis of possible military truce and statement of principles on which agreement might be reached between "governments of Hanoi and Washington:" First draft (revised) submitted by Dr. Luis Quintanilla.

1. "The two parties concerned -- in this instance the Government of Hanoi and the Government of Washington -- reaffirm their position against the use of force and violence to solve any international conflict which does not affect the integrity of their territory, their sovereignty or their political independence.
2. "The two parties believe that the scourge of wars belongs to the past and that in our time of gradual juridical integration of the community of nations, only an orderly world capable of guaranteeing the respect for the norms of international law can provide an answer to the wishes of all peoples and governments to share the blessings of permanent peace.
3. "The two parties hope that the invariable benefits of nuclear energy when applied exclusively to constructive ends will notably accelerate the movement of mankind toward material and spiritual progress. Therefore, both parties also share the view that all countries must endeavor in good faith to prevent another world war which this time would end in an atomic war and would mortally strike not only the peoples and the wealth of the belligerents but would affect practically the entirety of mankind.
4. "The two parties ratify their adherence to the basic principles of international law such as non-intervention in the domestic or external affairs of other states and the right of the peoples to their free self-determination.
5. "Inspired by those principles, the two parties have accepted to sign a military truce starting February 20, 1967, and enforced during the ensuing sixty days.
6. "During that truce the two parties will carry on, in any city agreed upon by them, negotiations tending to the peaceful settlement of the present conflict.
7. "The Government of Hanoi and the National Liberation Front which has engaged in an heroic struggle to preserve the territorial integrity, sovereignty, and political independence of their homeland require only that the liberty of the unified democratic Republic of Vietnam be respected absolutely and for all time.

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NLJ 91-255  
By inf, NARA, Date 1-3-92



(Mexico 3956 1/18/67)

8. "The Government of Washington and its allies in the present conflict do not covet nor wish the occupation or control of any part of the territory of Vietnam, but on the other hand they are committed to ensure that all the Vietnamese population can exercise their rights to express freely their will concerning the political structure of their country, through a national election effectively democratic and free from any outside pressures.

9. "In order to secure maintenance of the military truce and later on the free elections that will be effected within the spirit of the foregoing paragraphs, and after complete withdrawal of all the military foreign forces presently in Vietnamese territory, both parties will create without delay an international commission integrated by representatives of three states not directly or indirectly involved in the present conflict.

10. "The Government of Hanoi declares that it never had nor has now any intention of expanding to any other neighboring or far-away state the political and economic ideology of the present administration that is supported by the will of its people.

11. "The Government of Washington and its allies in the present conflict reiterate that they will respect the right of free self-determination of the Vietnamese people and that they do not intend, in that region nor in any other part of the world, to use military force to combat political regimes established in any country as a result of the free expression of the popular will of the respective populations without any direct or indirect act of foreign intervention.

12. "The military forces of the United States and its allies will initiate the withdrawal of those forces and the corresponding equipment of the date that agreement be subscribed by both parties, with the understanding that the withdrawal will end within the following periods: one third of the mentioned effectives will leave Vietnam before two months time; another third, before four months, and the last third, before six months. That is, the entire withdrawal of the above-mentioned foreign forces will be completed before six months time, starting from the date of the signature of this agreement.

13. "On its part, if so be the will of its people manifested through the legal channels established by their constitution, the Government of Hanoi will in such a case accept that the state of Vietnam proclaim its condition of permanent international neutrality.

14. "Both parties confirm their conviction that only when the goal of a juridical international peace effectively structured is reached will the world be able to live without fear and the peoples and their governments can dedicate

(Mexico 3956 1/18/67)

themselves to constructive activities which would open a new chapter of universal history.

15. "All the details concerning the strict application of these provisions will be clearly set out in 'additional protocol', signed as soon as possible with the agreement of both parties. "

FREEMAN

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*Pres file*

Wednesday, January 18, 1967  
6:00 p.m.

Mr. President:

Herewith my redraft of Sec. Rusk's letter  
to Senator Fulbright. Will it wash?

W. W. Rostow

Okay \_\_\_\_\_

Amend as indicated \_\_\_\_\_

See me \_\_\_\_\_

*President redrafted =  
redraft sent to Sec State  
1/18/67 with instruction  
to get to Fulbright by  
9AM 1/19/67*

DRAFT

1/18/67

128a

Dear Mr. Chairman:

As you know, we hope to have the Space Treaty ready for signature in three capitals towards the end of this month. We believe it will have a good effect in the world and contribute to an easing of tensions.

It would also be good for us to move forward the Consular Convention at the earliest possible date. If you agree, I should be prepared to present Administration testimony on the Consular Convention any time next week, starting Monday or later. If the Committee concurs, I propose to make a brief opening statement and then turn to Under Secretary Katzenbach and Ambassador Kohler for the detailed presentation of the Administration's testimony on the Convention. I have instructed Ambassador MacArthur to get in touch with Mr. Marcy to make the necessary arrangements and to provide the Committee with advance copies of the statement.

1/18/67

In the light of these considerations, I would appreciate your re-  
consideration of my scheduled January 23 open session hearing with  
the committee to review major foreign policy issues. We have  
already had two good days together in Executive Session, and, as  
you know, I remain available to you and your committee, as always.

1270

~~L. Rusk~~  
3 P. 1 - 7. 12

Wednesday, January 18, 1967  
4:20 p. m.

Mr. President:

Herewith the draft letter which  
Sec. Rusk proposes to send to Senator  
Fulbright.

You will note that this draft involves  
no commitment by Sec. Rusk to resume in  
open session -- merely a cancellation on the  
basis of 4 hours in Executive session.

This is obviously what the Secretary  
would like. I hope Fulbright will accept.

W. W. Rostow

Letter okay\_\_\_\_\_

Alter as follows\_\_\_\_\_

See me\_\_\_\_\_

WWRostow:rlh



128c

THE SECRETARY OF STATE  
WASHINGTON

January 18, 1967

Dear Mr. Chairman:

Based on his conversation yesterday with Carl Marcy, Ambassador MacArthur has advised me that you wish to hold hearings next week on the US/USSR Consular Convention.

We will be pleased to meet your wishes in this regard, and we will be prepared to present Administration testimony on the Consular Convention anytime next week, starting Monday or later. If the Committee concurs, I propose to make a brief opening statement and then turn to Under Secretary Katzenbach and Ambassador Kohler for the detailed presentation of the Administration's testimony on the Convention. I have instructed Ambassador MacArthur to get in touch with Mr. Marcy to make the necessary arrangements and to provide the Committee with advance copies of the statement. A

Plan now  
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Let me say that I very much welcome your willingness to hold hearings on this important matter so early in the session. We hope that we will be able to follow action on the Consular Convention with early action on the Space Treaty, which we now expect to be signed in the next few days and submitted to the Senate immediately thereafter.

In light of the above considerations and taking into account my four hours of testimony on the world situation before the Committee in executive session two days ago, I would appreciate your reconsideration of my scheduled January 23 open session hearing with the committee to review further major foreign policy issues. If it is agreeable with you, we would find it preferable to cancel my appearance next Monday and proceed with consideration of the Consular Convention and Space Treaty and other items of Administration business which will be presented to the committee in the immediate future.

Sincerely yours,

Dean Rusk

The Honorable  
J. W. Fulbright, Chairman,  
Committee on Foreign Relations,  
United States Senate,



Wednesday, January 18, 1967 -- 8:00 p.m

MEMORANDUM FOR THE PRESIDENT

SUBJECT: News Media Contacts

I had an hour and half yesterday with Phil Potter, Baltimore Sun. I reviewed the whole of your foreign policy with him, region by region, emphasizing that there were strong positive undercurrents on the world scene and that you were moving them forward step by step. Today he called to ask if he could use what I had said on a background basis, in order to reply to whatever the Republicans might say in their state of the union message. I gave him permission. I did so because he seemed, by the end of our session, authentically warmed up to the theme of the progress that is being made on the world scene; he is with us on Viet Nam; and we ended up, after an amiable chat about China, with his borrowing a copy of my book on Communist China.

In short, I am gambling that he emerged positive. Now we will see what kind of gambler I am in this business.

Today I had an off-the-record talk with Mr. Chul Soo Chin, an extremely thoughtful Korean journalist (Donga Ilbo). Our talk was exclusively devoted to the future of regionalism in Asia.

W. W. Rostow

WWRostow:rln

Wednesday, January 18, 1967 -- 5:30 p.m

Mr. President:

I talked with David Bruce. He stated that it looks hopeless. He was remarkably composed. He expressed his great appreciation that you gave thought to him at this time. He will be coming to New York tomorrow.

W. W. Rostow

*Profile*

Wed., Jan. 18, 1967  
5:45 p.m.

MR. PRESIDENT:

We are sending out as a new Ambassador to Afghanistan, Professor Robert G. Neumann of UCLA. He is extremely anxious to shake your hand and have a picture taken with you. He departs tomorrow (Thursday) evening.

This is not necessary, but would be a deeply appreciated gesture and strengthen him as he heads for the wilds of Kabul.

W. W. R.

Bring him in tomorrow \_\_\_\_\_

No \_\_\_\_\_

See me \_\_\_\_\_

## THE WHITE HOUSE

WASHINGTON

~~TOP SECRET~~

Wednesday, January 18, 1967 - 4:45 PM

## MEMORANDUM FOR THE PRESIDENT

SUBJECT: Foreign Affairs Summary

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NEJ 91-256  
By 1-8, NARA, Date 12-2-93

1. Co to be Removed

Embassy Saigon has learned that South Vietnamese military leaders decided on January 17, prior to Ky's departure, to remove General Co as Deputy Prime Minister and Minister of Defense. Co, presently in Taipei, is to be ordered not to return to Saigon but to go on to Tokyo and Seoul and await further orders.

2. U.S. -Vietnamese Stabilization Agreement

The State Department has told Embassy Saigon that the foreign exchange and economic stabilization issues appear to be too tangled to resolve expeditiously without important compromises on substance. The proposed alternative is an agreement without specific details, preserving the principle that a quantitative stabilization program is needed.

3. American Dependents in France

Ambassador Bohlen yesterday informed the French Foreign Minister, Couve de Murville, that virtually all our military stocks and operational elements will be out of France by April 1. Couve indicated that American dependents remaining beyond that date would continue to enjoy NATO status of forces coverage. He also agreed in principle to our continued use of a portion of the Evreux base for a limited time. The only problem appears to be the status of SHAPE and AFCENT dependents which the French claim will have to be discussed with NATO.

4. German Cabinet Agrees in Principle to Non-proliferation Treaty

The West German cabinet has agreed in principle not to oppose the signing of a non-proliferation treaty, but intends to seek assurances that German interests will be safeguarded. Defense Minister Schroeder and Finance Minister Strauss are concerned that a treaty would

~~TOP SECRET~~

probably preclude the establishment of any form of joint nuclear force, even by an eventual supranational European state. Though this possibility would not be excluded under the US interpretation of the treaty provisions, the Germans believe that the Soviet Union will take the opposite position and thus be able to exert pressure against future West European political unification efforts. Schroeder also feels that German acceptance of the treaty should not eliminate the possibility of Bonn's participation in an ABM defense system in the future.

Brandt reportedly took the position that, if Bonn failed to convince the US to make certain changes in the treaty wording, the Germans should seek an "interpretative treaty" to clarify certain points, particularly with respect to the European nuclear option. A previous report had indicated that Chancellor Kiesinger did not see the necessity for such an agreement since the US should be willing to accept German amendments.

The U.S. Embassy in Bonn believes that the present coalition government is convinced that German interests require it to demonstrate that it does not oppose a policy of detente. This will influence West Germany to accept the treaty, although it will reportedly first consult with other nonnuclear powers.

#### 5. French Emphasize Problems of UK Membership in EEC

Paris is trying to justify its opposition to Britain's joining the EEC by playing up the problems involved.

A prominent Gaullist line spokesman has cited agricultural policy as a major problem which Britain must resolve before entering. He argued that the British would have difficulty in accepting the EEC's agricultural policy unless they devalued sterling. The UK could avoid this problem, he observed, by agreeing to associate with the EEC in the industrial field only.

British officials in Paris believe the French will use London's support for US policy in Vietnam to attack Britain's credentials as a "good European." They also think the French will threaten a veto unless Britain supports Paris' campaign to raise the price of gold.

The French reference to a positive-sounding alternative, such as a treaty of association, indicates Paris' concern over the possible consequences of another "political" veto of Britain's bid. An official of the French Foreign Ministry recently implied that Paris knows it cannot count on its EEC partners to raise any serious obstacles to British entry.

6. Sukarno asked to Resign

Indonesian Foreign Minister Malik today called on President Sukarno to "free himself of past mistakes" and if necessary step down from the presidency until elections next year. Embassy Djakarta reports that in a frank backgrounder to correspondents, Malik said he and others are attempting to persuade General Suharto to "deactivate" the President. The Embassy doubts if Malik or anyone else has a clear reading of Suharto's intentions. It believes that Suharto will not move against Sukarno unless the latter makes an overt move and Malik will have to wait until the Provisional Congress session in March or April.

7. Israel - Syria Border Quiet

The Israeli-Syrian border has been quiet since each side tentatively accepted U Thant's Sunday proposal for an emergency meeting of the Mixed Armistice Commission. However, that meeting is designed to discuss only where farmers can cultivate along the border. It will not get at the main problem--terrorism. We have warned both Damascus and Cairo that we believe the Israelis are on the brink of another attack, especially if terrorists cause another Israeli death. In your reply to Eshkol's message, we told the Israelis we would do what we could with the Syrians, though our leverage is nil.

*Walt* Rostow

~~SECRET~~

Wednesday, January 18, 1967  
8:45 a.m.

Mr. President:

I sent to Sec. Rusk this morning the attached scenario for "cooling off" the European trip.

I still believe rather strongly that you should not decide now against a European trip; but "cooling off" is a different matter.

I am sure you will wish to have Sec. Rusk's judgment on this particular scenario.

W. W. Rostow

~~SECRET~~

WWRostow:rla

132  
DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NEJ 91-256  
By ig, NARA, Date 12-2-93



133a

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NEJ 91-256  
By 120, NARA, Date 12-2-93

~~SECRET~~

January 18, 1967

Mr. Secretary:

The President told us: "Figure out a way to 'cool off' the European trip or I'll do it."

Here is a suggestion.

Substance. "The President has not decided against a European trip but he is cautious about a commitment because of recent developments. Specifically, the new German government is seeking a better relation with France, and the U. K. is seeking to enter the Common Market. The U. S. would like to see these efforts succeed. We have no anxiety about our ability to look after our basic security interests in Europe. We are confident that an integrated NATO defense will be maintained. We are confident of the underlying long-run harmony of U. S. and Western European basic interests.

"But it may be easier for Europe to compose some of its difficulties if the U. S. presence is muted in the months ahead.

"This approach is part of President Johnson's general view of regionalism throughout the world: he wishes to encourage the nations of the regions of the world to work together and take increased responsibility for their own problems, while maintaining basic ties of essential interdependence with the United States."

Method. A deep backgrounder with Reston (or even Lippmann) with Nick Katzenbach.

W. W. Rostow

WWRostow:rlh

~~SECRET~~

Wed., Jan. 18, 1967  
2:45 p.m.

MR. PRESIDENT:

You asked me to take notes of last night's  
remarkable bedroom session.

Here they are -- for the historical record  
only; and if you've got a tight enough safe!

W. W. R.

~~TOP SECRET-SUNFLOWER~~ Attachment

this (was) copy/

PROCESSING NOTE:

The notes to which document #134 refers are located in The President's Appointment File (Diary Backup), "January 17, 1967," Box 52.

2/25/91

Pres office

~~SECRET~~ ~~EXDIS~~

Wednesday, January 18, 1967  
8:30 a.m.

Mr. President:

Gene apparently made a nickel at Tokyo. It will be tougher elsewhere. Part of the movement by the Japanese is due to the fact they are having trouble in their trade with mainland China. Half of their chemical fertilizer is exported; and half of that has been going to mainland China. They may be interested at this particular moment in looking to the Indian market, even on a partially concessional basis.

W. W. Rostow

Tokyo 5037

~~SECRET~~

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NEJ 91-256  
By ing, NARA, Date 12-2-93

WWRostow:rln

135a

~~SECRET - EXDIS~~

Wednesday, January 18, 1967

Text of cable from Tokyo (#5037)

From Eugene Rostow and Schnittker

In a series of intensive talks with the Prime Minister, Foreign Minister and Treasury and Foreign Office officials, the following positions were conveyed:

1. The Government of Japan agrees in general with our approach to the Indian food problem. They accept it as an international responsibility, to be handled in the first instance by the World Bank consortium.

2. They agree that interim food aid should be additive to projected plans for consortium and IDA, and that unless present programs of general economic assistance and trade liberalization are maintained, the burden of food aid will continue to increase.

3. The Government of Japan plans to make provision for its consortium share, perhaps if necessary in the new budget for the fiscal year starting April 1, 1967, to be submitted to the Diet after the elections - a tentative figure of 15 million dollars was floated by Murai at the working level this morning. This is not of course a commitment of any kind by the Government of Japan. We have presented the consortium plan based on the \$120 million share for the non-food producing consortium members, which would require Japan to provide nearly \$25 million in fertilizers, shipping or cash. The Prime Minister said the actual figure would take some time to determine, and would be discussed with the Ambassador "as soon as possible." The two weeks time schedule, he remarked, would be difficult because of the elections.

4. We gave the staff a thorough briefing, and left position papers behind.

5. The Indian Embassy made an appropriate demarche before our arrival, and effectively prepared the way for our visit as in support of their requests.

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NLJ 91-255  
By ing, NARA, Date 1-3-92

~~SECRET - EXDIS~~



13.0

*Pres file*

~~CONFIDENTIAL~~

Wednesday, January 18, 1967  
8:40 a.m.

Mr. President:

It looks as though Frei has *not*  
exhausted his political remedies;  
and it is too soon to recall our  
invitations to dinner.

W. W. Rostow

Santiago 2441

~~CONFIDENTIAL~~

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NEJ 91-256  
By ing, NARA, Date 12-2-93

WWRostow:rlh

~~CONFIDENTIAL~~

Wednesday, January 18, 1967

Text of cable from Santiago (#2441)

Foreign Minister Valdes called me a little before midnight to say that President Frei has not given up on the trip to the U. S. Valdes had just left Frei and they wished to inform Washington that the trip is not cancelled. He said that Senate President Allende had been prevailed upon to pass the visit request on to the Chamber of Deputies for its consideration in the same manner as ordinary legislation. The Christian Democratic majority in the Chamber would assure its approval there. By Friday the request would be returned to the Senate which could conceivably reverse itself and vote in favor.

But even if the Senate should not reverse itself, President Frei may take the trip anyway. Valdes said the constitution provides for congressional refusal for cause but in this case there has been no valid cause for refusal, only partisan political reasons or "irrationality". The President could travel on the basis of Chamber approval and ignore the Senate refusal. Constitutionally, any action to censure him must originate in the Chamber where the President has a majority to quash any such effort.

Valdes promised more details on this strategy tomorrow. He asked that it not be made public. He confirmed the news that the cabinet had tendered resignations but said they would not be accepted.

In view of the above strategy the President decided against a nationwide radio-TV appearance this evening. He merely made a balcony appearance at the Presidential Palace and waved to the cheering crowds gathered below. The crowds later milled through the town and clashed with radicals and stoned the radical party headquarters.

Dean

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NEJ 91-255  
By inf, NARA, Date 1-3-92

~~CONFIDENTIAL~~

PRESERVATION COPY



~~SECRET~~

Wednesday, January 18, 1967  
8:30 a. m.

Mr. President:

This is an interesting FBI report. If there is anything in it, we should be hearing from U Thant, since Michalowski is alleged to have left New York at 10:00 p. m. , Monday night, January 16.

W. W. Rostow

~~SECRET~~

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NEJ 91-256  
By ing, NARA, Date 12-2-93

WWRostow:rlh

Wed., Jr 18, 1967  
12:00 noon

to J 138

MR. PRESIDENT:

Herewith a letter I sent on my own  
account to Cabot. I intend no further  
distribution.

W. W. R.

~~CONFIDENTIAL~~ attachment

~~Personal-Confidential-Eyes Only~~

138a  
January 18, 1967

Dear Cabot:

As you take hold in this dramatic phase of your great service in Saigon, I wish to underline one thought on which we touched in our conversation here.

I believe it is not ruled out that we shall enter soon rather than late a political phase with the VC and the NLF.

It will be critical that:

- the military stay together;
- the military and the non-Communist civilians stay together.

If contacts and politics open up with the South Vietnamese Communists, a military split or a military-civil confrontation could undo politically the victory in the field. (In my judgment, we are well beyond Gettysburg and well into the Wilderness in this war.)

One major reason we may enter a political phase soon rather than late is Hanoi's and the NLF's understanding that a crystallization of a legitimate military-civil government and political party could seal their long-run fate in a way that defeat in the field did not. They may feel if they move towards politics now, and exploit the various political schisms in the South, they may still retrieve much they have lost in war.

Therefore, I would hope you would use all your great weight and prestige to make the military and civil leaders lift their eyes beyond their current pbliticking; move rapidly to the formulation of national goals and to building a big national political party that could overwhelm the NLF (and the Popular Front it will attempt) in any election.

We shall need this in any case; but it may be later than we and they think.

It was a joy to see you here and share your courage, patriotism, and wisdom.

Yours,

W. W. Rostow

Honorable Henry Cabot Lodge  
American Ambassador  
Saigon

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NEJ 91-256  
By 120, NARA, Date 12-2-93

*Pres file*

Tuesday -  
January 17, 1967

Mr. President -

I suggest that you send the attached  
acknowledgement to OAS Secretary  
General Mora's letter to you on your  
State of the Union Address.

W. W. Rostow

Attachment

139a

JAN 21 1967

Dear Dr. Mora:

You were most thoughtful in writing about my State of the Union Message. I appreciate your words of support and encouragement.

We have a heavy schedule of work ahead as we advance toward the Meeting of Presidents. I know we can count on your full cooperation and that of your colleagues as we prepare for it.

May the New Year bring you and Mrs. Mora continued good health and happiness.

Sincerely,

/s/ Lyndon B. Johnson

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

LBJ/WGBowdler:mm  
January 17, 1967



*Pres file*

Tuesday - January 17, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Letter to Colombian President Lleras on Coffee

On December 14 President Lleras wrote to you and the heads of governments of France and Germany suggesting steps to strengthen the world price of coffee. He wants a new coffee conference to adjust quotas and provide better prices.

On December 24 you sent President Lleras an interim reply.

State has coordinated comments with the Germans and French on the substantive reply and recommends that you send the attached letter. While not agreeing to the special conference which Lleras wants, the letter is forthcoming in saying that we are prepared to help during the meeting of the Executive Board of the International Coffee Council. Paris and Bonn will be taking the same line.

W. W. Rostow

Attachment

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NEJ 91-256  
By 118, NARA, Date 12-2-93



140a

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NEJ 91-256  
By 10, NARA, Date 12-2-93

JAN 19 1967

Dear Mr. President:

I have now had the opportunity to look more fully at the world coffee situation as described in your telegram of December 14 and am happy to share with you some of our thoughts.

The recent weakness in price for several types of coffee has also been a source of concern to us. We have long recognized the great importance of stable returns from the sale of coffee for the continued economic progress of many developing countries. This is especially true for Colombia which is so heavily dependent on coffee as a source of foreign exchange earnings. Because we appreciate these problems, we worked hard in 1962 to obtain the International Coffee Agreement. Since the Agreement came into force, I have consistently supported efforts to strengthen it and make it more effective. The new control measures adopted at the September 1966 meeting of the International Coffee Council have been generally applauded as putting the Agreement on a firmer base for the future.

The United States was an active supporter of both the new control measures that should prevent violations of the Agreement and the new system of selective adjustment of quotas in response to price changes. Together, these changes should go far to remedy any price weaknesses. The United States moved promptly in 1966 to put into effect the new control measures requested; we will continue to work for effective implementation of the Coffee Agreement.



-2-

I understand that the Executive Board of the International Coffee Council is now meeting in London to discuss the current situation. The United States will be prepared to help.

The discussions this year concerning the renewal of the Agreement will provide an excellent opportunity to consider any necessary changes. We look forward to working with you in these discussions.

Sincerely,

*/s/ Lyndon B. Johnson*

His Excellency  
Dr. Carlos Lleras Restrepo  
President of Colombia  
Bogota

LBJ/WGB:mmm  
January 17, 1967.

Tues., Jan. 17, 1966  
10:30 a.m.

141

MR. PRESIDENT:

Herewith a draft response to Drew  
Pearson's constructive letter to you  
of January 16.

W. W. R.

141a

top 1/17

January 19, 1967

Dear Drew:

I am most grateful for your thoughtful memorandum of January 16 on Latin America.

I agree with you that the forthcoming Summit meeting must have substance. The Alliance has moved from an idea to a working reality. Now is the time to set new directions to meet the challenges which reach from here into the 1970's.

I promise that every one of the ideas you suggested will be staffed out. Some are new. Some are already under consideration. Some are interesting variants on ideas now being developed.

You have made a helpful contribution to what I hope and believe will be an important conference.

Again, I thank you for taking the time to give me your insights on the Latin American scene. You know that they are always welcome.

Sincerely,

/s/ Lyndon B. Johnson

Mr. Drew Pearson  
2820 Dumbarton Avenue  
Washington, D. C.

LBJ:WWR:mz

1416

DREW PEARSON  
2820 DUMBARTON AVENUE  
WASHINGTON

January 16, 1967

Memorandum to the President

From: Drew Pearson

I have talked to various Latin American leaders and diplomats about the upcoming Summit Conference, including President Leoni of Venezuela, who incidentally told me that he was anxious to accept your invitation to come to Washington if possible before the conference.

Latin American leaders generally are a bit skeptical regarding you. They are inclined to think of you as a tough politician, though the fact that you get along well with the President of Mexico is a plus. They were critical of the Dominican Republic crisis but now are inclined to forget about it.

There is a general feeling that the Summit Conference is a political gimmick and won't amount to much. They remember that Eisenhower convened the leaders of Latin America and Panama chiefly for the purpose of showing that he had recovered from his ileitis operation. They are wondering whether you are doing something of the same. On the other hand they recognize that this conference could start big things if handled on a broad gauge. They don't believe that economic integration and more education, however, is sufficient to bring the leaders of the Western Hemisphere together.

Here are some suggestions I would like to make, based on my own experience and various conversations:

1. Cite the leadership of Simon Bolivar and Thomas Jefferson regarding the importance of Pan-American cooperation. Both Jefferson and Bolivar



advocated unity between the United States and Latin America under a federal system. Both were spurned by the isolationists of their day. While it's too late to go back to this, nevertheless you can resurrect the spirit of Bolivar and Jefferson by proposing:

- a. An annual meeting of the Presidents of the Pan-American states.
- b. More economic cooperation, with the United States taking advantage of the raw materials of Latin America rather than going all the way to Africa and Asia. African and Asian rivalry on cocoa, coffee, nickel and tin is a sore point with them. They recall that they helped us out during World War II, and now we are reaching such long distances as Southeast Asia and Africa for the same materials which they supplied us when we were desperately short.
- c. A NATO system for Pan-American armies. This would help re the delicate question of too much arms spending and arms rivalry. Having the Chilean and Argentine armies train together at least once a year; also the Brazilian and Venezuelan armies, etc. would allay suspicion. You can cite the example of Mexico, which spends only 6 percent on arms as against more than 20 percent on education. You can also offer more officers' training in the United States for Latin leaders.

2. Propose a Marshall Plan by the stronger nations for the benefit of the poor. There is no reason why Argentina, Brazil, Chile, Peru and Venezuela cannot join with the United States in helping the underdeveloped countries. This is being done on a small scale through the Inter-American Bank, but it is peanuts compared to what is needed.

The following countries are desperately poor: Haiti; the Dominican Republic; Ecuador, which had one-third of her territory taken away by Peru in 1941; Bolivia, which lost its entire seacoast to Peru and Chile; and Paraguay, which is landlocked. Naturally the United States would bear the chief burden in any Marshall Plan for Latin America, but there is no reason why the wealthier countries cannot share. Furthermore they would be suspicious if they were not included.

Peru will not be happy about helping Ecuador, and Chile will not be happy about helping Bolivia. Nevertheless, any broad-gauge leadership for the hemisphere must include such aid. Furthermore, it must be done on a generous scale if we are not going to have deep pockets of poverty and the potential of communism in the Western Hemisphere. Haiti is one of the most dangerous.

3. Face the question of outlets to the sea head-on. Most Latin leaders, and certainly your own State Department advisers, will tell you to duck the question of outlets to the sea. However, Woodrow Wilson made this one of his cardinal points at the end of World War I while Harry Truman specifically urged a seaport for Bolivia; and also proposed to Churchill and Stalin the internationalization of all important waterways.

It is essential that Bolivia have a seaport; and Ecuador have the right of access through the Amazon River to the interior of South America; and that Paraguay have a recognized outlet to the sea through the Plata River.

Some of these questions are extremely touchy, but they must be faced. They cannot be dealt with at one Summit Conference. But commissions can be appointed to study the problems and report.

For instance, a city ten miles square on the coast of Peru might be established for Bolivia, and



January 16, 1967

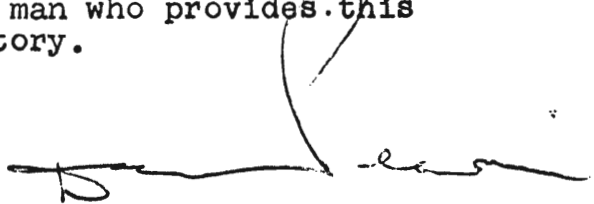
might even be called "Truman", which would be the terminus for a Bolivian oil pipeline and a Bolivian airport. Greece, a Royalist-Capitalist country, has found that it was good business to give such a seaport to Yugoslavia, a Communist country, near Salonica. It would be good business for Peru to give a similar seaport to Bolivia.

4. Make some very bold, broad moves regarding education. Former Minister of Health Gabaldon of Venezuela, a Johns Hopkins graduate, proposed to me that the United States take 100,000 students from Latin America into its colleges every year. This would not be a drain on the dollar, and the impact on Pan-American culture would be terrific. Many of the leaders of Venezuela have been educated in the United States, and the results have been constructive for both countries.

5. A University of the Americas has been discussed for many years, but nothing has never been done about it. Perhaps this is the time to consummate it.

In general Latin Americans feel that the United States has neglected them, and they are right. With some European leaders now thumbing their noses at us, and with the problems of Southeast Asia intricate and difficult, this should be the time to concentrate much more on the Western Hemisphere. Not only is this needed from the point of view of deterring pockets of communism--more Cubas--but the man who provides this leadership will go down in history.

DP:kr



DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NEJ 91-256  
By imp, NARA, Date 12-2-93

11:30 A.M.  
(100K took  
copy w/ette  
& has on his desk)  
142

Tuesday, January 17, 1967  
11:00 a.m.

~~TOP SECRET~~  
LITERALLY EYES ONLY

MR. PRESIDENT:

I do believe we face a moment of truth with the arrival of this cable (attached).

Hanoi has come back to us in Moscow with a three-part response:

- What does the U.S. mean by a "completely secure arrangement?"
- What is the U.S. position for a settlement?
- He wants a prompt reply, indicating "some sense of urgency."

I take this seriously because, as you know, I have detected some impulse in Hanoi to get out of the war but they didn't appear to know how. Specifically I felt they needed:

- secrecy and speed, to avoid surfacing the negotiation;
- direct negotiations with the U.S. to avoid intermediaries and keep secrecy;
- an agreed end position -- terms of settlement -- before they surfaced the fact of negotiation to the NLF and the Chinese.

All these elements are in this response.

Therefore, I believe, we must not only find a secure technique for negotiation but we must now produce a plan for getting them out of the war step by step. We must take them by the hand.

As for secrecy, the two best alternatives are:

- Moscow;
- Rangoon, for reasons we explained.

With Tommy in Moscow, and the channel started there, we should offer to continue, but indicate a willingness to mount sustained contacts in secret in any other place or by any other means they may suggest. If they are willing to cut the Russians in, the Russians should supply a secure place in the countryside with courier service to Moscow.

~~TOP SECRET~~

LITERALLY EYES ONLY

-2-

1/17/67

But the heart of the matter is to deliver this week an outline of a settlement and a sequence for settlement, which is equally important.

Therefore, our response should be: we propose to negotiate in secret with you these things:

- principles governing a settlement;
- de-escalation steps on both sides to be taken (on an A-B basis, if you wish) when the principles are agreed and announced;
- principles we shall both urge on the South Vietnamese with whom we are connected, for a peaceful settlement within South Viet Nam, after the principles are jointly announced;
- agreement for a reinstallation of the Geneva Accords of 1954 and 1962, as the international framework for the region.

I believe these are two reasons they want speed:

- to minimize the loss of secrecy;
- to make the most of the Tet stand-down.

They may want a swift negotiation of principles; an announcement of principles; and a mutual stand-down in two weeks.

I am reacting strongly because this may be an opportunity we should not miss. When you have an insight and it opens up a little, you must back your play. But I would underline at the end that this could be fun and games. We must, therefore, in presenting our position, stick to our principles and, notably, not sell out the constitutional process in South Viet Nam. If we've gotten this far, it's because of your decisions -- including your State of the Union Message -- and the quality and courage of our men in the field.

W. W. R.

~~TOP SECRET~~

LITERALLY EYES ONLY

176  
Tuesday, January 17, 1967  
9:10 p.m.

Mr. President:

The reason I could not respond to your question about the O'Leary leak on the tour was that Sec. Rusk had not sent over his report. Linc Gordon has supplied to me the attached report which he made to Sec Rusk. I have something to add; but I would rather communicate it to you directly.

W. W. Rostow



DPA 1450

~~CONFIDENTIAL~~

TO: The Secretary JAN 12 1967

THROUGH: S/S

FROM: ARA - Lincoln Gordon

SUBJECT: O'Leary Article on Presidential Tour in Latin  
America, Sunday Star, January 8 - INFORMATION  
MEMORANDUM

In response to your request of January 9, I have tried to find out whether the information for the O'Leary story may have come from my area of the Department. You should bear in mind that O'Leary's story is far off the beam in relation to the actual thinking about a possible tour, information on which has been limited here to Bob Sayre and myself and to some extent Sol Linowitz, working with Walt Rostow and Bill Bowdler. The fact that the tour has been under consideration is much more widely known.

1. For my own part, I have not talked with O'Leary since the joint Press Backgrounder which Sol Linowitz and I held on Wednesday afternoon, December 28. During that backgrounder the following exchange took place (I believe that O'Leary was the questioner):

"Question: Did you recommend to the President that he visit countries other than the one that the conference will be held in?

Assistant Secretary Gordon: Now, that is a subject which is under consideration. We have not got any plan yet of that type. But it is a possibility."

~~CONFIDENTIAL~~

Group 3

Downgraded at 12-year intervals;  
not automatically declassified

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NLJ 91-255  
By ig, NARA, Date 1-3-92

~~CONFIDENTIAL~~

-2-

I shook hands with O'Leary at Bob Sayre's reception for Latin American Ambassadors on December 29, but had no conversation with him.

2. Ambassador Linowitz lunched with O'Leary on December 30. He informs me that the question of a possible tour was raised only casually, and that he responded along the same lines as my statement in the Press Backgrounder.

3. Mr. Sayre informs me that he has not discussed the question of a tour with O'Leary at all and has not seen him since his party on December 29.

4. I have inquired among the staff group of some 15 persons involved in planning preparations for the Summit meeting. The only member of this group who states that he has talked with O'Leary at any recent time is Samuel Eaton, our staff coordinator for the preparations. He tells me that O'Leary asked for a discussion with him on January 3 or 4. O'Leary indicated that he was planning to travel in Latin America during the coming few weeks and inquired how he might ensure inclusion in the Press Party for the Presidential Summit meeting. O'Leary also said that part of his problem was whether there would be a Presidential tour in connection with the Summit meeting. To this Eaton replied that he did not know and would not know for some time. O'Leary stated as his own assumption that any such tour would take place after rather than before the Summit meeting, but there was no mention of possible stops or other details of the kind contained in the O'Leary story -- most of which, as stated above, are at variance with our present thinking.

I regret that my efforts have not produced any more helpful information.

~~CONFIDENTIAL~~

RA:LGordon:mef:lg:1/12/67

# ARA-PAF Press Clips

WASHINGTON, D.C. MONDAY, JANUARY 9, 1967 VOL. III NO. 100  
THE SUNDAY STAR Washington, D. C., January 8, 1967 NEW YORK TIMES, JANUARY 8, 1967.

## Hemisphere Tour By Johnson Seen

By JEREMIAH O'LEARY  
Latin America Writer for The Star

Advance plans for President Johnson's trip to attend the meeting of Western Hemisphere chiefs of state indicate a journey of eight days that will take him to perhaps six South American countries beginning about April 12.

Officials connected with the trip emphasize that all plans are in the tentative stage. However, the best estimates are that Johnson will fly directly from the United States to Uruguay for the summit meeting which most officials believe will be held at Punta del Este.

Diplomatic sources consider it almost certain that Johnson will visit President Eduardo Frei of Chile and Arthur da Costa e Silva of Brazil, who will have been inaugurated president by that time.

In both cases, Johnson will be returning a call since Frei is coming to Washington for a two-day official visit on Feb. 1 and Costa e Silva will be a visitor here on Jan. 27-28.

Active consideration also is being given to a Johnson visit to President Fernando Belaunde Terry in Peru and to President Raul Leoni of Venezuela.

Diplomatic sources consider it unlikely that Johnson would visit Venezuela's capital, Caracas, where some fear that gangs would present a genuine security risk if Johnson goes to Venezuela. It is considered more likely that he would visit the more remote town, perhaps the giant Gulf of Mexico project or another development project with which the United States has a connection.

The sixth possibility is a visit to Argentina. Buenos Aires lies just across the Rio Plata estuary from Montevideo and there would be diplomatic disadvantages to Johnson visit that included neighboring Chile, and by-passed Argentina.

Any stops Johnson makes are expected after the summit meeting. The reasoning is that if Johnson were to visit any of the Latin capitals en route to the summit, the other hemisphere president might suspect

they were entering the talks at a disadvantage.

There is general agreement that the summit meeting will require three days at the most. It is likewise almost certain that the summit, the first at which all or nearly all the Organization of American States presidents will meet at the same time, will be at Punta del Este.

The Uruguayan beach resort, 70 airline miles from Montevideo, already has been the scene of two historic OAS conferences.

It was at Punta del Este that President John F. Kennedy's Alliance for Progress came into being in 1961 and the resort was the site of the meeting at which the OAS nations voted to isolate themselves from Fidel Castro's Cuba.

Johnson is reported looking forward to the Latin American journey with great enthusiasm. His appetite for the trip was whetted by the jubilant reception he received when he visited President Gustavo Diaz Ordaz in Mexico City.

Johnson was deeply impressed by the rapport he achieved with the Mexican masses, as well as officials.

Johnson also is eager to see and be seen by the Latin peoples who accorded such tumultuous welcomes to President Kennedy and to his brother.

The timing is judged nearly perfect for Johnson's visit. The Dominican intervention, which at first ruffled the feathers of some elements in Latin America, has now been demonstrably a success for Johnson with the orderly transition to democratic

## BRAZIL PRESS LAW MAY BE AMENDED

President Says He Would  
Accept Congress Changes

Special to The New York Times

BRASILIA, Jan. 7—President Humberto Castelo Branco has advised Congressional leaders that the Government is prepared to accept amendments to a restrictive new press law that has provoked opposition from Brazil's newspaper and broadcasters.

Following a declaration by São Paulo newspapers condemning the law as "Fascist-inspired," a newspaper in Rio de Janeiro issued a statement today calling on Congress to reject or radically modify the bill through amendments with a democratic sense.

No measure that Mr. Castelo Branco has sent to Congress has generated more opposition than the press law, which establishes prison sentences and stiff fines for a large and vague body of "violations of press freedom."

The President met here yesterday with leaders of the Gov-

ernment's National Renovating Alliance party and told them he welcomed a debate on the law and accepted the possibility of amendments.

The President's office also sent a telegram to Robert U. Brown, publisher of the United States trade magazine Editor and Publisher, welcoming the presence of a representative of the Inter-American Press Association to accompany the Congressional debate.

The Inter-American Press Association has protested against the bill and asked Mr. Castelo Branco to withdraw it from Congress.

Congress has been called into a joint session to consider the draft of a constitutional reform greatly strengthening presidential powers under an "urgency rule" that allows only until Jan. 24 to vote the reform.

The legislators have received the press bill under the same urgency rule. If it is not voted by Jan. 24, the press bill becomes law as it was originally worded. The Congress has scheduled a vote on the bill Jan. 21.

The press law's most controversial articles are those that establish prison penalties for publishers, editors and reporters convicted of violating "official secrets."

NEW YORK TIMES, JANUARY 7, 1967.

## Masterrer Faces Two Charges In Aftermath of Haiti 'Invasion'

By BENJAMIN WELLES

Special to The New York Times

MIAMI, Jan. 5—The Government was reported today to be planning a crackdown on the future political activities of Rolando Masterrer Rojas, a 48-year-old Cuban exile who is being held here in the Dade County Jail.

Masterrer faces charges of illegal export of arms, which is a criminal offense, and violation of the terms of his parole under the United States immigration laws.

The Cuban is reported to have been the mastermind of a purported attempt to invade Haiti. The attempt was frustrated when customs and other Federal officials arrested him

Monday night along with about 70 Cuban and Haitian refugees and four Americans. At the time of their arrests they were reported to have been loading arms on a boat in the Florida Keys.

Well-informed local sources expressed doubt that the "invasion" was anything more than a well-publicized stunt to cover the collection of funds from the big Cuban and Haitian refugee colony here.

Masterrer led a band of toughs serving Fulgencio Batista, the former Cuban dictator. In 1959, after Fidel Castro came to power, Masterrer fled Cuba to Florida aboard a yacht, taking with him funds estimated at \$50,000.

Continued

Continued



## Johnson Tour Continued

government in Santo Domingo and the withdrawal of the Inter-American Peace Force.

Johnson will take with him to the summit a package that includes offers of assistance to help accomplish the economic integration that the Latin Nations have failed to achieve by themselves.

The U.S., though it cannot join a common market or economic free trade union, will proffer measures and assistance through international agencies that may well help LAFTA (the Latin American Free Trade Area) make the break-through accomplished by the Central American Common Market.

The summit also is expected to result in measures that will end what some have called the Latin American arms race and enable the member nations to devote more of their resources to internal development without purposeless expenditures for sophisticated armaments.

A visit by Johnson to Brazil would have high priority, not only because Costa e Silva is coming here at U.S. invitation, but because Brazil has been a close ally in crises such as the Dominican intervention and because its 100 million people constitute the largest population in Latin America.

A visit to liberal, democratic Chile would neatly balance a stop in Brazil which is dominated by the right wing and has not yet returned completely to constitutional democracy.

If Johnson eventually decides to visit the non-constitutional military government of Gen. Juan Carlos Onganía in Argentina, a call on democratic and progressive President Belaunde in Peru would provide an additional counterweight.

There are problems of time, altitude and security involved in visiting other Latin capitals.

The time limitation is that only a week can be devoted to the trip, of which three days probably will be consumed in summit sessions.

Johnson, who has had one heart attack, very likely would avoid the high Andean capitals such as La Paz, which is 11,000 feet above sea level.

## Haiti Continued

Late yesterday most of those arrested, including the Rev. Jean-Baptiste Georges, a Haitian priest, and once Minister of Education in the Duvalier regime, were released on bond to await a hearing before judicial authorities in Key West Jan. 25. Masferrer, however, was transferred here under armed guard to await prosecution.

Federal officials appeared at a loss today to explain why Masferrer had been permitted for about seven years to violate a Federal court order restricting his movements to the New York area. The order, dated Feb. 26, 1960, was obtained by immigration authorities after lengthy legal skirmishes and signed by Federal District Judge Emmett G. Choate.

While immigration officials declined to comment, other official sources hinted at a morale problem here among immigration agents, which they attributed to a lack of clear directions from the Justice Department in Washington.

"The Cuban refugee situation here is a can of worms," one informant said. "No one dares act for fear of outrages that the government is soft on Communism or is protecting Castro or something."

It was said that in the last three years, in the aftermath of attempted raids by exile groups on Soviet vessels after the Soviet-American missile confrontation, Federal officials have been quietly confiscating arms from exile groups.

But, according to one source, "since the refugee airlift from Cuba began a year ago, about 5,000 Cubans are now pouring in here every month, and the pot is beginning to boil up again."

These and other local sources noted that Masferrer's frequent trips here from New York and his fund-raising activities, all without arrest, had served to convince many Cubans that he was secretly being backed by United States Government agencies. This impression, these sources added, was assiduously fostered by Masferrer himself and by his agents in the Cuban and Haitian refugee groups.

## NEW YORK TIMES, JANUARY 8, 1967.

# Brazilians' Confidence in Regime Is Shaken by a New Rise in Prices

By JUAN de ONIS

Special to The New York Times

RIO DE JANEIRO, Jan. 7—A new upsurge in consumer prices has shaken public confidence in Government contentions that control of inflation is just around the corner.

The first week of the new year has brought a wave of increases for wheat, eggs, milk, gasoline, cigarettes, sugar, soft drinks, coffee, postage, telephone calls and other goods and services.

Newspapers are estimating that the cost of living for the month will be 5 to 10 points above December. The official consumer price index rose 40 per cent last year, 45 per cent in 1965, and 86 per cent in 1966.

Although the figures indicate progress in reducing inflation, wage earners and housewives are outspokenly unhappy. Economic policymakers concede that the campaign to control inflation is behind schedule. The Government has been unable to introduce a new hard cruzeiro as a monetary symbol of victory over inflation.

### Most Stubborn Problem

Inflation is the most stubborn problem that has faced the Administration of President Humberto Castelo Branco, who came to power in April, 1964, as leader of a military coup that overthrew President João Goulart's leftist, spendthrift regime.

After nearly three years in office, the Castelo Branco Government has not yet been able to achieve a combination of budgetary control, food supply, fiscal collections and credit management that would give relative price stability.

This is a goal that will remain for the incoming Government of Arthur da Costa e Silva, who was Minister of War in Mr. Castelo Branco's Cabinet, and who is pledged to a continuing fight against inflation.

The "gradual disinflation" policy has gone a long way toward relative stability, without plunging this country of 85 million people into economic depression and massive unemployment.

### Waste Is Continuing

But the Government has not yet shown an ability to reduce wasteful operating costs as rapidly as it has increased public revenues, thereby drying up sources of private investment. Despite a significant increase in tax income, a 25 per cent raise for the civil service and the military this year was financed largely by a 20 per cent cut in public investment.

Except for tax increases and "forced loans" to the Government for power and housing programs, savings have not increased significantly and the cost of money remains very high, with real interest rates 10 to 20 per cent.

The Government has accumulated dollars and gold reserves of close to \$800-million and has wiped out foreign obligations of more than \$300-million.

Despite this, most financial analysts believe that the steady rise in internal prices, and therefore production costs, will require a new devaluation of the cruzeiro, now at 2,200 cruzeiros to the dollar.

Food supply offers brighter prospects this year than in the last 12 months, when poor harvests and export promotion sent the price of corn, rice and meat above the world market prices.

Large harvests are expected because of the removal of farm prices from controls. Liberal financing of rural producers, and organization of a minimum price support program for corn, rice, beans, peanuts, soybeans and cassava.

THE WHITE HOUSE  
WASHINGTON

January 17, 1967

Mr. President:

Attached, for your approval and signature, is a "Foreword" to a brochure USIA will issue describing our 100th anniversary gift to Canada. The gift -- several pieces of engraved crystal -- will be on display at our "EXPO-67" Pavillion. The brochure will be given to important Pavillion visitors.

*fm*

Francis M. Bator

Approved ✓

Disapproved \_\_\_\_\_

See me \_\_\_\_\_

OK *J*

## FOREWORD

This is Canada's centennial year. Her sons and daughters all over the world are celebrating 100 years of solid achievement, and looking forward to an even brighter future.

For a century Canadians have fought to fashion a strong nation stretching across a hard and untamed continent. They have succeeded beyond the dreams of the pioneers of 100 years ago. Today Canada is a prosperous land of free people deeply committed to the cause of liberty -- living proof that man thrives best in a democratic society.

I have visited Canada twice since becoming President. On both occasions I was welcomed with warmth and friendship. Canadians will, I know, greet all Americans who visit "EXPO-67" with the same kindness and hospitality they have shown to me.

It is a great honor for me, on behalf of all Americans, to extend to the people of Canada warmest congratulations on the great achievements of the past century, and best wishes for a successful and prosperous future.

Tuesday, January 17, 1967 -- 5:20 p.m.

MEMORANDUM FOR THE PRESIDENT:

SUBJECT: News Media Contacts -- Monday, January 16, 1967.

Carroll Kilpatrick came in to ask about the possibility of serious negotiations in Viet Nam. I told him:

-- There was no solid indication that Hanoi wished to end the war by negotiations;

-- There were a variety of intermediary efforts, feelers, suggestive noises which were consistent with the hypothesis that they were trying to press us into a unilateral halt of bombing rather than to negotiate;

-- But we could not wholly rule out the possibility that they were looking for a negotiated way out and, therefore, we were following every lead with the greatest attention and seriousness.

He also asked if it was true that the President had decided against going to Europe this year. I said it was not true. The President had made no decision. His interest in a possible trip remains as previously stated, without final commitment either way. He asked about Gene Rostow's trip. I emphasized that it was a preliminary exploration designed to implement the President's policy on food and population as stated in the State of the Union message.

As the first in the series of men you assigned me to see this month, I had a leisurely hour at the end of the day with Rollie Evans. He said that the passage on Viet Nam in the State of the Union message was what he had been waiting for for a long time. He felt it was extremely important that we stabilize our policy for the long term. He thought you did it extremely well. He hopes you will not depart from that line throughout this year and next. He believes it has great strength in the country and throughout the world, whatever people may say. (I said: "why don't you write it?")

I had the opportunity to talk with him about other aspects of foreign policy and, indeed, your policy as a whole.

W. W. Rostow

W. W. Rostow:rlh



*Pres file 161*

Tuesday, January 17, 1967

Mr. President:

The attached paper gives the background to the unprecedented action by the Chilean Senate in denying President Frei permission to come to Washington.

Even though the Embassy thinks that this effectively kills the trip, I feel it is premature to think that we have come to the end of the line.

President Frei will be sorting out what his next <sup>step</sup> will be. Until we know that, it behooves us to decline any comment on the action by the Chilean Senate.

W. W. Rostow

1/17/67

1462

# Chilean Senate Denies President Frei Permission to Leave the Country

## Background

The Chilean Senate today voted 23 to 15 to deny President Frei permission to come to Washington.

Under the Chilean Constitution, a President must have the permission of the Congress to leave the country. This is standard in Latin America.

While Frei has a comfortable majority in the Chamber of Deputies, in the Senate his Party is in the minority:

Christian Democrats	-	13
Socialists - Communists	-	13
Radicals (middle-of-the-road)	-	9
Liberals	-	5
Conservatives	-	2
Independents	-	3
Total	-	<u>45.</u>

The opposition ganged up on Frei to embarrass him, and have done so with a vengeance.

Embassy Santiago says that the negative Senate vote effectively kills the trip. Frei could only come in defiance of the Senate and face impeachment proceedings when he returns. This -- the Embassy believes -- is unlikely to do.



- 2 -

Embassy Santiago also observes that the acute embarrassment to Frei on this request to leave the country may predispose him not to seek permission to go to the OAS Summit.

Press Guidance

For the time being -- and until President Frei can sort out how he is going to handle this setback -- we should decline any comment on the action taken by the Chilean Senate.

Tues., Jan. 17, 1967  
4:00 p.m.

MR. PRESIDENT:

Secretary Rusk makes the following  
suggestion for your conversation with the  
Senator this afternoon.

One excellent excuse for postponement  
would be this: Fulbright apparently is anxious  
to take up in his committee the consular  
convention with the Soviet Union next week.

W. W. R.

~~SECRET~~

Tuesday, January 17, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Foreign Affairs Summary

128  
DECLASSIFIED

E.O. 12356, Sec. 3.4

NJ 91-256

By isp, NARA, Date 12-2-93

1. Directorate and Assembly Seeking to Resolve Differences

A joint session yesterday between representatives of the Directorate and the Constituent Assembly was reportedly cordial and resolved at least two relatively minor issues. The Directorate is reported to be particularly dissatisfied with articles concerning the election of province chiefs and the powers of the legislature in relation to the executive branch, as well as with the final chapter which grants additional powers to the Constituent Assembly pending election of a permanent legislature.

The Assembly, meanwhile, has rescheduled the opening of its plenary debate on the draft in the hope that the joint meeting will lead to further compromises. According to Embassy Saigon, the Assembly deputies apparently have a flexible attitude toward several articles which are unacceptable to the Government.

2. Vietnamese Attitudes Toward American Presence

Embassy Saigon reports a steady and significant growth in Vietnamese efforts to assert themselves vis-a-vis the American presence and influence in Vietnam. Criticism of certain aspects of the American presence is expected to increase further as the election campaign begins in earnest. The Embassy comments that this increasing Vietnamese assertiveness may complicate future negotiations with the South Vietnamese Government and already makes more difficult our efforts at getting our advice put into practice.

3. Vietnamese More Favorably Disposed Toward Negotiations

Embassy Saigon reports that the attitude of the South Vietnamese toward negotiations to end the war has improved markedly over the past year. The prospects of a political settlement are

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- 2 -

now being discussed openly by significant elements of the Government, as well as the civilian population. The Embassy predicts that the desire for an early settlement will manifest itself with increasing force and frequency, particularly in the context of the presidential campaign.

#### 4. Chile and USSR Sign Assistance Agreement

After months of negotiation, Chile and the USSR signed a \$57-million trade and technical assistance package on 13 January.

The package consists of three agreements: one on trade, a second providing for technical assistance and credits for special projects, and the third dealing with the supply of machinery and equipment. Payments are to be made over periods from eight to 12 years, at interest rates of three to three and one-half percent. All repayments are reportedly to be in convertible currency. Copper, Chile's primary export, is not included at present, but the Chilean Ambassador in Moscow stated that some sales might be made in the future.

#### 5. US Citizens in Macao

Our Consulate General in Hong Kong believes the Macao situation is serious and will send two officers to Macao to advise American citizens of the hazards of remaining there. Embassy Lisbon suggests that we not inform the Portugese of this action lest it be taken as a US assessment that the loss of Macao is imminent. Hong Kong does not expect the flash point to be reached within the next 24 hours.

W. W. Rostow

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149  
Pres file  
Cy sent  
George Christian

Tuesday, January 17, 1967 -- 11:15 a.m.

Mr. President:

George Christian, Ed Hamilton, Bill Jorden and I have discussed your instruction that we get help for George in foreign affairs and, in particular, to help the Press Office in more regular contacts with columnists and the foreign press.

Here are the results.

1. Both Ed Hamilton and Bill Jorden are prepared to do what you want. They take the view that they are only here to serve you. For example, Bill Jorden is quite prepared to work under George Christian.

2. Ed Hamilton, on the substance, takes the view that his capacity to be useful with the press depends on keeping very close to the substance of business in foreign affairs. He proposes that we cut down his work on Europe, where he does a good deal still for Francis Bator; make his work for George Christian first priority; but carry forward his work on Africa plus help on economic policy. We all agree that this assistance to George can only be supplied if those doing it do not wait "to help George" but regard that part of their work as first priority, if not full time.

3. Bill Jorden has never been happier -- or more effective -- than doing his work on the Far East for me. On the other hand, he fully understands that right now we face two tough years with the press; and, if this is your first priority, he is prepared to go to work full time for George. He, too, believes that he would be more effective if he kept a base in the substance of policy; cut down but did not give up his work on the Far East; but did a full half time at top priority for George.

4. George believes the best solution is to get Bill Jorden as a full-time foreign affairs deputy. He believes that Bill's knowledge of the columnists and the press and of press requirements is a major asset that would take Ed Hamilton a long time to acquire. He knows and works with Bill well. They operate like a couple of comfortable old shoes.

As for my shop, in one way or another I can and will make the adjustments to cover any one of these choices before us, which are:

- Hamilton full time with George \_\_\_\_\_
- Hamilton half time with George \_\_\_\_\_

-- Hamilton and Jordan half time with George\_\_\_\_\_

-- Jordan full time with George\_\_\_\_\_

In any case, you should know that we have already moved to tighten up the support for George, including regular meetings with State and Defense briefing officers plus a continuation of backstopping via Dick Moose and my whole staff.

W. W. Rostow

WWRostow:rln



*Pres file*

Monday, January 16, 1967  
7:20 a.m.

Mr. President:

Herewith Chancellor Kiesinger's  
report on his talks with de Gaulle.

In short, Bonn's heart still  
belongs to Daddy.

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NEJ 91-256  
By ing, NARA, Date 12-2-93

W. W. Rostow

BONN 8224, January 16, 1967

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WWRostow:rln

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Copy of BONN 8224 Jan. 16, 1967

DECLASSIFIED  
E.O. 12958, Sec. 3.5  
NSC Memo, 1/30/93, Sec. 1: Dept. Guidelines  
By         , NARA, Date 6-10-99

Subject: Talk with Chancellor Kiesinger

Chancellor Kiesinger asked me to call on him today so that he could report to our government the results of his meeting with General de Gaulle on Jan. 13-14.

It is perhaps significant from the standpoint of his attitude toward the U. S. that we were the first country he had chosen to report to, and that he did so on his first day back in office.

1. German and French relations with US

Kiesinger said that his objective in meeting with de Gaulle was to revive the German-French treaty without, however, creating any "twilight" areas of uncertainty. He had a "very clear" discussion with de Gaulle with respect to the relations of both countries with the US.

De Gaulle said that he had respect for the US, but that the US was so powerful that it could not help "dominating." To this France will not submit, even though it is a "friendly" domination. France wishes to retain its ties and alliance with the US but to carry out an independent policy. On the other hand, he considered that Germany had been too "obedient" to the US, "even Adenauer."

In response, Kiesinger agreed that the US naturally had its own interests and would be "stupid" not to act accordingly. The problem is to determine the extent to which US interests can be brought to coincide with those of Europe as a whole, and of individual European countries. At the peak of the Cold War there had been a very close correspondence of interests. Perhaps there is a difference now. We should talk about it.

Kiesinger said that he had made clear to de Gaulle, however, that Germany's position was different from that of France.

Germany will continue to support NATO on an integrated basis, and Germany wished US troops to remain in Europe. To these ends Germany will cooperate with the US. He agreed, however, with de Gaulle that Europe must make an increasing contribution toward the "molding of its fate."

According to Kiesinger, there was little dispute or extended discussions in the foregoing exchange. De Gaulle admitted that he recognized Germany's position and attitude to be different. (Kiesinger interpolated this to me to mean "for the time being" and that de Gaulle fully expects that Germany

(BONN 8224 1/16/67)

will eventually come around to the French viewpoint.) According to Kiesinger, both he and de Gaulle agreed that the cooperation of France and Germany under its treaty need not be handicapped by their respective attitudes toward the US.

## 2. Viet Nam

Regarding Viet Nam, de Gaulle only said that the US position was "not good," that we would find that we "can't conquer a swamp."

To this Kiesinger replied that Germany cannot say the same thing, if for no other reason than that "we are a divided country."

## 3. UK Membership in the Common Market

With respect to the further development of the Common Market and the question of UK membership, de Gaulle raised his old objection. Kiesinger in turn proposed that the "door should be left open." He told de Gaulle that Germany had a strong desire for the success of the Kennedy Round in order to bring down the tariff walls separating it and EFTA, with which it had important trading interests. He told de Gaulle that the question of the entry of the UK into the Common Market is one for decision by the Six. A decision should be postponed until Wilson has had an opportunity to talk with the French Government in Paris.

## 4. European Detente

De Gaulle emphasized the importance of a policy of detente in Europe. The present confrontation in Europe must be reduced "step by step." This was a thorny problem, however, it will be less difficult now than in the future to get the Soviets to a detente -- including increased economic and cultural exchanges. France needs a period of peace in order to develop its country. Kiesinger replied that Germany also seeks detente in Europe. They agree that this is the only way to preserve peace. Germany hopes, however, that throughout the process her allies will keep German reunification in mind. He realizes that the solution cannot be "figured out now." However, it should not be left entirely to the future. He told de Gaulle that he could not accept his interpretation that German reunification must wait until the end when complete detente has occurred and it will therefore come automatically. The Germans are not willing "to pursue detente just for detente's sake." He believes that every peaceful opportunity should be seized to further reunification.

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(BONN 8224 1/16/67)

According to Kiesinger, de Gaulle agreed with his formulation. Kiesinger observed to me that he was not in the end able to envisage precisely what de Gaulle had in mind in his concepts of detente, entente and cooperation. According to him de Gaulle, however, does believe that the Soviets are so preoccupied in dealing with their own problems, including Red China, that they will be willing to avoid a confrontation in Europe.

5. Other matters discussed with Kiesinger, including a non-proliferation treaty, and comments will follow.

McGHEE



## THE WHITE HOUSE

WASHINGTON

~~SECRET~~

Monday, January 16, 1967 - 8:00 p.m.

## MEMORANDUM FOR THE PRESIDENT

SUBJECT: Counting German Wheat Purchases for India Against the  
FRG's Offset Obligation

Secretary Rusk -- with McNamara's concurrence -- recommends (Tab A) that he be authorized to tell the Germans that we will count purchases of U. S. grain for Indian food aid made before June 30 against the current FRG offset. Purchases after June 30 would be counted as part of any future offset arrangements. (The purchases to be charged against the offset could range to about \$30 million, the amount we are asking the Germans to contribute to the Indian consortium this year to match our additional grain contribution.) At Tab B, Joe Fowler -- though he is prepared to go along -- states his reservations.

The Rusk argument is that: (1) grain purchases have the same balance of payments effect as weapons purchases; (2) it is unlikely that the FRG will meet the current offset through military purchases anyway, and (3) our campaign to "internationalize" the Indian food problem is worth a small retreat on offset -- particularly when it is so cheap.

Fowler argues that this gives the Germans both relief from their offset obligation and kudos for increasing their aid to India, when we are the ones who really pay the bill. He adds that word of this would probably get out, and others would try to get concessions from us in return for agreeing to aid India. He also says that by making this offer to the Germans now we may weaken our hand later when we sit down to bargain with them on new offset arrangements.

My vote is with Rusk and McNamara. Admittedly, we would be backing away a bit from our insistence that the Germans pay every last penny of the current offset. But it has become increasingly clear that they are not going to reach the agreed target anyway -- either through military or other orders. Anything we can do to bring them closer -- saving our tough bargaining for negotiations on the new offset arrangements -- will be a plus. This \$30 million purchase (or whatever part of it the Germans make before June 30) would be money we would never see otherwise. (We would make clear, for the record, that we continue to think it is very important that the FRG modernize its forces.)

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DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NIJ 92-50  
By JW, NARA, Date 2-10-93

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- 2 -

More important, however, getting the Germans into a multilateral Indian food club is important to the success of the whole "matching" arrangement. They are large food importers, and if we can get them in, it will be harder for others to stay out. This proposal is good bait. I think we should use it.

*Francis*  
Francis M. Bator

*I agree. The real crunch  
will come on India  
aid from Germany after  
June 30: IDA replenishment  
plus agricultural aid.  
On balance, this moves  
them in that direction.  
Walt*

Approve Rusk proposal \_\_\_\_\_

Disapprove \_\_\_\_\_

Approve proposal, but only on purchases through June 30  
(leaving open question of future offset) \_\_\_\_\_

Disapprove \_\_\_\_\_

Speak to me \_\_\_\_\_

~~SECRET~~

PRESERVATION COPY

JAN 14 1967

~~CONFIDENTIAL~~

EXDIS

## MEMORANDUM FOR THE PRESIDENT

Subject: German Offset and Wheat for India

You asked me to check with the Secretary of Defense and the Secretary of the Treasury about the desirability of considering a German purchase of American wheat for India, in the context of our effort to internationalize the Indian food aid problem, as a reduction of the German obligation under the current offset agreement.

The Secretary of Defense and I recommend that our negotiators be authorized, at an appropriate point, to tell the Germans that purchases made before June 30 this year could count under the 1965-66 current offset agreement. Purchases made after that date could be counted against future arrangements for handling the financial aspect of Allied troop presence in Germany, whatever their form.

The Secretary of the Treasury does not oppose this recommendation, but he has stated some of the considerations which lie behind his opinion in a separate memorandum to you.

The Secretary of Defense asks us to stress to the Germans -- and we concur -- that this position on our part represents no change in the position we are taking in NATO and the Trilateral Talks on the importance of modernizing and strengthening the German Armed Forces. On the contrary, we remain convinced that such improvement is of importance to the Alliance as a whole.

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EXDIS

DECLASSIFIED

E.O. 12356, Sec. 3.4

NJ 91-255

By ig, NARA, Date 1-3-92

**EXDIS**

~~CONFIDENTIAL~~

-2-

We believe you should count additional German dollar wheat purchases for India as an offset for three reasons:

- (1) the offset agreement has become a political strain in Germany; the magnitude of the payments remaining to be made under the current offset (\$581 million after the \$192 million debt prepayment) makes it unlikely that the agreement can be met on time in its original terms by military purchases alone;
- (2) the contribution to our balance of payments receipts would be the same as an additional purchase of military equipment; and
- (3) the importance to us of having the Indian food problem met by the international community in itself separately justifies a little extra oil on the gears, especially since this particular lubricant, unlike the concession on the debt prepayment, does not in fact cost us anything.

DEAN RUSK

Dean Rusk

~~CONFIDENTIAL~~

**EXDIS**

~~SECRET~~

1516

THE SECRETARY OF THE TREASURY  
WASHINGTON

JAN 12 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: German Offset and Wheat for India

The State Department has suggested asking Germany to make an additional contribution to the Indian Consortium in calendar 1967 of at least \$30 million. It would go to finance an equal value of our proposed wheat shipments to India and would count against the current offset agreement, provided it is made and paid before June 30, 1967.

Technically, Germany would buy \$30 million worth of wheat from us which would be shipped to India.

I have told Under Secretary Rostow that I would not attempt to stand in the way of this transaction but that I wanted to notify you that I had two reservations about it.

The first and more important is that the Germans get a double benefit from the transaction. They get relieved of an obligation for military orders by buying wheat from us. In essence, their "additional contribution" is neither "additional" nor a "contribution" in the multilateral setting of the Consortium.

I suspect that word of this arrangement will get around and other participants in the multilateral food program will try to get some compensation from us -- which would leave us with a multilateral program in form only -- we would be paying the bill.

My second reservation is less important but should be noted. We are in general agreement that, as a practical matter, the German offset in the future cannot be satisfied solely by purchase of U. S. military goods and services. We agree internally in the Government that German purchases of American grain to fulfill their unilateral aid contributions -- hopefully larger ones than at present -- is one means of satisfying the offset. But to establish that principle now, before actually negotiating future arrangements, leaves us with a little weaker bargaining position in the future.

*Henry H. Fowler*  
Henry H. Fowler

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DECLASSIFIED  
E.O. 12958, Sec. 3.6  
NLJ 99-192+NDJ 99-17  
By SL, NARA, Date 2-22-02



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~~SECRET SENSITIVE~~

Monday - January 16, 1967

Mr. President -

CIA's assessment of the security aspects of your Latin American trip is attached.

Their overall conclusion: with proper planning the security risks can be held to an acceptable level.

25X1A

I recommend that we begin refining the itinerary that I sent you on January 7, particularly with respect to activities for you and Mrs. Johnson in each country. This would involve bringing our Ambassadors and five country directors in State into the planning process. I believe this can be done without leaks. No approach to governments would be made until you so authorized. Following the Buenos Aires Meeting of Foreign Ministers (February 15 - 22) at which Secretary Rusk will discuss Summit preparations would be good timing for the approach.

W. W. Rostow

Attachment

Proceed with  
refining process

—

Hold up on  
refining process

—

Speak to me

—.

SANITIZED  
Authority NLJ 019-012-3-7  
By JD, NARA, Date 12-10-01

~~SECRET SENSITIVE~~



Preliminary Security Summary For  
Proposed Presidential Trip

25X1A

[REDACTED] we consider that with proper planning the security risks involved in President Johnson's proposed trip can be held to an acceptable level. While hostile propaganda and demonstrations may be expected in many cities, these can generally be controlled and probably kept from disrupting the President's activities. The greatest personal risk to the Presidential party would come from lone terrorists or crackpots. Despite massive protective measures, no one could guarantee to detect and control the acts of lone terrorists or small groups.

South American governments and their military and security services would cooperate as best they could with U. S. planning and security parties, though a normal amount of disorganization and confusion would be inevitable.

25X1A

[REDACTED] Likely cities for organized anti-American demonstrations would include Santiago, Guayaquil, Maiquetia, and Montevideo -- the latter because advanced publicity on the summit conference would invite counter-propaganda.

Two stops on the proposed itinerary -- Santa Cruz and Tarapoto -- are so remote and primitive that security planning and preparations would be hindered by almost total lack of local facilities. Airstrips at these stops cannot handle jets, and protection of the immediate Presidential party would be complicated by the need to switch from jets to propeller planes somewhere along the way.

SANITIZED  
Authority MLJ 019-012-3-8  
By SP, NARA, Date 12-10-01

~~SECRET~~

At most stops security will be handled by a combination of police, investigative forces and the military. These forces are not well coordinated, nor are they adequately supplied with mobile communications, riot-control and similar equipment. While some are fairly good at physical security and crowd control, none has much ability to discover leftist and terrorist plans in advance. Hence it would appear desirable to bring American influence and guidance to bear as early as possible.

~~SECRET~~

~~SECRET~~

1526

16 January 1967

MEMORANDUM

SUBJECT: Preliminary Security Review of Proposed Itinerary  
for the President's Trip to Latin America

Guyana -- We foresee no significant security problems.  
Local security forces could cope with any problems at Atkinson Field, which is about 30 miles from Georgetown. There is no sizeable community at the airport. Commercial jets do not normally refuel at Atkinson; while fuel usually is available, advance preparations should be made. President Nydrere of Tanzania is tentatively considering a visit to Guyana in April.

Uruguay -- Uruguayan police have adequate personnel, riot control training and experience, and fair communications. However, they have poor leadership and lack coordination -- weaknesses which will be compounded by a change of government (and security service leadership) 1 March. The Communist Party (20,000 members) and Communist youth organization (11,000) could be expected to mount an anti-U.S. propaganda campaign; attempts at violence by young firebrands would be possible. While Uruguayan authorities will be cooperative, the fact that they will have to protect some 20 heads of state makes it necessary start getting organized especially early. //

25X1C

25X1C

Buenos Aires -- Security risks minimal; local services made excellent preparations to guard De Gaulle in 1964, for example. Peronist labor unions, some Communist-influenced, may strike between now and April.

SANITIZED

Authority NLT 019-012-3-9  
By ∞, NARA, Date 12-10-01

~~SECRET~~

Asuncion -- While the Paraguayans have little intelligence or travel controls, security services supported by the army probably would impose a virtual blockade of the city. The Communist Party is weak and disorganized. Weather occasionally -- though not often -- closes the airport.

Brazil -- While Brazilian services have little ability to detect and suppress planned violence in advance, they will if anything be over-zealous in actual physical protection during the visit. The road from Galeao airport to Rio is under repair and passes through slums and industrial areas; [REDACTED] that the U.S. party land at Santos Dumont airport or be airlifted there from Galeao. //

In Brasilia, security services lack good leadership and training but presumably would be augmented by fairly well trained military units. The Brasilia airport highway has numerous over- and under-passes; these have been well patrolled in recent VIP visits. Although many local leaders will change with a new government in March, we would expect cooperation to remain good.

[REDACTED] that the order of visits in Brazil be checked with Brazilian protocol officials; the present government has preferred to receive visiting chiefs of state in Brasilia first.

Santa Cruz -- This is a wide-open wild-west type of town, mostly adobe houses with a few two- and three-story buildings downtown. Local security services, together with the military, are poorly trained but could provide reasonably good protection. The airport road is in very bad condition; traffic cannot exceed 10 miles an hour. The airstrip is also in bad condition; no jet aircraft are known to have landed there.

~~SECRET~~

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

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

~~SECRET~~

- 3 -

Santiago -- Chile has a large and well organized Communist Party which, with its sympathizers and the leftist press, would generate considerable hostile propaganda and demonstrations. However, by Latin American standards, the Chilean Carabineros are a highly professional and reliable security force experienced in riot- and crowd-control situations. The principal and unpredictable risk would be from individual crackpots or ultra-leftist groups.

Lima -- University students, who will return from summer vacation about 1 April, and agitators from Communist-controlled unions would present the principal threat during a visit. Peruvian security services, [REDACTED] probably could provide adequate protection. The largest U.S.-backed housing development is on the airport highway, in an area fairly easily controlled. Peruvian services would cooperate in preventive detentions.

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

Neither the present Tarapoto airstrip (1720 x 30 meters) nor a new one under construction will accommodate jets. There are no navigational aids on the jungle side of the Andes and few, if any, places where a disabled plane could set down. Two U.S. companies -- Morrison-Knudsen and Brown & Root -- are working on road construction, but the only access to Tarapoto is still by air. This is primitive and largely uninhabited territory, and security measures would have to be handled from Lima.

Guayaquil -- [REDACTED] greatest danger would be from lone terrorists or cranks. We suggest the U.S. consider renting the entire Hotel Cima, a modern 10-room hotel which would provide the best accommodations and security.

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

[REDACTED] three factors which might affect the political atmosphere: Ecuadoran emotional reaction to the Peruvian border situation, incidents with U.S. fishing boats working inside the 200-mile limit which Ecuador claims as territorial waters, and possible criticism of the U.S. in the Constituent Assembly before municipal and provincial elections scheduled for 2 April.

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

~~SECRET~~



Bogota -- Security forces can control almost any organized disturbance and detect many in advance. Motorcade routes would have to be planned carefully to by-pass the university and narrower streets. Anti-Americanism has increased somewhat as a result of President Lleras' failure to get an IMF loan; the U.S. -Colombian bi-national center was bombed in August. Leftist and extremist groups can be expected to try to disrupt the visit.

Maiquetia -- The Venezuelan Government would make every effort to provide strict security. However, Venezuela is the prime target for Castro/Communist expansion and in the past three months terrorists have assassinated at least four middle-level Venezuelan officials and made attempts on as many others, including the popular Army Chief of Staff. FALN capabilities for audacious and well planned terrorist actions have increased, and there is no certainty that these could be detected in advance. It is about 10 miles from Caracas to Maiquetia by modern highway, and another four or five miles to the hotel. Presumably security services would have military help in controlling not only the Maiquetia area but also the flow of students and other possible demonstrators from Caracas.

~~SECRET~~

Monday, January 16, 1967  
6:30 p. m.

MR. PRESIDENT:

Herewith Dick Helms' response to your questions on bombing casualties in North Viet Nam:

- The figures themselves which suggest that about two-thirds of the 18,000 civilians killed and injured by bombing were "males engaged in truck driving, bridge repair, and other war-related activities."
- The 18,000 logistic workers and other civilians compares with 51,400 killed and kidnapped in the South since 1957 plus an unknown but obviously large number of South Vietnamese civilians wounded.
- An analysis of the method used to estimate North Vietnamese casualties which gives us a certain confidence that we are in the right ball park in these estimates.
- A collection of direct reports, in Tab C, attesting to the extraordinary care and accuracy of U. S. bombing of the North.
- Tab A is a brief and incomplete summary of "effectiveness of bombing in North Viet Nam," a subject on which CIA has done a major volume. One interesting effect is that, because of the bombing, military and economic aid to Hanoi in 1965 and 1966 was running at the rate of \$500 million per year, radically increased over 1964 and earlier years.

W. W. R.

TOP SECRET attachment (SC 04681/67 Cy No. 1)

1  
LIMITED OFFICIAL USE

DEPARTMENT OF STATE

154  
Mr. Rostow

AGENCY FOR INTERNATIONAL DEVELOPMENT  
WASHINGTON

January 16, 1967

OFFICE OF  
THE ADMINISTRATOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Conversation with Senator Fulbright re our "Number of Countries" Determinations

I went to see Senator Fulbright Friday to discuss this subject.

As you may recall, we propose to make development loans to 29 countries outside of Latin America during FY 1967 (as compared with the 10 proposed in the Foreign Assistance Act). We also propose to provide technical assistance to 48 countries (rather than the 40 proposed in the Foreign Assistance Act).

I discussed the situation with Senator Fulbright at length. He took no particular exception to the technical assistance programs. But he objected strenuously on both general and specific grounds to our development loan proposal. For example:

- he objected to any further loans to Israel. I explained that we are not making a new loan out of 1967 funds, but are merely permitting Israel to use \$6 million of a 1963 loan for a new purpose inasmuch as it was not needed for the original purpose;
- he objected to any loans to either the Philippines or Thailand on the ground that they are being made for purely political purposes as part of our overall policies in Vietnam and Southeast Asia;
- he objected to the number of loans we propose to make in Africa even though I pointed out to him that our new policy in Africa drastically limits the number of countries to which we will make loans in the future, and that the loans to which he is now objecting are for projects which are so far along that we do not feel we should drop them.

LIMITED OFFICIAL USE

In addition to raising these specific objections, Senator Fulbright said that his real purpose is to get the United States out of the development loan business altogether. He views development loans as a tool through which we seek to dominate the developing countries. He also argues that they lead to commitments which are likely to involve us in more Vietnams. The only safe course, according to him, is for us to give up our bilateral loan program, and contribute a fair share of our resources to multilateral institutions such as the World Bank, the Inter-American Development Bank and other similar institutions.

While Senator Fulbright said nothing to me about it during the course of our meeting, I was informed today by a member of the staff of the Senate Foreign Relations Committee that Senator Fulbright intends to have a committee hearing on these Presidential Determinations sometime during the 30-day waiting period. I will be asked to come up and explain them.



William S. Gaud

~~TOP SECRET~~

Monday, January 16, 1967  
5:30 p. m.

Mr. President:

I have extensive back-up material for this agenda, which I can furnish, if you so desire, tonight or tomorrow morning.

I suspect, however, that you know the background on these items, and I am anxious not to overload evening reading.

In any case, I shall bring them along to lunch.

W. W. Rostow

~~TOP SECRET~~

DECLASSIFIED

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

White House Guidelines, Feb. 24, 1984

By ng, NARA, Date 2-6-91



155a

TOP SECRET

Lunch with The President  
Tuesday, January 17, 1967, 1:00 p.m.

AGENDA

1. Congressional Resolution on Viet Nam (Sects. Rusk and McNamara)  
Should we do a dry-run draft for submittal to you? Who should take it in hand?
2. Congressional Briefings and Hearings (Sect. Rusk)  
Observations by Sect. Rusk. Your guidance is solicited.
3. Negotiating Probes (Sect. Rusk)  
Situation report and next steps.
4. Rolling Thunder 53 (Sect. McNamara)  
JCS recommendations for bombing the North, and Sect. McNamara's comments.
5. Basing B-52's in Thailand (Sect. McNamara)  
Draft telegram for approval.
6. Thai and Laos MAP (Sect. McNamara)  
Consultations with Congress on putting these country programs in Defense rather than MAP budget.
7. ABM Discussions (Sects. Rusk and McNamara)  
State of exchanges with Dobrynin and Moscow.
8. McCloy Exercise: Next Steps (Sects. Rusk and McNamara)
9. European Trip (Sect. Rusk)  
Should a pro and con paper be prepared in great security by senior officers?
10. Replacement for Governor Herter (Sect. Rusk)
11. Announcement of May 23-25 Visit to Canada (Sect. Rusk)  
Draft press release for approval.

DECLASSIFIED

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

White House Guidelines, Feb. 24, 1983

By af, NARA, Date 2-6-91

W. W. R.

TOP SECRET

154  
Monday, January 16, 1967  
5:15 p. m.

MR. PRESIDENT:

I checked with Bowdler, who has been in extensive touch with Gordon, Linowitz, et al. They all believe that if we stick with the line in UPI 148 (attached), lie on our bellies, and say not one word more, we'll be all right.

As you know, the line is "preliminary discussions relating to a possible trip to Latin America." I asked Bill to assure that nobody in State starts making intelligent explanations.

W. W. R.

UPI-143.

(JOHNSON)

WASHINGTON--SPECIAL ASSISTANT BILL D. MOYERS IS IN LATIN AMERICA FOR "PRELIMINARY DISCUSSIONS" RELATING TO A POSSIBLE TRIP BY PRESIDENT JOHNSON TO A HEMISPHERIC SUMMIT MEETING, THE WHITE HOUSE ANNOUNCED TODAY.

ASSISTANT PRESS SECRETARY TOM JOHNSON DECLINED TO PINPOINT THE COUNTRY SOUTH OF THE BORDER WHERE MOYERS IS WORKING OUT ARRANGEMENTS FOR JOHNSON'S ATTENDANCE AT THE FORTHCOMING MEETING OF LATIN AMERICAN CHIEFS OF STATE IN MID-APRIL.

"BILL IS HAVING PRELIMINARY DISCUSSION RELATING TO A POSSIBLE TRIP TO LATIN AMERICA," JOHNSON SAID IN RESPONSE TO AN INQUIRY.

"I HAVE NOTHING BEYOND THAT AT THIS TIME," HE ADDED WHEN PRESKED FOR POSSIBLE COUNTRIES MOYERS MIGHT VISIT.

MOYERS, FORMER WHITE HOUSE PRESS SECRETARY, LEFT WASHINGTON LAST NIGHT, JOHNSON SAID.

HE DECLINED TO GIVE ANY FURTHER DETAILS.

THE JOURNEY ABROAD APPEARED TO BE MOYERS LAST AS A PRESIDENTIAL EMISSARY BEFORE HE OFFICIALLY LEAVES THE WHITE HOUSE FEB. 1 TO BECOME PUBLISHER OF THE LONG ISLAND NEWSDAY.

THROUGH TWO TOP DIPLOMATIC ADVISORS--ASSISTANT SECRETARY OF STATE FOR LATIN AMERICAN AFFAIRS LINCOLN GORDON, AND AMBASSADOR SAUL LINOWITZ TO THE ORGANIZATION OF AMERICAN STATES--THE PRESIDENT EXPRESSED THE HOPE OF ATTENDING THE SUMMIT MEETING, BEING ARRANGED BY A SPECIAL OAS COMMITTEE.

NEITHER A DEFINITE TIME NOR SITE HAS BEEN FIXED YET FOR THE SUMMIT SESSION BUT MID-APRIL HAS BEEN SUGGESTED BY GORDON AS A POSSIBLE DATE.

GORDON AND LINOWITZ BOTH MADE TOURS OF LATIN AMERICA COUNTRIES IN EARLY DECEMBER TO SURVEY THE ALLIANCE FOR PROGRESS AND TO DISCUSS A POSSIBLE VISIT BY JOHNSON.

THERE IS SPECULATION THAT IF THE PRESIDENT GOES TO THE SUMMIT MEETING HE WILL STRETCH OUT THE TRIP TO INCLUDE STATE VISITS TO SEVERAL CAPITALS OF LATIN AMERICAN COUNTRIES.

1/16--MJ440PES

156a

January 16, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: On making \$12 million look like \$12 billion!

USIS reports that Indian newspapers gave excellent coverage to the announcement of your \$12 million loan for higher education. In New Delhi most English language papers gave the story front page 3-deck headline treatment. The Statesman had a 3-column front page photo of Bowles and the Minister of Education with a story underneath.

In Calcutta the largest English language daily gave it a 3-column head, and the largest Bengali paper played it under a 2-column head opposite the editorial page.

In Bombay all major dailies front paged it under double column headlines.

They plan a real party when the actual loan agreement is signed in a month or six weeks.

W. W. R.

Monday, January 16, 1967  
4:30 p. m.

~~CONFIDENTIAL~~

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Incorrect Press Release on Gene's Mission

The press release in the papers yesterday was a draft which got widespread clearance in State and was tentatively O. K. 'd by one of our people here.

AID (Bill Macomber) balked, however, rightly arguing it was better to have the Mission concerned with the world-wide problem than solely with India. It was re-drafted to reflect this emphasis Friday evening, but through a slip in communication, word did not get back to the Press Office that a new release was on the way.

The first release was telephoned, low key, to the wire services Saturday morning at about 10:30 (to the surprise of those who were busily clearing the new one!).

There's nearly always someone who doesn't get the word!

As to the bulk of yesterday's New York Times story, it follows closely the consultations Orville, Gene, and others had on the Hill.

W. W. R.

~~CONFIDENTIAL~~

DETERMINED TO BE AN ADMINISTRATIVE  
MARKING. CANCELLED PER E.O. 12356,  
SEC. 1.3 AND ARCHIVIST'S MEMO OF  
MAR. 16, 1983.  
BY Ng ON 2-4-91



~~SECRET~~

Monday, January 16, 1967

## MEMORANDUM FOR THE PRESIDENT

SUBJECT: Foreign Affairs Summary

DECLASSIFIED  
 E.O. 12356, Sec. 3.4  
 NEJ 91-256  
 By isg, NARA, Date 12-2-93

## 1. Mao's Situation More Difficult

A report from our Consulate General at Hong Kong concludes that Chairman Mao may well lose more than his prestige in the present fray. Recent initiatives seem likely to increase the number of Mao's opponents. The Mao-Lin faction continues to attack some of its own group and has now openly cast doubt on the reliability of the State bureaucracy and even a part of the Army. The opposition's ability to create trouble appears to have grown in recent weeks. Hong Kong describes Mao's situation as most dangerous he has met since winning power in 1949.

2. Taipei Reaction to Mainland Crisis

The State Department has instructed Embassy Taipei to urge the Government of the Republic of China (GRC) to avoid public statements which could lead to misunderstandings by friendly governments or by the mainland regime of GRC intentions during the current mainland crisis.

3. Soviet-Scandinavian Air Agreement Reported

The Stockholm and Oslo press have reported a provisional Soviet-Scandinavian air agreement giving Siberian overflight rights to the Scandinavians. USSR-Cuba rights were mentioned in the press reports, but no details were given. Our Ambassador in Stockholm had earlier made an approach to the Swedish Foreign Ministry on overflights to Cuba, drawing the reply that the Austrians, Swiss and French were all prepared to support Soviet flights to Cuba.

4. Saigon Black Market

The Department has informed Embassy Saigon that the continuing dealing in PX goods is intolerable and that the South Vietnamese must be pressed for a vigorous police crackdown. The message made clear that all American elements are expected to be taking all possible measures on our side to control the situation.

~~SECRET~~

~~SECRET~~

- 2 -

5. Student Difficulties in the Dominican Republic

Secondary school students have for the past several days boycotted classes in protest against the Government's action to curb political activities in the high schools. Balaguer remains determined to press his program. There is a potential for clashes and bloodshed, although so far no violence has taken place.

6. US Tuna Boats Released

President Arosemena handled the seizure of three US tuna clippers in low key. The ships were given moderate fines and released on payment.

W. W. Rostow

~~SECRET~~

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

PERSONAL - ~~CONFIDENTIAL~~

Monday, January 16, 1967  
12:30 p. m.

MR. PRESIDENT:

Bill Bundy called me last evening to report the following.

Scotty Reston called him to say that he understood he and I (WWR) had, on a social occasion, stated or implied that Harrison Salisbury's "file" would reveal he was "subversive."

I told Bill that the only substantive conversation on Salisbury I could recall, aside from those with my professional colleagues, was with Scotty himself, and I had not, of course, discussed "files." He urged me to tell this to Reston.

I called Scotty and said:

-- I had been in and out of this town for more than 25 years and had never discussed, outside narrow professional circles, what was in anyone's file.

-- I had never seen Salisbury's "file," if such a thing exists.

-- The only conversation outside the government I could recall on Salisbury was with him, although it was possible I had said to others what I had said to him; namely, his reports were poor journalism and gave comfort to Hanoi.

I then went through our engagement book with Elspeth to see if I could find an occasion which might have generated such a story. We found it.

On the evening of January 11 we attended a dinner for Secretary and Mrs. Rusk at the New Zealand Embassy. Two newspaper people were present -- Brandon and Harkness. Before dinner I had a long conversation with Bill Bundy at one side of the room which did include a discussion of Salisbury. Neither Elspeth nor I recall anyone joining or overhearing that conversation. It included no reference to "files."

At the dinner table there was considerable general conversation about Salisbury, involving Mrs. Harkness, Bill Bundy, and others, which included his having been "led by the nose" in his Moscow as well as his Hanoi stories. (I didn't recall this, but Bill Bundy did when I checked back.) Mrs. Harkness was quite emotional in her defense of Salisbury.

I report all this fluff because there was some implication in what Reston said to Bundy and me that the Times might go after us for McCarthyism with respect to Salisbury.

DETERMINED TO BE AN ADMINISTRATIVE  
MARKING, CANCELLED PER E.O.  
SEC. 1.3 AND ARCHIVIST'S MEMO OF  
MAR. 16, 1983.

BY 19 ON 2-25-91

WWR

161

**DECLASSIFIED**  
**E.O. 12958, Sec. 3.6**  
**NLJ 98-241**  
**By is, NARA Date 4-22-99**

~~SECRET -- LITERALLY EYES ONLY~~

Monday, January 16, 1967 -- 11:10 a.m.

Mr. President:

We received on January 12 the following enigmatic message from Prime Minister Wilson to you:

"I want you to know that, as I have told David Bruce, privately, I am seriously concerned at a matter which is, I think, pretty fundamental to our relationship. David will, of course, be reporting about it but, as I told him, I feel that I should send you this personal word about it. Best regards."

On Saturday, January 14, Sec. Rusk received a personal letter from David Bruce identifying what the problem was. It consists of somewhat hurt feelings that we did not fully inform Wilson and Brown of Marigold at an earlier stage. In particular, we gave Brown on the 16th of December the two-stage package proposal on stopping the bombing without telling him we had given it a few days earlier to Lewandowski.

Now he is worried that he will not be fully informed on what is going on when Kosygin visits Britain. Sec. Rusk dispatched to David Bruce the attached cable which would empower David to bring Wilson up to date on all but our most direct contact in Moscow.

Sec. Rusk does not wish to have David go ahead on this basis unless you give your assent. (See first sentence of paragraph 7, page 5.)

Chet Cooper has been sent to Paris to unleash Sainteny. Sec. Rusk also recommends that Chet come back and brief Brown in depth. He is an old friend of Brown's.

Since this body of material is already mainly known to U Thant, the Pope, the Canadians, etc., I believe we should let Bruce brief Wilson and Cooper brief Brown.

I make this recommendation because I regard all but the direct Moscow contact as pretty thin stuff.

~~SECRET~~

~~SECRET~~

-2-

I do not believe that we owe it to the British to keep them fully informed on every move in this game when 500,000 U.S. men are under arms and the British fighting contribution is zero. Nevertheless, keeping the British tolerably happy is part of the job.

W. W. Rostow

Okay for Bruce to go ahead with Wilson \_\_\_\_\_

Disapproved \_\_\_\_\_

Okay for Cooper to go ahead with Brown \_\_\_\_\_

Disapproved \_\_\_\_\_

See me \_\_\_\_\_

WWRostow:rlh

~~SECRET~~



# OFFICE OF THE SECRETARY OF STATE

INDICATE BY CHECKING  
 [ ] CONFIDENTIAL

~~SECRET~~

Classification

DECLASSIFIED  
 E.O. 12958, Sec. 3.6  
 NLJ 99-16  
 By is, NARA Date 10-25-99

118905

JAN 15 4 03 PM '67

FOR OFFICIAL USE ONLY

ACTION: Amembassy LONDON

IMMEDIATE

STATE 118905

NODIS/MARIGOLD

LITERALLY EYES ONLY FOR AMBASSADOR FROM SECRETARY

1. Re your letter of January 10, Pat Dean asked Saturday to see Bundy to convey George Brown's feelings on same subject, and indicated full awareness of PM's talk with you. Conversation took place Sunday the 15th.

2. Dean said Brown still very hurt over our failure to tell him we were conveying new two-stage proposal on stopping bombing through Lewandowski channel at same time that Brown was going to Moscow with it. Brown did not wish to raise direct with me, hence Bundy.

3. Bundy made following points in reply, which we now assume will go direct to Brown and also to PM:

a. We gave proposal to Lewandowski on 13th or 14th, and to Brown on 16th. Wording was identical, but transmission to

EA: WBundy

Tel. Ext.

Telegraphic transmission and  
 classification approved by:

EA: WBundy

S/S-J. Walsh JW/2

~~SECRET~~

Classification

~~SECRET~~

Classification

Lewandowski was oral only.

b. As of that time and until L reported to Lodge on December 1, we had no indication whatever that L would even get to top people in Hanoi, as he had not done in August. Moreover, we felt that we should honor Polish insistence that L channel be kept totally secure, and felt this was also vital to Hanoi. Finally, we felt L and Poles in general were somewhat slippery and might distort message even if they could deliver it. Nonetheless, if channel was any good, we could hardly refrain from giving L the two-stage card.

c. Brown message was the clear and solid one we were sure would get through. Moreover, Brown was armed in the rest of our letter to discuss the underlying principles in depth, as L was not. Brown could have a real exchange of views on the basis of total knowledge of our position.

d. In response to Dean remark that Soviets must have known of message to L., and that this perhaps accounted for cross-examination of Brown's authority to talk for us, Bundy said that we did not see how Brown's opportunity could have been prejudiced by this even if true. As of then, we were not sure just how

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Classification

~~SECRET~~  
Classification

Fully Poles were cutting Soviets in, and had no word they were. In episode last January, of which British fully aware (Rapacki claim of "accept/recognize" nuance in Ho letter of January 24, which British had helped to shoot down through their Moscow man after their Warsaw man heard it), Poles appeared to have been playing game of their own. In any case, we had always regarded Soviets as much more serious and responsible, and Gromyko in October had responded to Secretary's question which Eastern Europeans were closest to Hanoi by saying pointedly: "We are."

4. Apart from discussion developing these points, Dean did not pursue further. Speaking on private basis, Bundy added that we recognized absolute obligation never to put British in false position and hence to provide them with all information they needed for any contacts they had. This applied to forthcoming Kosygin visit. At same time, we were playing a multiple chess game and could not be expected to cut the British in on all boards at all times. Dean appeared to accept these points.

5. Bundy then said that British should be aware of moves now under way. He reminded Dean of account Secretary had given Friday night of our confidential read-out from Salisbury, in

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Classification

which Phem Van Dong's unpublished parts of interview had spoken of Hanoi taking "an appropriate stand" and also said 'we know what we should do' if US stopped bombing; Secretary had told Dean this was same formula used last summer to Sainteny and that, since Phem Van Dong resolutely refused to elaborate, it was at most atmospherics and did not get us much further. Since Friday night report to Dean, there had been following developments:

a. Baggs-Ashmore team had come out of Hanoi and would be giving us their report this week. This was an individual initiative, in which we had discussed our position in general and public terms, and team had no authority of any sort from us and we believed understood this.

b. Sainteny had made strong pitch to go to Hanoi to, pursue what would happen ~~XX~~ if bombing stopped and to get general reading. We were taking him up on this and would be arming him with the two-phase proposal. (Note: Dean did not demur to this, but Brown may. The answer is that it would be absurd to confine this message to necessarily episodic British contacts with Soviets. We know Hanoi has it, and we regard Sainteny as serious man with some credit in Hanoi, tho also wired to Elysee.)

~~SECRET~~  
Classification

Page 5 of telegram to Amembassy LONDON IMMEDIATE~~SECRET~~*Classification*

c. Thompson would be talking Vietnam seriously in Moscow, probably this week. He was armed to discuss in greater depth at that end.

6. Bundy said that we would keep British posted on these fronts, especially their implications for Kosygin visit. We believe Dean clearly understood that our reports of Friday night and above were wholly for background use and to be treated with total discretion.

7. In light of all this, I am seeking authority for you to see Wilson soonest, perhaps Monday. Moreover, Chester Cooper is already set to go to Paris on the Sainteny matter, and Bundy has told Dean that he could be available in London on Wednesday or Thursday. Cooper has some past friendly ties to Brown for whatever that may be worth, and would have all necessary files and personal background to take Brown on in depth.

8. My own feeling is that your talk with Wilson need not await Cooper arrival. We are copying to you Deptel 112886 to Rome, which except for the opening paragraphs is the identical factual account of MARIGOLD we gave the British (and probably should have copied to you at the time). (FYI: We had to tell

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the Pope because the Poles had given him a tendentious version. The British do not repeat not know we have done this. End FYI)

With this background, you should be in position to handle what seems most on Wilson's mind, the failure to cut them in in November, using the points Bundy made. The net of it is, of course that we do not repeat not think we put them in a false position at all, but gave them a good solid job to do and are grateful to them for doing it well. At the same time, we have to play this chess game and judge the security and role of each channel. (You might join me in having doubts how Brown would have handled himself had he known of the L. matter, and you should of course again stress secrecy on this).

9. So far British have not questioned our ~~own~~ December handling of MARIGOLD, and I hope Wilson will not get into this. If he does, the answers are in Deptel 112886, which they have in substance.

10. I am sorry to delay your Antigua vacation for this job, and see no reason why you could not leave once you have seen Wilson. Cooper can see Brown and give Kaiser, and if you wish Brubeck, the whole story. I don't think it should go to any

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others. Cooper's main purpose would be to calm Brown, but he can also elaborate on the whole state of the play.

11. For your call on Wilson, you should know that he has sent two-sentence message to President speaking of his talk with you on matter seriously affecting our relationships. Obviously, this is the subject. President will be back at White House tonight or tomorrow and I will ~~XXXXXX~~ seek his final decision on your Wilson call and the line to follow, including how to refer to the message.

GP-1.

End

RUSK

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January 16, 1967

## MEMORANDUM FOR THE PRESIDENT

SUBJECT: Another Israeli Raid?

Prime Minister Eshkol's informal message to you this morning makes it plain that the Israelis are not going to repeat the mistake they made in November. Our reaction to their raid on Jordan shook them badly. This time, they're carefully warning us that their patience with Syria has about run out.

Despite Eshkol's restraint, Israel is either on the brink of another attack or is pushing us to curb Syria. Israeli Charge Evron warned State this morning that "continuation of Syria's policy would force Israel to take action." Eban said about the same publicly.

Since the first of the year, the Israelis have built a full record in the UN of Syrian-based attacks. To strengthen their case further, they've accepted U Thant's appeal for an emergency meeting of the Israel-Syria Mixed Armistice Commission. This costs little since press reports suggest that Syria will reject or sidestep the appeal.

We probably can't stop the Israelis from another attack without laying our whole relationship on the line. We've offered border control equipment for them to test, but any system is months off. However, we're pulling out the stops short of a showdown to encourage continued restraint:

--Katzenbach told representatives of the Jewish Council of Presidents this morning that an Israeli strike would consolidate support for the deteriorating Syrian regime.

--We endorsed U Thant's appeal in a New York Statement.

--We're instructing Ambassador Smythe to tell the Syrians we believe Israel is on the brink of an attack and they can't count on us to hold Israel back. We'll say the same in Cairo.

--We'll have a response to Eshkol for you shortly.

DECLASSIFIED

E.O. 12356, Sec. 3.4

NLJ 91-256

By ing, NARA, Date 12-2-93

W. W. Rostow

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EVRON'S ORAL DEMARCHE TO HANDLEY

January 16, 1967

1. The brutal mining incident at Dishon came as a shocking end to a two-weeks' period marked by constant Syrian provocation. These provocations included illegal incursions across the international border, small arms firing at Israeli citizens, interference with land cultivation which has never been disputed before, shelling with tank guns of inhabited areas outside the demilitarized zone, laying of mines in settlements and on roads, mining of a soccer field during a game, and shooting at an Israeli boat on Lake Kinnereth.

2. The Syrian objective was to cause more fatalities than have actually occurred. But even what has been achieved by the Syrians is tragic and intolerable. The continuation of this aggressive policy will force Israel to take action in self defense as is her international right and national duty.

3. Syria, as well as anyone who has any influence in Damascus, now has a chance to put an end to a very dangerous trend. For the past fortnight Israel has endeavored to contain and to limit the tension caused by the Syrian policy. The criminal sabotage at Dishon has made it very difficult for Israel to continue in its present position. Israel asked of friendly powers a thorough understanding of its self restraint in the past, as well as a clear realization that if, as a result of the continuation of aggression, Israel is forced to take action, then this will only be because Syria does not show any consideration for the dangerous course for which it is responsible.

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THE WHITE HOUSE  
WASHINGTON

~~SECRET~~

January 16, 1967

WWR:

I think we ought to warn the President that Israel may be on the brink of attacking Syria. He has seen Eshkol's informal message, but the attached puts it in context and tells him what we're doing.

You have Eshkol's message, but I'm also attaching for your information the much more ominous line Evron took with Handley this morning.



Hal Saunders

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NJ 91-256  
By ing, NARA, Date 12-2-93

~~SECRET~~

Monday, January 16, 1967

~~CONFIDENTIAL~~

Mr. President:

Bill Bundy reports the following, which is relevant to your meeting at 11:45 this morning with Ambassador George Laking.

Laking said over the weekend that he thought we could afford to put more pressure on New Zealand to expand its troop contribution in Viet Nam. He believes that they have been lackadaisical about this. It's their summer vacation in Wellington. He would be delighted to go home with word from the President that New Zealand should move urgently to expand its contribution in Viet Nam.

You may wish to make this point to him this morning.

W. W. R.

DECLASSIFIED  
E.O. 12958, Sec. 3.6  
NLJ 99-15  
By is, NARA Date 1-11-00



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~~TOP SECRET~~

FROM: WALT ROSTOW  
TO : THE PRESIDENT  
CITE: CAP67019

NODIS

~~TOP SECRET~~ NODIS SENSITIVE

HEREWITH A PROPOSED NOTIFICATION TO CERTAIN KEY ALLIES ON OUR  
PRESENT ABM POSITION, TO BE DELIVERED SHORTLY BEFORE THE  
PUBLICATION OF YOUR BUDGET MESSAGE ON JANUARY 23RD.

SEC. RUSK RAISES THE QUESTION OF WHETHER YOU SHOULD MAKE A  
PUBLIC STATEMENT AT THIS STAGE.

SEC. MCNAMARA IS AGAINST.

I WOULD NOT RECOMMEND THAT YOU PERSONALLY GET INTO IT BEFORE  
WE KNOW THE LAY OF THE LAND WITH MOSCOW MUCH BETTER.

FOY KOHLER HAS PRODDED DOBRYNIN FOR AN EARLY ANSWER TO  
OUR QUESTION: WILL YOU TALK? DOBRYNIN PROMISED TO PROD MOSCOW  
IN VIEW OF THE TIMING OF THE BUDGET MESSAGE.

PROPOSED STATEMENT TO ALLIES APPROVED -----  
DISAPPROVED -----  
SEE ME -----

PROPOSED PRESIDENTIAL STATEMENT

APPROVED -----  
DISAPPROVED -----

DECLASSIFIED  
Authority NLS 89-15D  
By ing, NARA, Date 2-5-91

MEMORANDUM FOR THE PRESIDENT

SUBJECT: STATEMENT TO ALLIES ON ABM

YOUR BUDGET MESSAGE ON JANUARY 23 WILL CONTAIN A BRIEF  
REFERENCE TO THE EFFORT TO SEEK AGREEMENT WITH THE SOVIETS  
ON THE LIMITATION OF ABM AND TO THE INCLUSION OF FUNDS IN  
THE BUDGET FOR PRODUCTION OF NIKE-X SO THAT WE COULD DECIDE  
TO PROCEED WITH AN ABM PROGRAM SHOULD NEGOTIATIONS PROVE  
UNSUCCESSFUL.

I BELIEVE IT IS NECESSARY THAT WE NOTIFY CERTAIN KEY ALLIES OF THE DECISIONS THAT HAVE BEEN TAKEN ON THIS MATTER PRIOR TO PUBLIC RELEASE OF THE BUDGET MESSAGE. I WOULD PROPOSE TO DO SO BY HAVING SELECTED AMBASSADORS DELIVER THE FOLLOWING MESSAGE:

THE PRESIDENT'S BUDGET MESSAGE WILL CONTAIN THE FOLLOWING STATEMENT:

IN 1968, WE WILL:

CONTINUE INTENSIVE DEVELOPMENT OF NIKE-X BUT TAKE NO ACTION NOW TO DEPLOY AN ANTI-BALLISTIC MISSILE (ABM) DEFENSE. INITIATE DISCUSSIONS WITH THE SOVIET UNION ON THE LIMITATION OF ABM DEPLOYMENTS; IN THE EVENT THESE DISCUSSIONS PROVE UNSUCCESSFUL, WE WILL RECONSIDER OUR DEPLOYMENT DECISION. TO PROVIDE FOR ACTIONS THAT MAY BE REQUIRED AT THAT TIME, APPROXIMATELY \$375 MILLION HAS BEEN INCLUDED IN THE 1968 BUDGET FOR THE PRODUCTION OF NIKE-X FOR SUCH PURPOSES AS DEFENSE OF OUR OFFENSIVE WEAPON SYSTEMS.

BY WAY OF AMPLIFICATION, AS THE PRESIDENT STATED IN HIS STATE OF THE UNION MESSAGE A FEW DAYS AGO, THE SOVIET UNION HAS IN THE PAST YEAR INCREASED ITS LONG-RANGE MISSILE CAPABILITIES, AND IT HAS BEGUN TO PLACE NEAR MOSCOW A LIMITED ANTI-MISSILE DEFENSE. WE STAND AT A CROSSROADS OF DECISION WITH RESPECT TO STRATEGIC ARMAMENTS. IT IS OUR VIEW THAT, IF AGREEMENT CAN BE REACHED TO CURTAIL THE ARMS RACE IN STRATEGIC WEAPONS, IT WILL NOT BE NECESSARY TO PROCEED WITH DEPLOYMENT OF BALLISTIC MISSILE DEFENSES. THE DEFENSE BUDGET THIS YEAR WILL NONETHELESS INCLUDE FUNDING PROVISIONS FOR A LIMITED SYSTEM OF SUCH DEFENSES TO PERMIT US TO DECIDE TO DEPLOY - FOR EXAMPLE, FOR DEFENSE OF OUR OFFENSIVE WEAPONS SYSTEMS - IF SATISFACTORY AGREEMENT CANNOT BE REACHED. WE HAVE ASKED THE SOVIET UNION (THE SOVIET UNION HAS AGREED) TO EXPLORE WITH US POSSIBILITIES FOR AVOIDING AN INTENSIFIED ARMS RACE IN STRATEGIC OFFENSIVE AND DEFENSIVE WEAPONS SYSTEMS."

I WOULD ALSO PROPOSE TO FURNISH OUR AMBASSADORS WITH BACKGROUND INFORMATION THAT WOULD PERMIT THEM TO AMPLIFY ON THIS STATEMENT.

AS YOU WILL NOTE, ALTERNATIVE LANGUAGE IS GIVEN IN PARENTHESIS, THE CHOICE DEPENDING UPON WHETHER WE HAVE HAD AN AFFIRMATIVE RESPONSE FROM THE SOVIET GOVERNMENT TO OUR PROPOSAL FOR DISCUSSIONS. AT MY REQUEST, FOY KOHLER CALLED IN AMBASSADOR DOBRYNIN TO INFORM HIM THAT IT WILL BE NECESSARY TO DEAL WITH THIS QUESTION IN CONNECTION WITH YOUR BUDGET PRESENTATION. HE POINTED OUT THAT IT WOULD BE DESIRABLE IF YOU WERE ABLE TO SAY THAT THE SOVIETS HAD AGREED TO TALKS. DOBRYNIN SAID THAT THE MATTER HAD BEEN DISCUSSED WHILE HE WAS IN MOSCOW, BUT THAT THE SOVIET GOVERNMENT HAD NOT REACHED A DECISION AS YET.

DEPENDING UPON HOW YOU WISH TO HANDLE THE MATTER IN TERMS OF CONGRESSIONAL RELATIONS AND PUBLIC DISCLOSURE, YOU MAY WISH TO MAKE AN AMPLIFYING STATEMENT IN CONNECTION WITH PRESS BACKGROUNDING ON THE BUDGET. SHOULD YOU WISH TO DO SO, I SUGGEST THE TEXT ATTACHED.

#### PROPOSED PRESIDENTIAL STATEMENT

AS I STATED IN MY STATE OF THE UNION MESSAGE A FEW DAYS AGO, THE SOVIET UNION HAS IN THE PAST YEAR INCREASED ITS LONG-RANGE MISSILE CAPABILITIES, AND IT HAS BEGUN TO PLACE NEAR MOSCOW A LIMITED ANTI-MISSILE DEFENSE. WE STAND AT A CROSSROADS OF DECISION WITH RESPECT TO STRATEGIC ARMAMENTS. IT IS OUR VIEW THAT, IF AGREEMENT CAN BE REACHED TO CURTAIL THE ARMS RACE IN STRATEGIC WEAPONS, IT WILL NOT BE NECESSARY TO PROCEED WITH DEPLOYMENT OF BALLISTIC MISSILE DEFENSES. THE DEFENSE BUDGET THIS YEAR WILL NONETHELESS INCLUDE FUNDING PROVISIONS FOR A LIMITED SYSTEM OF SUCH DEFENSES TO PERMIT US TO DECIDE TO DEPLOY -FOR EXAMPLE, FOR DEFENSE OF OUR OFFENSIVE WEAPONS SYSTEMS- IF SATISFACTORY AGREEMENT CANNOT BE REACHED. WE HAVE ASKED THE SOVIET UNION (THE SOVIET UNION HAS AGREED) TO EXPLORE WITH US POSSIBILITIES FOR AVOIDING AN INTENSIFIED ARMS RACE BY FREEZING STRATEGIC OFFENSIVE AND DEFENSIVE WEAPONS SYSTEMS. WE WILL ALSO BE EXAMINING THIS MATTER FURTHER WITH OUR ALLIES.

SEC. RUSK DOES NOT FEEL STRONGLY, BUT BELIEVES YOU SHOULD CONSIDER WHETHER OR NOT YOU SHOULD MAKE SUCH A STATEMENT.

SEC. MCNAMARA RECOMMENDS AGAINST A PRESIDENTIAL STATEMENT.

~~TOP SECRET~~

DTG: 151705Z JAN 67

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