

60

Pres. file

~~SECRET/NODIS~~

Thursday, July 20, 1967
2:25 p. m.

Mr. President:

Herewith a note assuring
Clark and Gen Taylor a good
reception in Canberra.

W. W. Rostow

Canberra 301

~~SECRET~~

WWRostow:rln

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By sg, NARA, Date 7-18-91

SECRET-NODIS

60a

Thursday, July 20, 1967

TEXT OF CABLE FROM AMBASSADOR CLARK (Canberra, 301)

Embassy has been requested transmit following message from Prime Minister Holt to President Johnson:

"Dear Lyndon,

"I talked tonight with Ed Clark and told him we will be happy to receive Clark Clifford and General Taylor in the course of their round of the Manila group countries.

"We shall fit our talks with them into July 29 to 31, the dates proposed to us. We think in terms of the talks taking place on the 29th, that is the Saturday, but this can be adjusted to suit their convenience.

"We look forward to hearing from them. It is good that there should be such visits, giving as they do an added personal and contemporary character to useful exchanges of views.

"I hope to write to you at greater length a little later on about your message to me a few days ago after Bob McNamara's visit to Vietnam, and to give you a few thoughts from this end about our own situation, but at the moment I am anchored at a major series of cabinet meetings hammering out the budget to be brought down in mid-August. You can expect to hear again from me soon."

"With warm regards,

Yours sincerely,

Harold Holt"

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 00-139
By ct, NARA Date 10-23-00

SECRET-NODIS

61

Pres file

Thursday, July 20, 1967
2:15 p.m.

Mr. President:

Herewith is today's report
on political developments in Viet Nam.

W. W. Rostow

Att.

~~SECRET/EXDIS~~ Attachment

~~SECRET-EXDIS~~

61a

Situation Report in Viet-Nam

July 20, 1967

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-163

New Developments By MP, NARA, Date 7-22-94

There have been press reports that the Vietnamese Government announced yesterday that censorship of Vietnamese newspapers would cease today. Ambassador Bui Diem has confirmed to the Embassy that these reports were correct, and there is a Reuters report that Ky today has sent a formal letter to the Information Ministry stating that press censorship has ended. Presumably, censorship will now be limited to matters detrimental to national security as provided in the constitution.

Saigon 1475 reports a conversation between Ambassador Bunker and Thieu. The latter expressed the view that the new government elected in September would face extremely important problems in its first six months, not only in the fields of nation building and pacification, but also in terms of moving toward negotiations with Hanoi. In discussing the events of the last few days, Thieu stressed the importance of honest elections, and he asserted that he had told the Corps commanders on July 18 that neither they nor their division commanders and other subordinate officers should play an active

~~SECRET-EXDIS~~

role in the political process. He expressed continuing concern about the younger officers and their possible reaction to recent events. Thieu concluded by saying that campaign plans for the Thieu-Ky ticket were being developed.

In a separate conversation with a senior Embassy officer (Saigon 1476), Ambassador Bui Diem said that the Thieu-Ky relationship had been discussed by all of the top Generals, including Thieu and Ky, on July 17 and 18. Diem claimed that a revised draft agreement had emerged from these discussions, and that this document sought to spell out the arrangements between Thieu and Ky in more detail. Diem said that Ky was still heavily engaged in trying to assure that his supporters would back the Thieu-Ky ticket.

A reliable source has stated that, after several days of confusion following the sudden emergence of the Thieu-Ky slate, plans are now crystallizing regarding the formation of a "National Front" in support of the Thieu-Ky ticket. According to this source, the Front is made up of elements of Cao Dai, Hoa Hao, VNQDD and a new group of young professionals. Allegedly, this Front is planning to hold a national convention during the first week in August. Ky has reportedly ordered General Loan to provide 5 million piasters (\$42,000) to the Front.

~~SECRET-EXDIS~~

-3-

Comment

These developments are encouraging in that they reflect continuing efforts to work out the Thieu-Ky relationship and to get the Thieu-Ky campaign organization moving.

~~SECRET-EXDIS~~

62

1. map
2. Pur file

~~SECRET~~

Thursday - July 20, 1967
2:00 pm

Mr. President:

Herewith a full report on our emissary's conversation with Haya de la Torre on the IPC case. He says he is willing to back Belaunde in negotiating a settlement with IPC and will make this clear when he gets back to Peru.

Hopefully, he will keep his word, and Belaunde will then move to a quick settlement with the company.

W. W. Rostow

Attachment

Emissary's report from London
(Embassy's message 496).

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E.O. 12356, Sec. 3.4

NLJ 93-291

By pn, NARA, Date 7-14-94

INCOMING TELEGRAM

Department of State

Baugh 62a

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Action

SS

Info

NNNNVZCZCLDN821
 PP RUEHC RUESLM
 DE RUDTCR 496/1 2001750
 ZNY SSSSS
 P 191730Z JUL 67
 FM AMEMBASSY LONDON
 TO RUEHC/SECSTATE WASHDC PRIORITY
 INFO RUESLM/AMEMBASSY LIMA PRIORITY
 STATE GRNC
 BT
~~SECRET~~ SECTION 1 OF 3 LONDON 496

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JULY 19, 1967
3 PM

EXDIS

SECSTATE FOR OLIVER FROM SIRACUSA

LIMA FOR AMBASSADOR FROM SIRACUSA

SUBJECT IPC CASE HAYA DE LA TORRE

DECLASSIFIED
 E.O. 12958, Sec. 3.6
 NLJ 00-244
 By CL, NARA Date 2-15-01

1. I MET WITH VICTOR RAUL HAYA DE LA TORRE IN OXFORD FOR NEARLY TWO AND ONE HALF HOURS TUESDAY AFTERNOON, JULY 18. LUIS ALVA CASTRO, A YOUNG APRA LEADER FROM TRUJILLO, WAS ALSO PRESENT. HAYA GAVE ME UNEQUIVOCAL ASSURANCES THAT:

PAGE 2 RUDTCR 496 ~~SECRET~~

(A) WHILE THE APRA PARTY CALLS FOR "PROGRESSIVE NATIONALIZATION", IT IS OPPOSED TO PETROLEUM EXPLOITATION BY THE STATE;

(B) HAYA WILL MAKE THIS CLEAR AGAIN IN HIS SPEECH IN LIMA ON JULY 21, THUS ENDORSING APRA SEC GEN VILLAUEVA'S STATEMENT IN TALARA JULY 15. (HE SAID LA TRIBUNA'S FAILURE TO MAKE THIS POINT IN REPORTING VILLAUEVA'S REMARKS WAS MERELY A JOURNALISTIC OVERSIGHT SINCE "THERE CAN BE NO DOUBT ABOUT THIS PARTY POLICY")

(C) HAYA EXPECTS TO BE INVITED TO A "SUMMIT" MEETING BY PRESIDENT BELAUNDE BEFORE JULY 28, AND HE WILL ASSURE THE PRESIDENT THAT ~~THE~~

NATIONALIZATION BILL IS FULLY CONSISTENT WITH THE STATE'S GIVING EFFECT TO ARTICLE 3 THROUGH A NEGOTIATED CONTRACT WITH IPC, AND THAT APRA WILL NOT ATTACK HIM IF HE DOES SO.

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-2- LONDON 496 JULY 19 (SECTION 1 OF 3)

DETAILS ON THIS CONVERSATION FOLLOW BELOW:

2. WHEN HAYA FAILED TO RETURN PHONE CALLS FROM EMBASSY LONDON, AND AFTER WE WERE ASSURED THAT HE HAD RECEIVED THEM, A REPRESENTATIVE WAS SENT TO OXFORD ON MONDAY AFTERNOON TO TELL HIM OF MY PRESENCE AND ARRANGE THE INTERVIEW. I FOUND HAYA IN EXTREMELY

PAGE 3 RUDTCR 496 ~~SECRET~~

GOOD CONDITION, LOOKING MORE YOUTHFUL AND TRIM THAN I HAD EVER SEEN HIM, AND VIGOROUS AS EVER. HE GREETED ME MOST CORDIALLY BUT WAS CLEARLY ANXIOUS TO GET DOWN TO BUSINESS. RIGHT AWAY HE ASKED ABOUT THE POLITICAL SITUATION IN LIMA, AND ESPECIALLY LA BREA Y PARINAS. HE EXPLAINED ALVA'S PRESENCE BY SAYING HE WAS AN EMISSARY FROM VILLANEUVA WHO HAD COME AT HAYA'S REQUEST TO REPORT TO HIM FULLY ON THIS SUBJECT. OBVIOUSLY, IT WAS VERY MUCH ON HIS MIND.

3. AFTER CONVEYING PERSONAL GREETINGS ON BEHALF OF AMBASSADOR JONES, AND MY WIFE, I TOLD HAYA THIS WAS PRECISELY WHY I HAD COMED. I SAID THE DEPT. OF STATE BELIEVED WE HAD COME TO A CRITICAL AND CLIMACTIC MOMENT ON THE IPC CASE, AND THAT IT COULD HAVE FOR REACHING EFFECTS FOR BETTER OR FOR WORSE ON US-PERUVIAN RELATIONS. I HAD STOPPED IN WASHINGTON ENROUTE FROM LIMA TO BE FULLY INSTRUCTED ON THE ATMOSPHERE THERE BY ASST. SECY OL

HER. I COULD ASSURE HIM, THEREFORE, THAT THIS MATTER WAS BEING FOLLOWED IN THE HIGHEST LEVELS OF THE UNITED STATES GOVERNMENT AND THAT HIS, HAYA'S VIEWS WOULD AS A RESULT BE KNOWN THERE AND EVALUATED AGAINST FUTURE DEVELOPMENTS. I SAID, THEREFORE, THAT WHAT HAPPENED IN PERU IN THE NEXT FEW

PAGE 4 RUDTCR 496 ~~SECRET~~

DAYS AND WEEKS ON THIS ISSUE WOULD NOT ONLY AFFECT THE PRESENT AND IMMEDIATE FUTURE, BUT THAT IT WOULD UNDOUBTEDLY HAVE ITS IMPACT ON THE NEXT ADMINISTRATION AS WELL. IN THIS CONTEXT WE ALSO SPOKE OF THE CURRENT FINANCIAL CRISIS IN PERU, AND THE IMPERATIVE NEED FOR U.S. ASSISTANCE. HAYA SEEMED FULLY TO APPRECIATE THE SIGNIFICANCE OF THESE REMARKS AS WELL AS THE FACT OF MY HAVING BEEN SENT ALL THE WAY TO OXFORD TO TALK TO HIM.

4. I THEN REFERRED TO THE LAW NOW ON PRESIDENT BELAUNDE'S DESK FOR ACTION BY THE EXECUTIVE. I EMPHASIZED THAT WHATEVER THE PRESIDENT DOES, THIS IS BEING CONSIDERED AN APRA LAW BECAUSE OF THE COALITION'S CONTROL OF THE CONGRESS AND OF APRA'S DOMINANT POSITION IN THE COALITION. IT IS THEREFORE FAIR TO CONSIDER

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-3- LONDON 496 JULY 19 (SECTION 1 OF 3)

IT, I SAID, AN HAYA DE LA TORRE LAW, BECAUSE OF HAYA'S UNDISPUTED POSITION OF AUTHORITY IN HIS OWN PARTY. THIS LAW HAD BEEN MOST CAREFULLY EVALUATED LEGALLY IN PERU AND IN THE UNITED STATES, AND AS A RESULT IS IN OUR VIEW THAT ARTICLE 1, WHEN THE LAW IS PROMULGATED, WILL CONSTITUTE AN AUTOMATIC EXPROPRIATION OF THE LA BREA Y PARINAS RESERVES. THIS RESULT DID NOT DEPEND ON ANY OTHER ACT, I SAID, AND WOULD PREVAIL IN PERUVIAN LAW AT LEAST UNLESS ABBROGATED BY ANOTHER LAW

PAGE 5 RUDTOR 496 ~~SECRET~~

OR SET ASIDE IN COURT. HAYA NODDED HIS AGREEMENT. I THEN POINTED OUT THAT ARTICLE 2 CONSTITUTES THE REPATRIATED PROPERTIES AS A "NATIONAL RESERVE AREA" AND REQUIRES THEIR INSCRIPTION IN THE PERTINENT REGISTERS, WHILE ARTICLE 3 ESTABLISHES TERMS FOR EXPROPRIATION OF THE SURFACE INSTALLATIONS AND FOR EXPLOITATION ACCORDING TO PRIOR LAWS ESTABLISHED IN THE PETROLEUM CODE, OR BY "ANOTHER (METHOD) FAVORABLE FOR THE COUNTRY". IT IS OUR UNDERSTANDING, I SAID, THAT PRESIDENT BELAUNDE BELIEVES THERE IS AN INCONSISTENCY BETWEEN ARTICLES 2 AND 3. HE BELIEVES THAT HE WOULD BE ATTACKED BY THE OPPOSITION IF HE GAVE EFFECT TO THE "OTHER METHOD" CLAUSE IN ARTICLE 3 BY SIGNING A CONTRACT WITH IPC, SINCE NATIONAL RESERVES ARE FOR STATE EXPLOITATION ONLY. I SAID, IN FWOT, WE HAD RECEIVED REPORTS THAT THE PRESIDENT FEARS A "TRAP" HAD BEEN DELIBERATELY SET FOR HIM. I WENT ON TO EXPLAIN THAT WE NONETHELESS EXPECT THE PRESIDENT WILL PROMULGATE THE LAW SINCE HE WILL PROBABLY CONSIDER IT INEXPEDIENT POLITICALLY TO DO OTHERWISE.

BRUCE

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OF THE EXECUTIVE SECRETARY

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Action

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Info

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PP RUEHC RUESLM

DE RUDTCR 496/2 2001750

ZNY SSSSS

P 191730Z JUL 67

FM AMEMBASSY LONDON

TO RUEHC/SECSTATE WASHDC PRIORITY

INFO RUESLM/AMEMBASSY LIMA PRIORITY

STATE GRNC

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~~SECRET~~ SECTION 2 OF 3 LONDON 496

EXDIS

1967 JUL 19 PM 4 08

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03

SECSTATE FOR OLIVER FROM SIRACUSA

LIMA FOR AMBASSADOR FROM SIRACUSA

SUBJECT IPC CASE HAYA DE LA TORRE

HOWEVER, SINCE HE FEARS A "TRAP", THERE IS DOUBT WHETHER HE WILL PROCEED TO REACH A SOLUTION WITHIN 30 DAYS AS REQUIRED IN ARTICLE 3, BUT MAY TRY TO STRING OUT THE ISSUE BY REQUESTING CLARIFICATIONS, EVALUATING PROPERTY, ETC.ETC. SHOULD HE DO THIS, I SAID, A SERIOUS PROBLEM WILL HAVE ARISEN

PAGE 2 RUDTCR 496 ~~SECRET~~

FOR THE USG. I REFERRED HAYA AT THIS POINT TO SECTION 620 (E) OF THE FOREIGN ASSISTANCE ACT AND SAID THAT SINCE ARTICLE 1 OF THE APRA BILL PROVIDES NO COMPENSATION FOR THE LA BREA Y PARINAS RESERVES, THE SIX MONTH'S PERIOD FOR COMPENSATION ESTABLISHED IN THE ACT WILL BEGIN ON PROMULGATION OF THE LAW. UNLESS AN AGREEMENT IS REACHED WITH IPC, THEREFORE, IN ACCORDANCE WITH THE TERMS OF ARTICLE 3, THERE IS A STRONG PROBABILITY THAT US ASSISTANCE WOULD CEASE IN DUE COURSE AND THAT THE HARMFUL EFFECTS OF THIS COULD GO ON FOR YEARS.

5. HAYA'S RESPONSE TO THIS WAS IMMEDIATE. HE SAID THAT IF WHAT I HAD SAID ABOUT THE PRESIDENT'S ATTITUDE WAS TRUE, HE WAS WRONG AND THAT BELAUNDE SHOULD BE TOLD. I AGREED AND SUGGESTED THAT THE ONLY MAN WHO COULD TELL HIM CONVINCINGLY WAS HAYA DE LA TORRE, AND IT WAS PRECISELY FOR THIS REASON I HAD COME TO SEE HIM. HE THEN ASSURED ME CATEGORICALLY THAT HE WOULD

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-2- LONDON 496 JULY 19 (SECTION 2 OF 3)

TELL THE PRESIDENT. HE WENT ON TO SAY THAT THE LAW DID NOT ONLY ADMIT OF AN AGREEMENT WITH IPC BUT THAT THIS WAS WHAT THE APRA PARTY INTENDED AND EXPECTED TO BE THE RESULT. HE PROCEEDED THEN AT SOME LENGTH TO BLAME THE PRESIDENT FOR THE EXISTING

PAGE 3 RUDTCR 496 ~~SECRET~~

SITUATION WHICH HE SAID SHOULD HAVE BEEN SOLVED BY HIM LONG AGO. HE SAID, HOWEVER, THAT THE PRESIDENT CAN'T MAKE UP HIS MIND, IS ALWAYS SHIFTING HIS POSITION AND SAYING ONE THING TO ONE PERSON AND SOMETHING ELSE TO THE NEXT. HE SAID HE HAD CONCLUDED THAT THE PRESIDENT HAD TO BE FORCED TO ACT OR THAT HE WOULD NEVER DO ANYTHING. AS LONG AS THIS SITUATION PERSISTED, THE LA BREA Y PARINAS PROBLEM CONSTITUTED A "LOADED PISTOL" WHICH THE PRESIDENT "CONCEALED UNDER HIS DESK" AND WHICH COULD BE BROUGHT OUT AND FIRED AT HIS OPPONENTS AT ANY MOMENT. HE FEARED THE PRESIDENT INTENDED TO DO THIS IN A POLITICAL WAY AND IN CONNECTION WITH THE NEXT PRESIDENTIAL ELECTIONS. HE SAID, (AS LA TRIBUNA HAD SAID ON JULY 16) THAT PROGRESSIVE NATIONALIZATION OF LA BREA Y PARINAS SHOULD BE CARRIED OUT IN THE NATIONAL INTEREST AND NOT USED BY ANY PARTY SIMPLY TO GAIN VOTES. THE BILL BEFORE THE PRESIDENT, HE SAID WAS CLEARLY A POLITICAL ONE BUT THE OBJECTIVE HAD BEEN TO FORCE THE PRESIDENT TO ACT SO HE COULD NOT BY PROCRASTINATION CARRY THE ISSUE INTO THE NEXT CAMPAIGN. I SAID THAT IF THIS HAD BEEN HIS INTENT, HIS AIDES IN LIMA MIGHT HAVE DONE THE JOB TOO WELL, ESPECIALLY IF THERE WERE

PAGE FOUR RUDTCR 496 ~~SECRET~~

SUBSTANCE TO THE PRESIDENT'S FEAR OF AN INCONSISTENCY WHICH COULD BE USED AGAINST HIM. HAYA RESPONDED AGAIN THAT THIS WAS NOT THE CASE AND THAT HE WOULD GIVE THE PRESIDENT FULL REASSURANCES. I POINTED OUT AGAIN THAT AGREEMENT WITH IPC WAS CRUCIAL BECAUSE IT WAS ONLY THROUGH THE TOTALITY OF A MUTUALLY SATISFACTORY AGREEMENT THAT THE COMPANY WOULD RECEIVE COMPENSATION, ALTHOUGH INDIRECT, FOR ITS EXPROPRIATED PROPERTIES.

6. AS THE CONVERSATION DEVELOPED I TOLD HAYA THAT I WAS REASSURED BY HIS REMARKS, AS I KNEW USG WOULD BE, BUT WONDERED WHETHER THE ODRISTA PARTY, AND SPECIFICALLY GENERAL ODRIA,

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- 3- LONDON 496 JULY 19 (SECTION 2 OF 3)

WAS FULLY IN ACCORD WITH HIM. HE SAID HE WAS CONFIDENT THAT GENERAL ODRIA, LIKE HIMSELF, WAS FIRMLY OPPOSED TO STATE EXPLOITATION OF PETROLEUM BECAUSE IT HAD TOTALLY FAILED WHEREEVER TRIED. HE WENT ON TO SAY THAT DISCORDANT ELEMENTS IN THE ODRISTA PARTY, SPECIFICALLY SENATOR NORIEGA, HAD HAD TO BE "DEFLATED". HE THEN SURPRISED ME BY CLAIMING FULL RESPONSIBILITY FOR TWO PAMPHLETS RECENTLY CIRCULATED IN LIMA WHICH WERE DEROGATORY OF SENATOR NORIEGA'S ROLE AS FORMER HEAD OF EPF, THE STATE-OWNED PETROLEUM COMPANY. HAYA SAID

PAGE FIVE RUDICR 496 ~~SECRET~~

HE HAD PERSONALLY DIRECTED THIS OPERATION. HE NOW THOUGHT FEW PEOPLE WOULD PAY MUCH ATTENTION TO NORIEGA ON THIS QUESTION IN THE FUTURE. HE ALSO RECALLED A TIME WHEN HE, ODRIA AND NORIEGA DIRECTLY THAT HE REALLY COULDN'T UNDERSTAND ANYTHING HE WAS SAYING SINCE HE DIDN'T MAKE SENSE.

7. HAYA THEN ASKED WHAT I KNEW ABOUT THE KIND OF AN AGREEMENT WHICH BELAUNDE MIGHT REACH WITH IPC. I SAID THAT WHILE I WAS NOT FAMILIAR WITH IT IN DETAIL AND COULD NOT SPEAK FOR THE COMPANY, I UNDERSTOOD IN GENERAL THAT IT PROVIDED TERMS AS FAVORABLE FOR PERU, IF NOT MORE FAVORABLE, THAN ARE PROVIDED IN OTHER STANDARD OIL AGREEMENTS AROUND THE WORLD. I SAID ALSO THAT THE AGREEMENT SEEMED TO BE WELL ATTUNED TO THE LAW NOW BEFORE THE PRESSIDENT, AS WELL AS TO HAYA'S FORMULA FOR "PROGRESSIVE NATIONALIZATION".

BRUCE

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1967 JUL 19 PM 4 42

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P 191730Z JUL 67
FM AMEMBASSY LONDON
TO RUEHC/SECSTATE WASHDC PRIORITY
INFO RUESLM/AMEMBASSY LIMA PRIORITY
STATE GRNC
BT
~~SECRET~~ SECTION 3 OF 3 LONDON 496

017061

EXDIS

-03-

SECSTATE FOR OLIVER FROM SIRACUSA

LIMA FOR AMB FROM SIRACUSA

SUBJ: IPC CASE HAYA DE LA TORRE

I SAID I UNDERSTOOD IT WOULD CEDE THE TITLES OF LA BREA Y PARINAS TO THE STATE; THAT IT WOULD CEDE THE SURFACE INSTALLATIONS, EXCEPT THE REFINERY, IN EXCHANGE ONLY FOR A QUIT-CLAIM AGAINST BACK TAXES ALLEGEDLY OWED BY THE COMPANY; AND, THAT IT PROVIDED FOR AN OPERATING CONTRACT OVER A PERIOD OF YEARS WITH A STIPULATED SPLIT OF PROFITS. I POINTED OUT THAT THE STATE WOULD ACTUALLY BE THE ENTREPRENEUR, ACTING THROUGH THE COMPANY. HAYA NODDED VIGOROUSLY, SEEMED MOST PLEASED,

PAGE 2 RUDTCR 496/3 ~~SECRET~~

AND SAID HE HAD ALWAYS ADVOCATED A "50-50" DEAL. (I DID NOT SAY SO, BUT IF THIS IS WHAT HE EXPECTS, HE SHOULD BE PLEASANTLY SURPRISED WITH THE IPC OFFER WHICH, I UNDERSTAND, IS BETTER THAN "50-50" AS FAR AS THE STATE IS CONCERNED.)

8. IN THE END, I SUMMARIZED MY UNDERSTANDING OF HAYA'S ASSURANCES SO THERE WOULD BE NO MISTAKE. I EMPHASIZED AGAIN THE LEVEL OF INTEREST IN THE UNITED STATES AND THE CARRYOVER IMPLICATIONS FOR THE APRA PARTY AS WELL AS FUTURE GOVHQ IN PERU, AND SAID I WOULD BE REPORTING HIS VIEWS DIRECTLY. I ALSO TOLD HIM THAT HIS POSITION SEEMED MOST STATESMANLIKE TO ME AND ENCOURAGED HIM TO BE AS HELPFUL AS HE POSSIBLY COULD TO PRESIDENT BELAUNDE IN REACHING AGREEMENT ON THIS ISSUE. I POINTED OUT THAT WHILE I HAD NOT COME HERE TO SPEAK FOR BELAUNDE OR TO DEFEND HIM, IT IS A FACT THAT HE, UNLIKE HAYA, DOES NOT HAVE A UNIFIED AND DISCIPLINED PARTY, AND THAT

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-2-LONDON 496 SECTION 3 OF 3 JULY 19, 1967

ACCION POPULAR IS BADLY SPLIT ON THE IPC ISSUE. IT WAS FOR THIS REASON THAT HAYA'S ASSURANCES ARE MOST NEEDED SINCE IT WOULD BE LITTLE SHORT OF A PERSONAL DISASTER FOR THE PRESIDENT TO MAKE AN AGREEMENT WITH IPC AND THEN HAVE TO SUFFER ATTACK BY THE ORGANIZED OPPOSITION AS WELL AS THAT OF ELEMENTS OF

PAGE 3 RUDTCR 496/3 ~~SECRET~~

HIS OWN PARTY AND OF THE NEWSPAPER EL COMMERCIO. HAYA SAID HE WOULD DO HIS PART BUT WASN'T SURE THE PRESIDENT COULD BE TRUSTED. I THEN SUGGESTED THAT IT WOULD BE EVEN MORE HELPFUL IF HAYA WOULD MAKE CLEAR IN HIS SPEECH ON JULY 21 THAT THE LAW PERMITS A NEGOTIATED AGREEMENT, AS WELL AS DOING SO PRIVATELY WITH BELAUNDE, SINCE THIS WOULD PUT IT ON OPEN RECORD. WHILE HE SAID HE WOULD DO SO, I HAVE NOT INCLUDED THIS FEATURE AMONG THE CATEGORIC ASSURANCES THAT HE GAVE ME IN THE BEGINNING SUMMARY BECAUSE IT WAS SOMETHING ADDED ON. I ALSO SAID THAT WHAT I HAD TOLD HAYA ABOUT OUR INTERPRETATION OF THE LAW AND THE POTENTIAL EFFECTS OF 620 (E) HAD BEEN MADE CLEAR TO BELAUNDE RECENTLY BY THE AMB, ACTING ON INSTRUCTIONS. HAYA SAID HE WAS GLAD TO KNOW THIS AND THAT IT WAS MOST IMPORTANT.

9. WHEN I EXPRESSED THE HOPE THAT HAYA WOULD SOME DAY VISIT THE UNITED STATES SO THAT HE COULD KNOW OUR COUNTRY AS WELL AS HE KNOWS ENGLAND AND OTHERS, HE SAID HE HOPED TO DO SO IN SEPTEMBER. I SUGGEST, THEREFORE, THAT THE DEPT FURTHER DEVELOP PLANS FOR SUCH A VISIT WHICH WERE BEGUN SOME MONTHS AGO. HAYA WILL DEPART FOR LIMA FROM PARIS VIA AIR FRANCE FLIGHT 113 ARRIVING 1235 LIMA TIME JULY 21.

PAGE 4 RUDTCR 496/3 ~~SECRET~~

10. HAYA AGREED, AT THE CONCLUSION OF OUR MEETING, THAT THE FACT OF MY HAVING COME TO OXFORD TO SEE HIM SHOULD BE KEPT CONFIDENTIAL. I OBSERVED IT WOULD PROBABLY NOT BE GOOD FOR HIM OR FOR ME, OR FOR A HAPPY OUTCOME, TO HAVE EL COMMERCIO KNOW THAT I HAD COME, AND HE FULLY AGREED.

11. SINCE A CALL TO THE FOREIGN OFFICE INDICATED NO ACTION RECOMMENDATION FROM AMB MUIRHEAD RE HAYA, I DID NOT HAVE ANY CONTACT THERE.

12. RETURNING WASHINGTON 20TH VIA TWA AND REQUEST HOTEL RESERVATIONS.

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Pres file

~~TOP SECRET~~

Thursday, July 20, 1967 -- 1:20 p.m.

Mr. President:

These three items are interesting in themselves but they fit together in helping make clear the dilemma faced by Moscow at the present time -- in the Middle East and elsewhere.

1. A lengthy report from Arthur Goldberg on his talk yesterday with Gromyko and Dobrynin. The essence of it is that the Soviets would like to find an agreed formula on the Middle East but they cannot bring around the extreme Arabs. Arthur Goldberg particularly wanted you to read this cable. He added that the Algerians at the UN go about openly making contemptuous remarks about the Russians. Their dilemma is that they want the advantages of influence with the radical Arabs; but they don't wholly control them; and they feel that they will involve Moscow in another Arab-Israel war.

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

2.



But

it was this kind of talk and feeling with which the Russians have had to deal. Some of it was reflected in Kosygin's talk with you.

3. The openly expressed view of the Rumanians that the U.S. is the only major world power. It contains the kind of almost contemptuous attitude towards Moscow which is spreading. There is some comfort in it; but there is also danger.

** I am arranging for an evaluation of this report.*

W. W. Rostow

WWRostow:rla

~~TOP SECRET~~

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Action
SS
Info

VZCZCDTA836
PP RUEHC RUEHCR RUEHGX
DE RUEHDT 290/1 2010530
ZNY SSSSS
P 200449Z JUL 67
FM USMISSION USUN NY
TO RUEHC/SECSTATE WASHDC PRIORITY
INFO RUEHCR/AMEMBASSY MOSCOW
RUEHGX/WHITE HOUSE
STATE GRNC
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~~SECRET~~

1967 JUL 20 AM 2 12
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~~SECRET~~ SECTION 1 OF 2 USUN 290

EXDIS

MIDDLE EAST

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-163
By ing, NARA, Date 7-20-94

1. I MET FOR OVER AN HOUR THIS AFTERNOON WITH GROMYKO AND DOBRYNIN AT SOV MISSION "FOR TEA". MEETING HELD AT GROMYKO'S REQUEST IN RESPONSE TO MY SUGGESTION HE HAVE DINNER WITH ME TOMORROW. SISCO, BUFFUM AND PEDERSEN ALSO PRESENT. ONLY OTHER PERSON PRESENT WAS SOVIET INTERPRETER.

2. I OPENED CONVERSATION PURSUANT TO MY TELECON WITH SECTY BY CONVEYING FOL POINTS TO GROMYKO:

(A) FOSTER RETURN FROM GENEVA WAS TO CONSULT WITH TECHNICAL EXPERTS AND SHOULD NOT BE TAKEN AS ANY LESSENING OF INTEREST IN OUR PART RE NON-PROLIFERATION AGREEMENT.

(B) WE WANTED TO CONTINUE TO ENLIST THEIR COOPERATION IN THE SEARCH FOR A PEACEFUL SOLUTION ON VIETNAM.

PAGE TWO RUEHDT 290/1 ~~SECRET~~ (EXDIS)

(C) WE HOPED THERE COULD BE COOPERATION AND PARALLEL POLICIES IN MIDDLE EAST. WE NOTED USSR HAD EXPRESSED ISELF IN FAVOR OF NATIONAL EXISTENCE OF ALL ME STATES AND OF PEACEFUL SOLUTION. WE THOUGHT OUR POLICIES COINCIDED IN MANY RESPECTS AND HOPED USSR WOULD USE ITS INFLUENCE IN INTERESTS OF PEACE.

3. GROMYKO REPLIED:

(A) NON-PROLIFERATION WAS NOW MATTER OF CONTROL AND OF CONTROL SYSTEM. USSR FAVORED IAEA SYSTEM.

(B) HE DID NOT WANT TO REITERATE DETAILS OF WHAT KOSYGIN HAD SAID ABOUT VIETNAM. USSR REGRETTED US POLICY THERE AND HAD POINTED OUT TO US THE WAY OUT MORE THAN ONCE.

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-2- USMISSION USUN NEW YORK 290, DTG 200449Z (SECTION 1 OF 2)

(C) ON ME WE HAD EACH EXPRESSED OUR POINTS OF VIEW. IF US WANTS PEACE THERE THEN OUR POLICIES COINCIDE. USSR IS FOR PEACE. THERE WAS NO QUESTION ON SOV SIDE ABOUT EXISTENCE OF ISRAEL. WE BOTH SHARED RESPONSIBILITY FOR ITS CREATION. IN ARAB WORLD THERE WERE EXTREME TENDENCIES, ESSENCE OF WHICH WAS INCLINED NOT TO RECOGNIZE ISRAEL AS A STATE. SOV UNION WAS NOT SYMPATHETIC TO THIS, WHICH WAS NO SECRET TO US.

US AND USSR FACED FOL SITUATION. THERE HAD BEEN DISCUSSION IN BROAD FORUM. BOTH HAD AGREED ON EXISTENCE SUCH A STATE AND THAT OTHER VIEWS WERE UNJUSTIFIED. WAS IT POSSIBLE WE COULD NOT SETTLE PREVAILING SITUATION AND THEN PRESERVE FUTURE PEACE?

GROMYKO SAID HE WOULD NOT USE STRONG WORDS, THOUGH THEY WERE APPROPRIATE TO ISRAEL. WHAT WAS WAY OUT? NO DOUBT US CAN INFLUENCE ISRAEL. AND ON WIDRAWAL OF TROOPS. USSR HAD ITS OWN INFLUENCE ON CERTAIN EXTREME TENDENCIES. USSR DOES TRY TO INFLUENCE THESE EXTREME TENDENCIES. HE HAD NOTICED THAT IN COURSE OF GA US HAD NOT TRIED TO FIND WAY OUT BUT HAD CREATED OBSTACLES ON WAY TO NORMALIZING SITUATION IN ME AND CREATED DIFFICULTIES ON POSSIBILITY OF

PAGE THREE RUEHDT 290/1 ~~SECRET~~ (EXDIS)

USSR INFLUENCING EXTREMIST TENDENCIES IN ARAB WORLD. FOR EXAMPLE, HE SAID THAT IF WE WANT TO SECURE PEACE IN REGION WE MUST FIND IN RELATION TO BELLIGERENCE A FORM OF EXPRESSION THAT WOULD ACCOMPLISH WHAT YOU WANT AND AT SAME TIME TEMPER AND IF POSSIBLE PUT END TO EXTREMIST TENDENCIES IN ARAB WORLD. ON OTHER HAND SUCH FORMULA SHOULD BE PRESENTED IN FORM ACCEPTABLE TO OTHER SIDE. THIS WAS QUESTION OF FORM, NOT OF PRINCIPLE.

IF WE WANT PEACE AND NOT WAR, AND IF WE AGREE ON PRINCIPLE, CANT WE FIND AN EXPRESSION. BELLIGERENCE HAD BECOME ALMOST A CABALISTIC FORMULA. COULD WE NOT FIND A FORMULA POSSIBLE EVEN IDENTICAL IN MEANING. WHY NOT A NEW FORM WITH SAME IDEAS EXPRESSED IN WAY ACCEPTABLE TO OTHER SIDE (ARAB STATES). IT WAS DIFFICULT TO SAY RIGHT NOW REVOLVE 180 DEGREES, NOT ONLY DIFFICULT BUT IMPOSSIBLE. USSR UNDERSTANDS THEM ON THIS. WHY NOT COMBINE WIDRAWAL (NOTHING IS POSSIBLE WITHOUT WIDRAWAL) WITH A FORMULA LEADING TO PEACE ON BASIS OF RESPECT OF SOVEREIGNTY OF STATES IN ME -- IN ITS BROAD AND DEEP SENSE -- AS EXPRESSED IN CHARTER, WITH OR WITHOUT MENTIONING CHARTER. IT SHOULD BE DEEP ENOUGH TO EXPRESS WHAT WE BELIEVE. FORM MUST BE FLEXIBLE ENOUGH TO BE ACCEPTABLE TO BOTH SIDES. TOO MANY SUSPICIONS HAD BEEN RAISED ON BOTH SIDES. MAYBE QUESTIONS OF FORM WERE CAUSING A HIGH WALL TO BE RAISED.

4. I REPLIED THAT I HAD NOT INTENDED TO BURDEN HIM ABOUT NON-PROLIFERATION BUT JUST TO CONVEY A MESSAGE, AND SAID WE PERSEVERED

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-3- USMISSION USUN NEW YORK 290, DTG 200440Z (SECTION 1 OF 2)

IN EFFORT TO REACH AN AGREED SOLUTION. HAD ALSO MENTIONED VIETNAM NOT TO RE-OPEN DISCUSSIONS BUT TO CONVEY SECTY'S EMPHASIS ON DESIRABILITY OF CONCERTING OUR EFFORT FOR PEACEFUL SOLUTION. I SAID HE KNEW OUR POSITION WHICH HAD BEEN FULLY EXPLAINED BY PRESIDENT AT GLASSBORO. WE UNDERSTOOD EACH OTHER'S POSITIONS AND OBLIGATIONS, AND EXPRESSED HOPE OUR GREAT COUNTRIES COULD FIND WAY TO PEACEFUL SOLUTION.

PAGE FOUR RUEHDT 290/1 ~~SECRET~~ (EXDIS)

ON ME I SAID I DID NOT CONCEIVE THERE WERE WIDE DIFFERENCES IN PRINCIPLE BETWEEN US BASED UPON KOSYGIN'S STATEMENT TO GA AND WHAT HE HAD JUST SAID. US WAS DEVOTED TO PEACEFUL SOLUTION IN ME. INSTABILITY CREATED GREAT DANGERS IN AREA AND FOR WORLD PEACE. WE WERE PREPARED TO USE OUR INFLUENCE WHEREVER IT WAS APPLICABLE IN AVOIDING EXTREMISM AND FOR MODERATION. THERE WERE NO PUPPETS IN ME ON EITHER SIDE. WE WERE PREPARED NEVERTHELESS TO USE OUR INFLUENCE AND WELCOMED WHAT GROMYKO SAID ABOUT SOV'S USE OF INFLUENCE AGAINST EXTREMIST POINTS OF VIEW. THERE WERE PROBLEMS ON BOTH SIDES, WHICH WAS NOT UNNATURAL IN AFTERMATH OF WAR. EVEN SINCE OUR MEETINGS HERE WE HAD USED OUR INFLUENCE IN DIRECTION OF MODERATION AND AGAINST EXTREMISM.

TO BE SPECIFIC, WHEN ANB DOBRYNIN HAD APPROACHED SECTY AND ME OVER WEEK AGO FIRST QUESTION HE HAD ASKED WAS WHETHER WE WERE INTERESTED IN PEACE. WE HAD REPLIED DEFINITELY YES. THERE WAS NOTHING GOOD TO COME FROM LACK OF PEACE, AND MUCH GOOD FROM AN HONORABLE, JUST, AND PEACEFUL SOLUTION. I DID NOT DISAGREE THAT IT WAS NOT EASY TO TURN AROUND 180 DEGREES. HIS ASSESSMENT OF ARAB PROBLEMS IN THIS REGARD WAS TRUE OF ISRAELIS AS WELL. THIS DID NOT MEAN THAT WE SHOULD NOT TRY. OUR VIEW WAS THAT IT WAS IMPORTANT FOR US BOTH TO TAKE POSITION ON PRINCIPLES WE BOTH COULD STAND ON AND TO AGREE UPON A COMMON EXPRESSION OF THEM IN AN APPROPRIATELY WORDED RES. WE DID NOT CONCEIVE THAT PROPER STATEMENTS OF SUCH PRINCIPLES WOULD NECESSARILY BE AGREED RIGHT NOW TO BY EITHER THE ARAB STATES OR ISRAELIS. WE STILL THOUGHT THEY SHOULD BE STATED BY US IN THE GA OR SC AND WIDELY SUPPORTED AND THAT WE COULD BUILD ON THEM FOR A PEACEFUL SOLUTION. GROMYKO HAD STATED PROBLEMS WERE THOSE OF FORM, NOT OF PRINCIPLE. BETWEEN US AND USSR I BELIEVED THAT WAS SO, ALTHOUGH NOT RUE OF CONTENDING PARTIES. WE SHOULD CONTINUE TO TRY, TO MAKE AN EFFORT TO LEAD TOWARD AN ACCEPTABLE FORMULA UNDER WHICH WE COULD EACH USE OUR INFLUENCE ON BOTH SIDES. PARA THE WORD "BELLIGERENCE" SEEMED TO HAVE BECOME A RED FLAG, OR PERHAPS TO FOMIN OF USSR WE SHOULD JUST SAY FLAG. RECOGNIZING THIS WE HAD TRIED ANOTHER FORMULA. WEEK AGO SUN, WITHOUT CONSULTING ISRAELIS, WE HAD SOUGHT ANOTHER WAY, WHICH I HAD SUGGESTED TO AMBASSADOR

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-4- USMISSION USUN NEW YORK 290, DTG 200440Z (SECTION 1 OF 2) -

PAGE FIVE RUEHDT 200/1 ~~SECRET~~ (EXDIS)

DOBRYNIN. THIS INCLUDED A PARA ON WITHDRAWAL OF FORCES TO PREVIOUS POSITIONS. OTHER PRINCIPLE WOULD BE STATEMENT OF RECOGNITION BY ARAB STATES OF ISRAEL'S RIGHT TO MAINTAIN INDEPENDENT NATIONAL STATE OF ITS OWN AND TO LIVE IN PEACE, AND RENUNCIATION OF ALL CLAIMS AND ACTS INCONSISTENT THEREWITH. (THEN READ TEXT EXACTLY AS PREVIOUSLY GIVEN DOBRYNIN.) I OBSERVED THAT WE USED WORD "RECOGNIZE" NOT IN ITS DIPLOMATIC SENSE BUT IN SENSE OF "ACKNOWLEDGE". NOTED INDIANS, TO WHOM WE HAD NOT GIVEN THE TEXT, HAD TOLD US SOVS HAD SHOWN HIM TEXT. HE MIGHT BE A PROBLEM WITH "RECOGNITION". IF SO WE WERE PREPARED TO MODIFY IT.

I OBSERVED THESE PARAS WOULD BE AN AFFIRMATION OF PRINCIPLES. GA COULD ONLY RECOMMEND, AND ISSUE WOULD BE REMITTED TO SC TO WORK OUT HOW TO EFFECTUATE THEM. I THOUGHT THIS WAS A STATEMENT THAT USSR COULD ACCEPT. MOST OF LANGUAGE IN SECOND PARA CAME FROM THE KOSYGIN STATEMENT. WE STILL BELIEVED THIS FORMULA CONTAINED NOTHING INCONSISTENT WITH SOV OR US POSITIONS OR WITH UN CHARTER. US HAD GONE CONSIDERABLE DISTANCE WITH THIS FORMULATION. IT INCLUDED WITHDRAWAL IN TERMS DESIRED BY USSR. IT ELIMINATED WORD "BELLIGERENCE". AND IN OUR VIEW WE COULD PROCEED IN SC TO SORT PROBLEM OUT IN ALL ITS ELEMENTS.

I SAID WE DID NOT BELIEVE IT WAS IN INTERESTS OF EITHER OF US TO RESUME SAD WARLIKE SITUATION WHICH HAD PREVAILED IN AREA ALL THESE YEARS. WE THOUGHT THIS FORMULA WAS AN APPROPRIATE FRAMEWORK, BECAUSE WE THOUGHT WE DID NOT DISAGREE ON PRINCIPLES. TO FIND A FRAMEWORK ACCEPTABLE TO BOTH SIDES OF THE CONFLICT, HOWEVER, WOULD BE VERY DIFFICULT, UNDERSTANDABLY. WE HAD HOPED THAT AT LEAST WE AND USSR COULD GET TOGETHER AND CONCERT ACTIVELY FOR OVERALL PEACE IN COOPERATION. WE WERE STILL AT LOSS AS TO WHY THIS FORMULA NOT ACCEPTED BY USSR. WE UNDERSTOOD DIFFICULTIES OF ARABS, AND OF ISRAEL, BUT NOT FOR SOVS.

GOLDBERG
BT

NOTE: ADVANCE COPY TO S/S-O, , AT 2:25 A.M. - JULY 20, 1967

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ActionSS
Info

P 200449Z JUL 67 ~~SECRET~~
 FM USMISSION USUN NY
 TO RUEHC/SECSTATE WASHDC PRIORITY
 INFO RUEHCR/AMEMBASSY MOSCOW PRIORITY
 RUEHEX/WHITE HOUSE UNN
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 1967 JUL 20 AM 2 59

~~SECRET~~ SECTION 2 OF 2 USUN 290

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EXDIS

MIDDLE EAST

5. GROMYKO REPLIED THAT MAYBE WE (USSR) HAD UNDERSTOOD WORD "RECOGNITION" WRONG. SAID IF IT WERE JUST USSR IT WOULD BE EASIER FOR US TO TALK. IT WAS NECESSARY FOR HIM TO TAKE INTO ACCOUNT EVENTS AND MOODS 'THERE' (ARAB WORLD). FORMULA SHOULD BE DEFINITE ENOUGH TO INCLUDE PEACEFUL EXISTENCE AND EXCLUDE REPETITION OF MILITARY EVENTS THERE. ON OTHER SIDE IT SHOULD BE FLEXIBLE ENOUGH FOR ARAB COUNTRIES TO ACCEPT FROM POINT OF VIEW OF FORM, SO THAT IT WOULD NOT BE IN SHARP CONTRADICTION WITH MOOD OF AREA. HE WAS TALKING ABOUT FORM. FOR USSR IT IS CERTAIN WE WANT PEACE THERE. CAN WE NOT HAVE ENOUGH INGENUITY TO FIND A FORMULA THAT WOULD COINCIDE WITH YOUR GOALS, OUR GOALS, PEACEFUL COEXISTENCE FOR ALL STATES THERE. WHAT CONCRETE LANGUAGE WOULD YOU SUGGEST? PERHAPS A SHORT RES LIKE LA TEXT. WE SHOULD AVOID CABALISTIC WORD "BELLIGERENCE", BUT FIND A FORMULATION THAT GOES IN SAME DIRECTION.

GROMYKO SAID WORDING OF FORMULA I HAD GIVEN DOBRYNIN WAS STILL TOO HARSH. IT MENTIONED ARAB STATES AND ISRAEL. MAYBE THERE COULD BE FORMULA MEANING SAME BUT NOT MENTIONING EITHER. THIS WAS TEXT OF INGENUITY, SEARCH FOR FLEXIBLE FORMULA. ON CONTENT HE HAD NOTHING DIFFERENT IN MIND.

6. I REPLIED WE WERE INDEED FLEXIBLE AND SUGGESTED PARA ON WITHDRAWAL DELETE WORD "ISRAEL" AND SUBSTITUTE "BY THE PARTIES TO THE CONFLICT" AND THAT THE PARA ON NATIONAL EXISTENCE DELETE REFERENCE BOTH TO ARAB STATES AND ISRAEL AND INSTEAD REFER TO "ACKNOWLEDGEMENT BY ALL MEMBER STATES IN AREA THAT EACH ENJOYS RIGHT TO MAINTAIN ETC."

7. GROMYKO REPLIED THAT FROM ARAB POINT OF VIEW SECOND PARA MIGHT STILL GIVE SOME DIFFICULTIES, THOUGH WE ALL AGREED WITH IT, AND EVEN COMMON SENSE AND ALSO CHARTER SUPPORTED IT. SUPPOSE WE SAID: "THAT SOVEREIGN RIGHTS MUST BE RESPECTED BY ALL STATES IN ACCORDANCE WITH CHARTER OF UN". SOVEREIGNTY CONVEYED SAME IDEA IN DIFFERENT FORM. PERHAPS WE COULD REFER TO SOVEREIGN RIGHTS, OR TO TERRITORIAL INTEGRITY. ASKED WHETHER WITHDRAWAL TO JUNE 5 POSITIONS ACCEPTABLE.

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-2- USUN NEW YORK 290, 200449Z JULY (SECTION II OF II)

8. I REPLIED THAT MANY CLAIMS HAD BEEN MADE IN NAME OF SOVEREIGNTY, FOR EXAMPLE BLOCKING OF GULF OF AWABA, AND THAT THIS LANGUAGE WAS NOT PRECISE ENOUGH. EITHER TOMORROW OR LATER IN SC WE MUST HAVE A SOLUTION. PERHAPS FRESH APPROACH WAS NEEDED, AS GROMYKO HAD SAID. THAT WAS WHY WE HAD SUGGESTED THIS LANGUAGE. I SAID THAT IF THEY COULD CONFIRM THAT AWABA WAS NOT INVOLVED WE WOULD NOT FUSS ABOUT JUNE 5 DATE. GROMYKO REPLIED THAT IT WAS NOT INVOLVED. HE THEN ASKED WHETHER WE DID NOT HAVE A STILL MORE FLEXIBLE FORMULA THAT ALL COULD ACCEPT.

I SAID I THOUGHT EFFORT TO GET A RES THAT ALL WOULD ACCEPT WAS VERY DIFFICULT. WE SHOULD AIM FOR ONE THAT BOTH SIDES INVOLVED WOULD NOT VOTE FOR, BUT THAT WE JOINTLY COULD SUPPORT. SAID THERE ARE ALSO TIMES WHEN FLEXIBILITY WAS EXHAUSTED. WE DID HAVE ONE OTHER SUGGESTION, WHICH I HAD PUT TO AMB DOBRYNIN MONDAY, AND WHICH AVOIDED WORD "BELLIGERENCE", WHICH WAS THAT "TERMINATION OF ALL STATES OF WAR AND ANY AND ALL CLAIMS THERETO IS EXPECTED". WE COULD ALSO ADD WORDS "WITHOUT DELAY" IN BOTH PARAS. I SAID WE HAD UNDERTAKEN STUDY OF RUSSIAN FORMULAS ABOUT TERMINATION OF BELLIGERENCE, AND THAT TO BEST OF OUR KNOWLEDGE SOVS USED SAME WORD FOR STATE OF WAR AND STATE OF BELLIGERENCE, NOTING TRANSLATION DOBRYNIN HAD GIVEN US SEEMED TO HAVE NO LEGAL BACKGROUND.

9. GROMYKO CONFIRMED THAT THERE WAS NO DIFFERENCE IN RUSSIAN TERM HAD ACQUIRED AMONG ARABS. I POINTED OUT THIS WAS NOT A PROBLEM IN RUSSIAN TEXT BUT ONLY IN ENGLISH AND FRENCH VERSIONS, WHICH COULD BE MET BY CHANGE SUCH AS WE HAD SUGGESTED. "BELLIGERENCE" WAS ONE OF THE STATES OF WAR THAT WOULD BE TERMINATED UNDER THIS FORMULA. I STATED THAT WITH THESE PROPOSALS I HAD EXHAUSTED MY FLEXIBILITY AND ASKED FOR SOME INDICATION OF FLEXIBILITY ON HIS SIDE.

10. GROMYKO SAID HE NEEDED SOME TIME TO THINK THE MATTER OVER. HE WOULD NEED TO DO SOME CONSULTATIONS. I SAID I DID NOT THINK WE COULD GET AGREEMENT FROM PARTIES NOW, BUT I DID NOT SEE HOW THEY COULD TAKE EXCEPTION TO SUCH PRINCIPLES. BUFFUM ADDED THAT PERHAPS IT WOULD BE EASIER FOR THEM IF PRINCIPLES WERE ADOPTED BY UN, TO WHICH THEY COULD LATER CONFORM; WE HAD SOME INDICATIONS FROM MODERATE ARABS THIS MIGHT BE SO.

11. GROMYKO THEN COMMENTED THAT WORDS "WITHOUT DELAY" FITTED WELL IN FIRST PARA (ON WITHDRAWAL) BUT NOT SO WELL IN SECOND PARA, WHICH DEALT WITH COMPLEX POLICY QUESTIONS WHICH FIRST ONE DEALT WITH AN ACT. HE DID NOT RAISE QUESTION OF A DIFFERENT APPROACH, BUT OF ACCEPTABILITY; NOT A QUESTION OF A CHANGE AT EXPENSE OF ANYONE'S INTERESTS.

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-3- USUN NEW YORK 290, 200449Z JULY (SECTION II OF II)

12. I REPLIED WE FELT THERE MUST BE EQUALITY OF PRINCIPLES. WE COULD DROP "WITHOUT DELAY" FROM BOTH PARAS OR ADD IT TO BOTH. (GROMYKO CLEARLY WAS ONLY GOING THROUGH MOTIONS ON THIS POINT.) I THEN NOTED THAT LA RES MIGHT BE MORE HELPFUL IN THIS REGARD. WORDS "IS EXPECTED" WERE, ACCORDING TO OUR INFO, STRONG WORDS IN RUSSIAN, AND COULD BE USED IN BOTH PARAS. THEN MADE POINT I WAS DISCUSSING THESE TWO PARAS IN CONTEXT PUTTING THEM IN LA TEXT.

13. GROMYKO THEN SAID HE WONDERED IF WE COULDN'T GET WORD "STATES" OUT WITHOUT CHANGING MEANING. A UN MEMBER WAS A STATE. I INTERJECTED WE COULD SAY THAT EACH MEMBER OF THE UN IN THE AREA ENJOYED THE RIGHT TO A NATIONAL STATE OF ITS OWN. HE THEN SAID HE WOULD THINK WHOLE MATTER OVER. HE DID NOT SEE CLEAR POSSIBILITIES, BUT HE WOULD LIKE TIME TO THINK AND STUDY. HE AS FONMIN COULD TAKE DECISION FOR HIS GOVT BUT ARABS HAVE DEFINITE INSTRUCTIONS HERE. (I INFERRED HE WAS SAYING HIS INSTRUCTIONS WERE HE COULD AGREE TO ANYTHING ARABS WOULD AGREE TO). HE DID NOT KNOW HOW OFTEN THEY RECEIVED THEM; PERHAPS THIS DEPENDED ON URGENCY OF SITUATION. IN ANY CASE CONSULTATIONS WERE REQUIRED, AND IT WOULD BE DIFFICULT TO CONCLUDE THEM BY TOMORROW. IF HE SAW POSSIBILITIES IN THESE TEXTS AND NEEDED ANOTHER DAY OR SO HE WONDERED WHETHER WE WOULD BE AGREEABLE.

14. I SAID THAT WE WANTED TO COMPLETE THE GA, BUT THAT IF USSR WAS SERIOUSLY CONSULTING ABOUT POSSIBILITIES ALONG SUCH LINES AS I INDICATED WE WOULD BE WILLING FOR GA TO GO OVER UNTIL FRIDAY. GROMYKO SAID HE THOUGHT THAT WOULD BE ENOUGH TIME. SUGGESTED US SHOULD CONSULT OWN POSITION AS WELL. I REPEATED WE HAD EXHAUSTED OUR FLEXIBILITY. HOPED WE COULD REACH AGREEMENT SOON EITHER IN GA OR SC. GROMYKO SAID IT WOULD BE BETTER IN GA SO WE WOULD NOT CLASH IN SC.

15. IN CLOSING PEDERSEN POINTED OUT INDIANS WERE ALREADY CIRCULATING PROCEDURAL TEXT TO RECESS GA AMONG OTHER STATES FOR SPONSORSHIP. THIS HAD BEEN DISCUSSED WITH US AND WE UNDERSTOOD WITH THEM. GROMYKO SAID THEY HAD TOLD INDIANS THEY HAD NO OBJECTIONS TO THEIR GOING AHEAD TO PREPARE SUCH TEXT, FOR USE IF NO SUBSTANTIVE AGREEMENT POSSIBLE, BUT WITHOUT SOV COMMITMENT AT THIS POINT. I TOLD HIM WE HAD SUBSTANTIALLY SAME POSITION.

16. AFTERWARD PURSUANT TO PRESS INQUIRIES WE AGREED WITH DOBRYNIN THAT WE WOULD CONFIRM MEETING HAD TAKEN PLACE AND THAT QUESTIONS RELATING TO GA WERE DISCUSSED.

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-4- USUN NEW YORK 290, 200449Z JULY (SECTION II OF II)

COMMENT: I THINK IT IS UNLIKELY SOVS WILL BE ABLE TO MOVE FAR ENOUGH AWAY FROM RADICAL ARABS (ESPECIALLY ALGERIA AND SYRIA) TO ACCEPT EITHER OF POSITIONS I SAVE HIM, THOUGH HE SEEMED TO BE CONSIDERING THE FIRST ONE. ON OTHER HAND GROMYKO WAS CLEARLY INTERESTED IN GETTING SOMETHING MORE OUT OF GA THAN INDIAN PROCEDURAL RES. INASMUCH AS HIS EMPHASIS WAS ON PERSUADING ARABS TO ACCEPT SOMETHING, AND INASMUCH AS ALL OUR INFO INDICATES THEY HAVE NO INTENTION OF DOING SO, PROBABILITY, THOUGH NOT CERTAINLY, IS STILL RETURN TO PROCEDURAL RES FRIDAY.

GOLDBERG

NOTE: ADVANCE COPY TO S/S-O, 3:15 A.M., JULY 20

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CENTRAL INTELLIGENCE AGENCY
Intelligence Information Cable

630

PAGE 1 OF 3 PAGES

STATE/INR DIA ARMY NAVY AIR JCS SECDEF NSA ~~XXXXXXXX~~ USIA SDO CMC GCR ORR DCS CGS CIA/INMCC

DDI

EX6

This material contains information affecting the National Defense of the United States within the meaning of the Espionage Laws, Title 18, U.S.C. Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.

GROUP 1
Excluded from automatic
downgrading and
declassification

~~NO FOREIGN DISSEM~~

THIS IS AN INFORMATION REPORT, NOT FINALLY EVALUATED INTELLIGENCE.

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CITE [REDACTED]

DIST 19 JULY 1967

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

COUNTRY RUMANIA

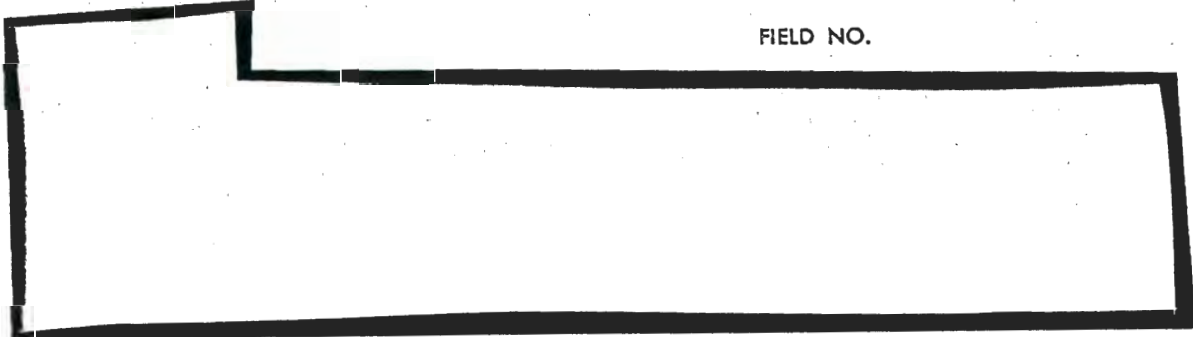
DOI 11 JULY 1967

SUBJECT RUMANIAN DIPLOMATS' COMMENTS ON RELATIONS WITH THE UNITED STATES AND THE COMMUNIST WORLD

ACQ

FIELD NO.

SOURCE



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

1. IN A BRIEFING PAPER SENT TO PARTY ORGANIZATIONS IN RUMANIAN EMBASSIES ABROAD THE RUMANIAN COMMUNIST PARTY DEFINED THE ROLE OF RUMANIA AS THAT OF A MEDIATOR BETWEEN EAST AND WEST. IN COMMENTING ON THE RECENT MEETING BETWEEN PREMIER ION GHEORGHE MAURER AND PRESIDENT JOHNSON, THE PAPER IMPLIED THAT THE PRESIDENT HAD GIVEN MAURER THE MISSION OF MEDIATOR BETWEEN THE UNITED STATES AND CHINA. THE PAPER ADDED THAT PRESIDENT JOHNSON APPEARS TO KNOW RUMANIA'S PROBLEMS IN DEPTH AND,

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(classification) (dissem controls)

SANITIZED
E.O. 12958, Sec. 3.6
NLI/RAL 00-209
By cbm, NARA, Date 3-22-01

IN



~~SECRET NO FOREIGN DISSEM~~
(classification) (dissem controls)

MOREOVER, APPRECIATES RUMANIA'S DESIRE AND ABILITY TO ACT AS A MEDIATOR. HE RECOGNIZES THE FACT THAT RUMANIA HAS GOOD RELATIONS WITH THE FRENCH GOVERNMENT AND THAT RUMANIA'S "GAME" WITH CHINA HAS GIVEN BUCHAREST STATURE WITH THE CHINESE. THE BULLETIN WENT ON TO STATE THAT THE RUMANIAN COMMUNIST PARTY WAS PLEASED WITH THE MANNER IN WHICH PRESIDENT JOHNSON TREATED MAURER BUT THAT THE PARTY LEADERSHIP WOULD HAVE TO MOVE WITH CARE, SINCE THE AMERICANS WERE FOLLOWING THEIR ACTIONS CLOSELY.

- 2. COMMENTING ON THE ABOVE BRIEFING PAPER, A RUMANIAN DIPLOMAT STATED THAT RUMANIA STOOD TO GAIN "FROM MAKING THE UNITED STATES RUMANIA'S POLITICAL OBJECTIVE, SINCE AMERICA IS THE ONLY WORLDWIDE POWER." HE ADDED THAT RUMANIAN POLICY DOES NOT RECOGNIZE THE POWER OF THE SOVIET UNION AS BEING EQUAL TO THAT OF THE UNITED STATES. HE ALSO REMARKED THAT THE RUMANIAN COMMUNIST PARTY CONSIDERS WESTERN EUROPE READY FOR COMMERCIAL EXPLOITATION BY RUMANIA SINCE IT IS EXPERIENCING AN ECONOMIC CRISIS. PRINCIPAL RESPONSIBILITY FOR THE EXECUTION OF RUMANIAN POLICY WILL FALL ON RUMANIAN DIPLOMATS IN WASHINGTON, PARIS AND NEW DELHI. THE INFORMANT ADDED THAT "IF THE AMERICANS WILL ASSIST US WE CAN SLOWLY ESTABLISH OUR INDUSTRIAL PRODUCTS IN PLACE OF THOSE OF THE RUSSIANS."

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(classification) (dissem controls)

3. COMMENTING ON THE JOHNSON-MAURER MEETING, ANOTHER RUMANIAN DIPLOMAT STATED THAT "WHEN JOHNSON SPEAKS CLEARLY AND HONESTLY TO MAURER ABOUT A SPECIAL MISSION TO THE CHINESE, IT IS CLEAR THAT THE RUSSIANS ARE LOSING AND THE AMERICANS ARE GAINING." (FIELD COMMENT: APPARENTLY GAINING IN RUMANIAN FAVOR AS A CHOSEN ASSOCIATE.) THE DIPLOMAT ADDED THAT THERE IS NO DOUBT THAT AMERICA AIMS TO RULE THE WORLD, JUST AS THE SOVIETS DO. THE DIFFERENCE IS THAT THE AMERICANS DO NOT THREATEN RUMANIA'S DOMESTIC POLICY. THE DIPLOMAT CONCLUDED WITH THE RUMANIAN PROVERB, "BETTER A SMALL LOSS WITH A CLEVER MAN THAN A PROFIT WITH A STUPID ONE -- AND THE LONGER THE RUSSIANS GO ON, THE MORE STUPID THEY GET."

4. [REDACTED] DISSEM: NONE

EO 12958 3.4(b)(1)>25Yrs
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(classification) (dissem controls)

~~CONFIDENTIAL~~

Thursday - July 20, 1967
11:30 am

34
Pres. file

Mr. President:

On June 29 you authorized negotiation of a \$15 million agricultural sector loan for Uruguay.

A recent change in the Gestido Cabinet has made us postpone negotiations indefinitely. The economic team which sought recovery via self-help measures with an assist from the IMF and us has been replaced by a new group which prefers to go it alone with highly restrictive import and exchange policies. The Cabinet change is due to a squabble inside President Gestido's own Party.

Ambassador Hoyt advises that we best sit back and let the new group try its medicine. When the patient fails to respond, perhaps Gestido will go back to his other advisers and we can be of help.

Public dissatisfaction with Gestido's failure to arrest deterioration of the economy and some clever exploitation by the communists, has resulted in a paralyzing general strike which went into effect this morning. So far, there are no indications of violence.

W. W. Rostow

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-162
By cb, NARA, Date 6-9-95

~~CONFIDENTIAL~~

Thursday - July 20, 1967
11:00 am

Pres file

Mr. President:

State recommends that you send the attached message to the President of the American Chamber of Commerce of Mexico which celebrates its 50th anniversary on August 21.

Sol Linowitz will be the guest speaker at the dinner.

W. W. Rostow

Attachment

**Suggested Presidential
congratulatory message**

SUGGESTED PRESIDENTIAL MESSAGE OF CONGRATULATIONS

ON OCCASION OF 50TH ANNIVERSARY

OF AMERICAN CHAMBER OF COMMERCE OF MEXICO

ON AUGUST 21, 1967

**"Harry L. Freeman
President
American Chamber of Commerce of Mexico**

My congratulations to the American Chamber of Commerce of Mexico on its fiftieth anniversary and to you as the retiring President. The United States Government has long recognized the Chamber's outstanding contribution to Mexican-American understanding. Now that your organization is entering its second half-century of service, I sincerely wish it all continued success in achieving even closer ties of friendship and commerce between our two nations.

**Lyndon B. Johnson
President of the United States"**

~~CONFIDENTIAL~~

Thursday, July 20, 1967

WAR
62
Pres file

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Talk Between Chancellor Klaus of Austria and
Premier Maurer of Romania

I think the following excerpt from a Vienna cable will interest you. Ambassador MacArthur is reporting what Chancellor Klaus told him about Klaus' conversation with Maurer in Bucharest a few days before.

"Maurer told Klaus that although US strongest military power in world today, he had great difficulty in trying to get American leaders to comprehend that with all their military strength they would not be able to solve Vietnam war by military means. He also told Klaus that atmosphere in his talks in Washington was excellent and indicated to Klaus on several occasions that President Johnson was impressive man.

"Maurer visit to China. Maurer told Klaus he passed on what President had told him in Washington to Chicom leaders (that US had no intention attacking China unless China attacked US or its Allies and also not destroying or unseating Chicom Regime, etc.) However, Chicom leaders obsessed that US planned attack and told Maurer they mobilizing 700 million Chinese to resist. Maurer was much disturbed by psychological preparation of 700 million Chinese for war and started to say this preparation could be self-perpetuating but then abruptly checked himself. Maurer did not say to which Chinese leaders he had talked, but in response to Klaus' question said he had not seen Mao."

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By juw/rg, NARA, Date 3-29-00

W. W. Rostow

~~CONFIDENTIAL~~

ND:em

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2. Pres file

MEMORANDUM FOR THE PRESIDENT

July 20, 1967

SUBJECT: Leo Cherne's Proposal to Rebuild Allenby Bridge

Several informal checks around town lead me to the following reaction:

1. The present condition of the bridge is not such as to restrict refugee movement across the Jordan River. A few refugees have already moved back to the West Bank, and we understand that the Israelis are building enough of a wooden footpath to accommodate whatever traffic may continue.

2. Therefore, the main problem is not the refugees of today but the commerce of tomorrow. At some point it will be essential, if the East and West Banks are to be reintegrated economically, that this and other bridges be rebuilt. However, the timing of such construction depends very much on political arrangements for the West Bank.

3. Because the politics of occupation and settlement govern, the International Rescue Committee would have to be in touch directly with the Governments of Israel and Jordan. Its chances of success will improve if we are not involved.

I think the best way to answer Cherne is for John Roche to call, wishing him well, explaining the above timing problems, saying that success would depend on the USG not being involved and suggesting he get in touch with Jim Wine (Secretary Rusk's special assistant for refugees).

W. W. Rostow

~~SECRET~~

Wednesday, July 19, 1967
7:10 p. m.

68
Pres file

Mr. President:

Herewith Amb. Bunker reports the bumpy course of election politics in Saigon.

There is another good example on page 4 of improved ARVN military performance.

W. W. Rostow

Saigon 1409

~~SECRET~~

WWRostow:rla

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By rla, NARA, Date 7-18-91

68a

SECRET/NODIS

Wednesday, July 19, 1967

FOR THE PRESIDENT FROM BUNKER (Saigon, 1409)

Herewith my twelfth weekly telegram:

A. General

The relative calm which had settled over the political scene last week suddenly erupted into intense activity on Monday and continued until the early hours of this morning when the Assembly concluded its consideration of the Presidential slates.

Early yesterday morning, Ambassador Bui Diem telephoned me saying he was then meeting with Generals Thieu and Ky and asked to see me "urgently." He came to see me in a state of considerable agitation and informed me that the Special Election Committee had "rejected" the Thieu-Ky slate on the ground that they had not withdrawn from their posts as President and Prime Minister, that the military members of the Directorate were meeting then and had concluded that if the Assembly insisted on following the recommendation of the Special Committee some "strong action" might be necessary. He said that Thieu and Ky had wanted me to be informed of the situation. Bui Diem wanted to know if I had any suggestions to offer.

I replied that in my opinion, Thieu and Ky had complied with the Electoral Law in withdrawing from the Armed Forces, that as Chief of State and Prime Minister they were not civil servants and therefore not required by law to resign these positions. I added, however, that they might want to consider the possibility of stepping aside for the month of the campaign permitting the Directorate to fill their positions temporarily in the interest of indicating their wish to be completely fair and in support of democratic processes. I pointed out that this would be an unusual step since it is not customary for an incumbent to resign in order to run for re-election, but should they reach an impasse with the Assembly, they might want to consider

SECRET/NODIS

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Authority DLG/CBS10

By sp/ics, NARA, Date 7-18-91

something of this kind. I added, however, it seemed to me that it should be possible for them to work out their problem with the Assembly since it was my understanding that their supporters constituted a majority of the members. This was a condition which did not obtain in the Committee where each of four blocs, regardless of size, had four votes. Consequently, the acts of the Committee did not necessarily represent the views of the Assembly members. I left Bui Diem in no doubt that we absolutely would not countenance any sort of coup if this was what the military had in mind by the need to take "strong action."

In retrospect, I believe this may have had a good effect. When Bui Diem returned again shortly after noon, he said that things looked calmer, that Thieu and Ky had been canvassing the situation and thought that they had adequate support to override the action of the Special Committee.

Later in the day yesterday, we began receiving some conflicting reports and explanation of the Committee's action in rejecting the Thieu-Ky ticket. Some of them, if true, could have disturbing and somewhat sinister implications. It is apparently a fact, which Bui Diem did not disclose to me, that Ky's supporters in the Committee voted against the Thieu-Ky ticket. One explanation which has come to us is that this was done at Ky's instructions with the purpose of creating a crisis which would (a) provide an excuse for the military to move in, or (b) demonstrate to Thieu Ky's political power in the hope of extracting more definite commitments from Thieu as to Ky's function in a new government. Another explanation is that Ky's supporters have become irritated with him because of what they consider his neglect since his decision to withdraw and run on the Thieu ticket. We are trying to get at the bottom of the matter since if the first of the explanations mentioned should prove true, it seems apparent that Bui Diem's approach to me yesterday was less than frank. It is possible that he may have been sent to test out our reaction to a decision by the military to act against the Assembly. It also may have implications regarding the Thieu-Ky relationship.

This Thieu-Ky relationship is something which will need watching and nursing. I am not yet satisfied that it has been satisfactorily resolved. Ky has told me twice that he and Thieu have

come to an understanding as to his role in a new government, and that this will be satisfactory to him "provided Thieu keeps his word." Bui Diem has also confirmed to me that there is an understanding in writing which Thieu has signed. There have been indications also within the last week that Ky has resolved his own indecision as to whether to pursue an active or passive role in the campaign in favor of the former. As I have reported, he told me that his troubles really began when he decided to withdraw to run with Thieu and had to answer criticisms from his supporters among the military, Buddhists, Cao Dai, Hoa Hao and other groups, which felt that he was well ahead in the race and almost certain to be elected. He has had to convince them that he took this action in the interest of unity of the Armed Forces and the welfare of the country, and I believe he is trying to do this sincerely. Over the weekend he summoned to Dalat the Provincial Police and Security Chiefs from whom he had also encountered criticism to explain his position and to inform them that he intended to campaign actively for the ticket.

In my talks with Thieu, I have impressed upon him our view that it is important in the interest of South Vietnam and of our mutual objectives that the relationship of trust between him and Ky should continue and that in whatever arrangement is worked out between them, everyone's talents should be utilized. I pointed out that as a team they have been chiefly responsible for much of the progress and the increased stability of the last two years and that it is important that they should together continue to build on what has already been accomplished. I added that I assumed that Ky as Vice President would not be interested in simply being a figurehead.

Thieu agreed, and said that he expected to divide responsibility with Ky and that in the future, as in the past, they would work together on a basis of mutual trust. He said that he envisaged a broadly-based government with a civilian Prime Minister and with civilian Cabinet members with the exception of Defense and Revolutionary Deveopment which he felt should be headed by military men. He wanted personally to give more attention to the reorganization of the ARVN and to the problems of pacification.

One of the problems, of course, in working out this relationship between Thieu and Ky is the fact that under the present arrangement, Thieu is Chief of State and Ky is head of government.

Under the Constitution, the President is the real center of executive power and the Vice President has relatively few duties assigned to him. Therefore, as Chief Executive, it is to be expected that Thieu will assume a more active role as President than he has as Chief of State during the last two years. This leads to a rather delicate situation in working out a division of labor. But as I have pointed out to Thieu, there is a vast amount of work to be done, too much for any one man, and that it will need the combined efforts of the President, Vice President, and Prime Minister at the top together with all the available talent they can muster at the Cabinet level to prosecute the war and to get on with nation-building.

Last week as a demonstration of improving performance on the part of the ARVN, I mentioned some successful engagements in which they participated. Again this week, General Abrams has sent me a memorandum of an effective operation by elements of the ARVN Fifth Division which has been generally considered one of their poorest. This involved an attack by elements of the 141st North Vietnamese regiment against two companies of the Second Battalion, 9th Regiment, 5th ARVN Division in Binh Long province. The enemy attacked from two directions employing small arms, automatic weapons, mortar and rocket launcher fire and penetrated the ARVN position at two points. ARVN forces launched an aggressive counter-attack to eject the penetrations while holding the remainder of the positions tenaciously. It is interesting to note that there were two-hundred dependents located in the position and only one, a wife, was killed. The dependents assisted the ARVN forces by re-loading magazines and treating the wounded. The ARVN unit employed all available supporting arms, including artillery and air, in an extremely professional manner. The enemy broke contact at first light leaving 112 killed and 10 prisoners, one of whom was a captain. They left behind also 83 weapons, including 52 new AK 47 sub-machine guns. The ARVN forces suffered 14 killed in action. General Abrams reports that the morale and the spirit of the ARVN units were outstanding throughout the actions although they had received 75 new replacements only ten days prior to the attack; leadership was extremely professional. I merely cite this as another indicator of growing ARVN efficiency.

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the Philippine Ambassador and Ambassador Romualdez, whom President Marcos had sent to make preliminary arrangements, could hardly have asked for fuller cooperation from the Government of Vietnam than they received. Chairman Thieu and Prime Minister Ky both interrupted short and much-needed vacations to meet with Marcos, and a substantial number of Cabinet and general officers turned out as well.

MACV performed magnificently in providing essential assistance in the field of transportation. JUSPAO insured good size press representation at arrival and departure and during the Tay Ninh visit. It also provided tapes and films for placement in the Philippines. I was, of course, present at arrival and departure of the Marcos party. I gave him greetings on your behalf and he asked me to convey his warm regards to you. He expressed to me great appreciation for the arrangements we had made for him. Our Mission otherwise stayed in the background and this remained essentially a Philippine-Vietnamese show. General Thieu, on President Marcos' departure, said, "Your visit has been too short." Marcos replied, "Not too short for politics." Marcos himself cut an attractive figure and thanks to JUSPAO arrangements for publicity, I believe should get some political mileage out of the venture.

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We have heard from sources in both camps that Tran Van Huong and Big Minh have an agreement which provides that Minh will support Huong if he is not allowed to run himself. We should soon know if this is true. If Minh does throw his support to Huong, it will give Huong's campaign a considerable boost. It may also serve to deflect many of Minh's supporters from taking part in any anti-Government demonstrations which the militant Buddhists or the Viet Cong may try to generate. Huong's supporters have told us they oppose any such demonstrations, and they claim to have strongly advised Minh and his backers against such action.

In the course of my recent talks with Thieu and Ky, I again stressed the importance of free and fair elections. I raised with both of them the suggestion that international observers of one kind or another would do much to persuade public opinion here and abroad that the elections are honest.

Ky agreed with all I had to say but made no comment. Thieu noted that they plan to invite U Thant to send U.N. observers, though last year he declined to send observers for the Assembly elections. When I mentioned Senator Javits' and other proposals for Parliamentary observers, Thieu said that it was a good idea and he hopes that such groups will come. He added that of course the government intends to invite full observation by the press. I think it is important that if Parliamentary observers are invited, they come from other Asian nations and not just from our own Congress.

On July 15 I gave a speech to the Vietnamese Journalists Association. I stressed the great importance we attach to the democratic process now in motion here, made it clear that we are supporting no candidate, underlined the need for clean elections, and pointed out the need for post-election cooperation among all groups and factions. The local press gave the speech very full coverage,

as I had hoped, with many carrying banner headlines to the effect that we favor no candidate. It is my hope that my speech and the coverage of it in the local press will serve to reinforce the private persuasion we have been using on all concerned to ensure that the coming elections are indeed fair and free.

The Assembly will now turn to complaints against the Senate lists. Four of the 64 slates have withdrawn, and there are complaints lodged against 19 of them. The charges against the candidates include such things as corruption, expulsion from the Armed Forces, pro-Communist sympathies, and failure to take leave without pay from the Government service on filing of candidacy. We expect that many of these charges will be thrown out for lack of evidence, but even if all of the complaints were sustained, there would still be 41 slates in the running -- a total of 410 candidates for 60 Senate seats.

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Last week the Viet Cong made two dramatic attacks in the First Corps, perhaps in an effort to counter our efforts there and keep morale down. The Danang Air Base was hit by rocket and mortar fire on July 15, and on the night of July 14-15, the enemy stormed a prison compound in Hoi An and released over 1200 prisoners. The released prisoners included 150 confirmed Viet Cong and 770 suspected Viet Cong. About 30 of the escaped prisoners were subsequently killed and over 200 were recaptured. Our people in the First Corps report that despite these spectaculars, morale in the First Corps has not suffered. ARVN morale is in fact reported to be high there.

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still 23 percent above the level at the beginning of the year, however. Import prices rose somewhat, with the Index going from last week's 194 to 196. This is still well under last month's 219.

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SECRET/NODIS

688

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SECRET/NODIS

DECLASSIFIED

Authority ALG/CBS 10
By refus, NARA, Date 7-18-91

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Wednesday, July 19, 1967 -- 7:10 p.m.

Profile

Mr. President:

Gen. Eisenhower is clearly pushing a Middle East desalination initiative pretty hard -- perhaps pressed by Adm. Strauss. In the following passage from a letter to Gen. Goodpaster, dated July 19, 1967, there is even a bit of implied pressure.

"Regarding the suggestion that the basic problems of the Mid East might be greatly ameliorated by desalination of water through atomic power, I shall be interested to see whether the administration devotes to it any serious study. Of course, even if feasibility, both technical and financial, could be proved, there is still no guarantee that the contending parties would adopt it. However the theory is that if successful the plan would assure to each side such great advantages that it would be difficult for either to refuse to cooperate."

I'm having lunch with Andy tomorrow. I already told him on the phone:

-- The President has a long and deep interest in the matter, having personally inserted the reference to the deserts in his June 19 speech;

-- The Bunker mission made a good start;

-- Our Water for Peace man is hard at work;

-- We have galvanized the World Bank into planning in this field.

I also pointed out that the surfacing of any such initiatives involved delicate matters of timing.

W. W. Rostow

cc: Harold Saunders

WWRostow:rlh

~~SECRET/SENSITIVE~~

Pres file

Wednesday, July 19, 1967 -- 4:55 p.m.

Mr. President:

In addition to the inconclusive Norwegian, French and Indonesian probes, initialed by North Vietnamese diplomats, we now have a probe via the Swiss at two points: Warsaw and Stockholm.

Attached is a memorandum from Bill Bundy to Sec. Rusk urging, in the light of these probes, that we:

-- give assurance that we shall refrain from bombing dikes (an issue raised in Stockholm);

-- not undertake any drastic new bombing action.

I send this forward for information and in case Sec. Rusk raises the matter with you.

W. W. Rostow

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-162
By cb, NARA, Date 6-9-95

WWRostow:rlh

DEPARTMENT OF STATE
ASSISTANT SECRETARY

70a

~~SECRET/SENSITIVE~~

July 19, 1967

TO: The Secretary

THROUGH: S/S

FROM: EA - William P. Bundy

SUBJECT: Possible Nibbles from Hanoi on Private Talks.

We have two possibly related nibbles from Hanoi representatives on preliminary secret talks, which require urgent consideration for follow-up action and may also have a bearing on our bombing policy.

a. [redacted] reports a conversation between the [redacted] and our DCM, in which the [redacted] reported a conversation of [redacted] with the North Vietnamese Ambassador [redacted]. The North Vietnamese had just returned from Hanoi--the only Ambassador we have so far identified as having returned from the apparent conclave here. The North Vietnamese had asked [redacted] what [redacted] was doing to assist in private contacts between the US and NVN, and asked [redacted] what the US was "actually thinking on this score." The North Vietnamese concluded that he would like to know what [redacted] thought about the subject.

b. [redacted] has reported on a conversation [redacted] with a North Vietnamese [redacted] who was representing NVN at the Stockholm World Conference on Viet-Nam. In this conversation--originally reported in [redacted] [redacted] talked about de-escalation of the bombing as a signal, and specifically the US refraining from bombing the dikes. He then went on, [redacted] that the [redacted] had proposed [redacted] that the [redacted] approach the NVN and US Governments with an offer to host secret preliminary talks. [redacted] responded favorably to this

EO 12958 3.4(b)(1)>25Yrs
EO 12958 3.4(b)(6)>25Yrs
(C)

EO 12958 3.4(b)(1)>25Yrs
EO 12958 3.4(b)(6)>25Yrs
(C)

SANTITIZED

E.O. 12958, Sec. 3.6

NLJ/RAC 00-209

By cbm, NARA, Date 3-22-02

~~SECRET/SENSITIVE~~

EO 12958 3.4(b)(1)>25Yrs
EO 12958 3.4(b)(6)>25Yrs
(C)

saying he personally favored the idea if assurances could be given that the talks would remain secret. It was finally left that [REDACTED] would check in Hanoi, to which he was apparently returning immediately and the [REDACTED]

EO 12958 3.4(b)(1)>25Yrs
EO 12958 3.4(b)(6)>25Yrs
(C)

It is not clear whether there is any connection between these two but it is certainly noteworthy that both the [REDACTED] approach and the Stockholm favorable response were made to [REDACTED]. This tends to link them and to support the hypothesis that the two North Vietnamese were not just talking blind.

Follow-up Action

EO 12958 3.4(b)(1)>25Yrs
EO 12958 3.4(b)(6)>25Yrs
(C)

1. We believe [REDACTED] should immediately see the [REDACTED] to tell him that the US is prepared at any time for wholly secret preliminary talks with designated Hanoi representatives, at any spot Hanoi may wish. The [REDACTED] should be asked to pass this at once to the North Vietnamese Ambassador, in response to the latter's inquiry.

EO 12958 3.4(b)(1)>25Yrs
EO 12958 3.4(b)(6)>25Yrs
(C)

2. [REDACTED]

EO 12958 3.4(b)(1)>25Yrs
EO 12958 3.4(b)(6)>25Yrs
(C)

The further question here is whether the [REDACTED] should also be authorized to tell [REDACTED] by mail that the same authorized US representative has told him that the US has at no time deliberately struck dikes, and that any damage to dikes has been accidental, unintentional, and we believe minor. He should add that the US representative gave him to understand that this continued to be US policy.

EO 12958 3.4(b)(1)>25Yrs
EO 12958 3.4(b)(6)>25Yrs
(C)

Finally, [REDACTED] might be authorized to tell [REDACTED] that, if preliminary secret talks were arranged, the US would be prepared to discuss restraints on bombing as the first order of business.

~~SECRET/SENSITIVE~~

-3-

Bombing Policy Implications

Neither of these episodes can be considered a clear or official NVN bid for secret talks, although they clearly warrant follow-up action. We believe they also warrant the message that bombing the dikes is not part of our policy and that we would be prepared to discuss restraints on bombing.

EO 12958 3.4(b)(1)>25Yrs
EO 12958 3.4(b)(6)>25Yrs
(C)

It should be noted that these latter points would not be made through [REDACTED] since the question of bombing did not come up in that conversation, and it would be confusing to introduce it.

EO 12958 3.4(b)(1)>25Yrs
EO 12958 3.4(b)(6)>25Yrs
(C)

The further question is whether these possible nibbles have any implications for our bombing plans. We believe they do, at least to the extent of making it unwise to take any drastic new action. [REDACTED] might not make a public outcry if we did something drastic and nothing came of these nibbles, but the charge could be made that our drastic action had shut off a possible move toward peace. But we must reckon that Hanoi will be aware of two messages from us, and, if we take a drastic action in this context, we could be adversely affecting whatever possibility may exist that the nibbles have a serious foundation. We believe, although we obviously cannot be sure, that there are two schools of thought in Hanoi, and it could be a terribly serious mistake to take action that prevented a more moderate school from following up on these approaches.

In short, our preference would be to avoid anything that could be construed as an increase in the tempo of the bombing, but we believe it critically important in any event not to take any sharp new action. In the bombing proposals under review today, the particular target we believe falls under this heading is the Phuc Yen Airfield.

Action Today

Because of the major implications involved, I am

~~SECRET/SENSITIVE~~

~~SECRET/SENSITIVE~~

-4-

sending copies of this memorandum by hand and eyes only to Secretary McNamara and Walt Rostow. We will immediately do draft messages to [REDACTED] and to the [REDACTED] in the sense described above. The [REDACTED] message could go at once in any event, but the message to [REDACTED] should not go at this moment until we have decided whether to include references to bombing the dikes and a willingness to discuss restraints.

Attachments:

EO 12958 3.4(b)(1)>25Yrs
EO 12958 3.4(b)(6)>25Yrs
(C)



Copies to:

Secretary McNamara
Mr. Walt Rostow

EA:WPBundy:mk

~~SECRET/SENSITIVE~~

1. *summary*
2. *Pres file*

Wednesday, July 19, 1967
4:50 p.m.

Mr. President:

Herewith Francis Bator's letter of resignation (in sealed envelope) and a draft reply.

He will leave Sept. 1. We are providing a two-week overlap with his successor -- Ed Fried.

W. W. Rostow

71a

July 20, 1967

Dear Francis:

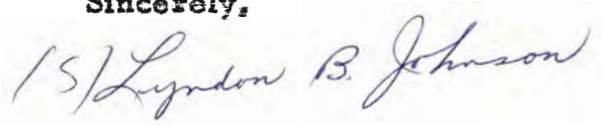
I accept your resignation with reluctance and regret. The opportunity Harvard has offered you is an accurate reflection of your abilities. I reluctantly acquiesce, therefore, in your judgment that the time has come for you to return to academic life.

As you leave I wish you to know that you have been a source of strength to your President and to your country. I have learned to respect your analyses, to value your judgment, and to enjoy your company. You have exercised wise and creative influence upon the development of our foreign economic policy and in the vital task of strengthening our relations with Europe. You have played a leading role in some of the most important and difficult decisions of recent years. We are all in your debt.

I note with particular pleasure that you are willing to make yourself available from time to time to help us with problems which require your special combination of analytic ability and good sense. I will always welcome your counsel.

With warmest personal regards.

Sincerely,



Honorable Francis M. Bator
Deputy Special Assistant to the President
The White House
Washington, D. C.

LBJ:WWRostow: sln

THE WHITE HOUSE
WASHINGTON

71b

July 18, 1967

Dear Mr. President:

As you know, I have felt for some time that after four years in Washington -- and some three and a half years at the White House -- I should return to academic life. I have discussed with you the invitation I have received to join the Harvard Faculty. After long and careful thought, I have concluded that, with your permission, it would be right for me to accept. This is to ask you to accept my resignation, effective September 1.

I think you know how difficult this decision is for me. It has been a very great privilege to work for you in a time of stress and, I think it fair to say, a time of solid achievement in American foreign policy. The more so because progress in my own areas of responsibility -- European affairs and foreign economic policy -- has in unusual measure reflected the President's personal insight and judgment. To me, as to all your associates Mr. President, you have been an extraordinary teacher. I know that under your strong and creative leadership, this nation will continue to grow in responsibility abroad as it carries forward the vital tasks we face at home.

My departure will not, of course, diminish my commitment to the important work ahead. I hope that my efforts at Harvard will not be irrelevant. And I will stand ready to undertake special assignments from time to time, whenever you feel I can be of use.

Finally, I would like to express my deep gratitude to you for the opportunity to serve on the White House staff, and for your confidence and support. In addition to the extraordinary satisfaction of direct service to the President, I have greatly enjoyed myself. I will carry with me the fondest memory of you and Mrs. Johnson.

Respectfully,

Francis

Francis M. Bator

The President
The White House

72

Wednesday, July 19, 1967
4:15 p. m.

Mr. President:

Attached is today's Situation
Report on the Political Developments
in Viet Nam.

W. W. Rostow

Att.

~~SECRET/EYDIS~~ Attachment

~~SECRET-EXDIS~~

72a

Situation Report on Viet-Nam

July 19, 1967

New Developments

The presidential slates are now formally approved after yesterday Assembly action. The 11 (not 12 as reported yesterday) slates will be formally posted today. The presidential election campaign opens August 3. The Assembly's action approving presidential slates has received wide press coverage, including criticism of the disqualification of Thanh and Big Minh, and suggestions of coercion of the Assembly by the Directorate.

Saigon 1381 contains conflicting stories of the intense maneuvering behind the scenes by the Directorate, particularly Ky, to influence the Assembly's decision on the Thieu-Ky slate. The Embassy is attempting to obtain additional information to clarify these developments, their meaning, and their motivation. In any case, the Embassy reports that the situation now appears calm, that all military units are reportedly in normal positions and carrying out normal activities. Thieu and Ky have

DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 94-163

By ing, NARA, Date 7-20-94

~~SECRET-EXDIS~~

been together in Hue, giving at least the impression of solidarity.

The Central Election Council is scheduled to complete its review of Upper-House candidates tomorrow and to approve Upper-House candidate lists by July 21.

Comment

Although the confusing and conflicting reports in Saigon 1381 require clarification, they and available CIA reports illustrate the capacity of the Vietnamese military leadership to take any action, including the use of physical force, to protect their dominant, political position in South Viet-Nam. This ingrained military attitude must be borne constantly in mind as the electoral campaign proceeds and the elections themselves take place. We will be expressing these concerns to Bunker, fully backing his forceful statement to Ambassador Bui Diem on July 18 that the U. S. could not countenance anything even resembling a coup.

73

~~SECRET/SENSITIVE~~

Wednesday, July 19, 1967
3:45 p. m.

~~1. [unclear]~~
2. Pres file

Mr. President:

Herewith Amb. Bunker reports how he is proceeding to guide the Ky campaign. No U. S. funds are involved.

W. W. Rostow

~~SECRET/SENSITIVE~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-162
By Cg, NARA, Date 6-9-95

WWRostow:rlh

2771

~~SECRET/SENSITIVE~~



CENTRAL INTELLIGENCE AGENCY
WASHINGTON, D. C. 20505
OFFICE OF THE DIRECTOR

73a

19 July 1967

MEMORANDUM FOR: The President
SUBJECT: Transmittal of Message from
Ambassador Bunker

Attached hereto is a 19 July cable to you from
Ambassador Bunker, relayed through our channels as CAS
SAIGON Message Number 0208. We are making no other
distribution of this message.

Rich
Richard Helms
Director

Attachment - 1

cc: Mr. Walt Rostow w/att.

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ/RAC 00-209
By cbm, NARA, Date 3-22-02

~~SECRET/SENSITIVE~~

~~SECRET~~

736

19 JULY 1967

MOST SENSITIVE

TO: CIA HEADQUARTERS

CAS SAIGON MESSAGE
NUMBER 0208

Filed 19/0846 Z

PLEASE PASS FOLLOWING MESSAGE TO THE PRESIDENT FROM AMBASSADOR BUNKER AS A CAS SUPPLEMENT TO AMBASSADOR'S WEEKLY PRESIDENTIAL REPORT.

1. IN LINE WITH GUIDANCE RECEIVED FROM THE SECRETARY OF STATE ON 16 JULY, [REDACTED] HAS ESTABLISHED AN ARRANGEMENT FOR [REDACTED] WITH PRIME MINISTER KY'S PERSONAL CAMPAIGN MANAGER, MINISTER OF SOCIAL WELFARE NGUYEN XUAN PHONG. [REDACTED] IS AN OLD PERSONAL FRIEND OF KY'S WHO HAS BEEN IN CONTACT WITH KY IN CONNECTION WITH [REDACTED] AGAINST THE VIET CONG SINCE FEBRUARY THIS YEAR. THE PURPOSE OF THE NEW ARRANGEMENT, HOWEVER, IS TO PERMIT US TO KEEP ABREAST OF KY'S ELECTION CAMPAIGN AND TO OFFER ADVICE ON HOW IT CAN BE CONDUCTED AS CLEANLY AS POSSIBLE.

2. [REDACTED]

[REDACTED] KY INSTRUCTED PHONG TO BE ABSOLUTE-
LY FRANK WITH THE [REDACTED] IN DISCUSSING THE THIEU/KY

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

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

SANITIZED

E.O. 12958, Sec. 3.6

NLJ/RAC 00-209

By cbm, NARA, Date 3-22-02

~~SECRET~~

~~SECRET~~

CAMPAIGN ORGANIZATION AND ITS ACTIVITIES, AS WELL AS TO LISTEN TO AMERICAN SUGGESTIONS ON THE CONDUCT OF THE CAMPAIGN. IT WAS MADE CLEAR TO PHONG AT THE OUTSET THAT KY MUST WORK OUT HIS RELATIONSHIP WITH THIEU TO THEIR MUTUAL SATISFACTION AND CAMPAIGN ENERGETICALLY WITHIN THIS FRAMEWORK, AND FURTHER THAT THE AMERICAN ADVISORY ROLE IS BASED ON THIEU AND KY ARRIVING AT THIS UNDERSTANDING.

3. THE RELATIONSHIP WITH PHONG HAS ALREADY PRODUCED A VALUABLE INSIGHT INTO THE WAY IN WHICH THIEU AND KY ARE ATTEMPTING TO PUT TOGETHER A CAMPAIGN ORGANIZATION. BASICALLY, IT APPEARS THAT KY'S SUPPORTERS, WHO ARE NUMEROUS AND EFFECTIVE POLITICIANS IN COMPARISON WITH THE MERE HANDFULL OF THIEU'S ADVISORS, WILL DO MOST OF THE WORK IN ORGANIZING THE CAMPAIGN WHILE PLACING THIEU DESIGNEES IN VARIOUS KEY POSITIONS IN THE CAMPAIGN ORGANIZATION WHICH ARE VISIBLE TO THE PUBLIC EYE.

END OF MESSAGE

~~SECRET~~

~~1. Supp.~~
2. Pres. file

Wednesday, July 19, 1967

Mr. President:

In the attached memorandum Sol Linowitz recommends that you drop in at a Blair House reception being given on Friday, July 21, in honor of the Inter-American Science and Technology Experts appointed pursuant to the Declaration of Presidents at Punta del Este.

It would be a nice gesture if you could do this, but it is not essential.

W. W. Rostow

Attachment

7/14/67 Linowitz to Bowdler memo.

cc -- Jim Jones



DEPARTMENT OF STATE
WASHINGTON 25, D. C.

UNITED STATES DELEGATION TO THE
ORGANIZATION OF AMERICAN STATES

74a
July 14, 1967

MEMORANDUM

TO: Mr. William Bowdler
The White House

FROM: Ambassador Sol M. Linowitz *SML*

SUBJECT: Reception for Inter-American Science and
Technology Experts

This is just a reminder of the reception which is to be held on July 21st at Blair House, from six to eight o'clock, in honor of the Inter-American Science and Technology Experts appointed pursuant to the Declaration of Presidents at Punta del Este.

You will recall that in the Declaration, it was provided that a group "composed of high-ranking qualified persons, experienced in science, technology and university education" was to be appointed to recommend to the Inter-American Cultural Council proposals with reference to multinational technological and scientific institutions, as well as the over-all scientific and technological program for the continent. This is the group which is to be honored at the reception. The United States member is Dr. James Killian and the following are the other members of the group of experts:

1. Dr. Bernardo Alberto Houssay, Argentina - Nobel Prize winner for medicine in 1947 and President of the National Council for Scientific and Technical Research since 1963.

2. Antonio Moreira Couceiro of Brazil - Chairman of the National Research Council of Brazil, responsible for formulating and directing Brazil's scientific development and policies.
3. Dr. José Barzelatto Sanchez of Chile - One of Chile's outstanding physicians, trained in the United States, and on the medical faculty of the University of Chile since 1950.
4. Dr. Oliverio Phillips Michelsen of Colombia - Formerly Director of the Colombian Technological Institute, the primary organization in Colombia dealing with agro-industrial research, and as one of Colombia's leading scientists, a participant in international educational and scientific conferences.
5. Dr. José Ruben Orellana Ricaurte of Ecuador - President of the Ecuadorean Atomic Energy Commission and Director of the National Polytechnic School.
6. Dr. Manuel Noriega Morales of Guatemala - Director of the Central American Research Institute for Industry.
7. Dr. Guillermo Massieu Huelguerra of Mexico - Director General of the National Polytechnic Institute.
8. Dr. Bernardo Antonio Lombardo Ayala of Panama - Rector of the University of Panama and internationally known nuclear physicist.
9. Dr. Jorge Grieve Madge of Peru - Outstanding Peruvian engineer who served as a member of the Alliance for Progress Panel of Nine and professor of mechanical technology at the National University of Engineering.
10. Dr. Walter Hill Rodriguez of Uruguay - Director of the Institute of Physics of the University of the Republic, and Uruguay's leading nuclear physicist.

11. Dr. Luis Manuel Panalver of Venezuela - Rector of the University of the East and an outstanding physician.

Since this meeting of experts is perhaps the most significant action to be taken following the meeting of Presidents in accordance with the Declaration, it would be both right and gratifying if the President could stop by the reception at Blair House for a few minutes to meet the experts and to possibly extend a word of greeting and good wishes to them.

Invitations are being sent to all the Latin American OAS and White House Ambassadors, as well as to members of the Latin American Subcommittees of both the Senate Foreign Relations Committee and the House Foreign Affairs Committee, as well as various other governmental people, including the members of the Atomic Energy Commission.

I would appreciate word as soon as you can get it to me regarding the possibility that the President might be able to join us briefly.

~~top~~
2. Pres file

July 19, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Ambassador Bowles

Chet Bowles will be in town between August 4th and 11th. The evening of August 4th he and Ambassador Oehlert are getting together themselves before supper and will be at my place for supper and extended talk.

Chet hopes very much to be able to see you while he is here.

Given Mrs. Gandhi's limitations, and particularly her worries about the growing strength of her Leftists, I think it would be good if you could see him. He could then talk to her more directly about the problems her policies create for India's friends here.

W. W. Rostow

Yes, have Marv
fix an appointment 12 noon - Aug 8, 1967

No _____

See me _____

76

Pres file

July 19, 1967

Mr. President:

I have the following from State.

1. Robert Woodward is de facto at work on water for peace.
2. All hands understand that you have not made a final decision; but they await your decision because Woodward cannot operate on an interdepartmental basis until that decision is made.
3. Most important, he is working at the task with zest and enthusiasm. This is important information because all of us have great respect for Woodward: our only question was whether he had the energy and drive at this stage to make it go. He apparently does.
4. In any case, your final decision on this matter would be helpful.

W. W. Rostow

WWRostow:rln

~~SECRET~~

THE WHITE HOUSE
WASHINGTON

77

Wednesday,
July 19, 1967

Mr. President:

Here are the major points taken from two long documents which give an authoritative account of Nasser's current views and of the Jordanian reaction to their visit to Cairo.

W. Rostow
W. Rostow

~~SECRET~~

DECLASSIFIED

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

White House Guidelines, Feb. 24, 1983

By *MJ*, NARA, Date 7-18-91

~~SECRET~~

772

Wednesday, July 19, 1967

EXTRACTS FROM A CABLE FROM AMBASSADOR BURNS IN JORDAN

(Amman, 4945)

SUBJECT: Conversations with Jordanian Officials

General Khammash, Jordanian Chief of Staff, returned from Cairo convinced that ~~Nasser has now firmer control over the UAR than before the war; the crisis made clear there was no one who could replace him.~~

UAR MILITARY DEVELOPMENTS - The Egyptian Chief of Staff told the Jordanians that:

a. 300 Egyptian officers, largely from senior ranks, were purged in the wake of the UAR military debacle.

b. The UAR Armed Forces will be ready to try to push the Israelis out of Sinai in about four months.

c. UAR Air Force strength is now almost back to its June 4 level as far as fighter aircraft are concerned. The Russians have supplied MIG 17, 19, and 21 models. ~~They have not resupplied any bombers of the "Badger" class.~~

d. Nasser had intended in mid-June to seek a defense pact with the Soviets. The recent arrival of Soviet fleet units in Port Said and Alexandria was in response to Nasser's plea for protection. They are likely to stay for an extended period.

SETTLEMENT WITH ISRAEL - Nasser told King Hussein in Cairo that:

a. Jordan had unquestionably suffered the greatest loss, now being faced with the problems of its refugees, its citizenry on the West Bank under Israeli rule and the loss of Jerusalem.

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-163
By ijg, NARA, Date 7-20-94

b. It was regrettable that in years past the Arabs had been unable to supply Jordan's economic needs. One day he, Nasser, hoped this could be done, but "Today I do not even have half a loaf to share with you."

c. He, Nasser, would understand, should Jordan seek to get the West Bank back by coming to some agreement with the Israelis, perhaps using the Americans to work out a settlement which, in turn, might be imposed through the United Nations. He asked only two things: that there be no direct Jordanian-Israeli negotiations and that there be no treaty with Israel.

HUSSEIN AND THE JORDANIAN ARMY - ~~The King has met with the Jordanian senior commanders to "begin to prepare them" for the idea of a Jordanian-Israeli settlement. The Army's reaction remains an open question.~~

US-UAR - Nasser said in front of the Jordanian delegation, "I have made up my mind that in the Near East, it will either be Nasser or the U.S." Nasser and Egyptian leaders remain convinced U.S. actively participated in the conflict, at minimum by U.S. carrier refueling of the Israeli aircraft which bombed Luxor.

SOVIETS-SYRIA - ~~Nasser's entourage expressed concern that Syria might shortly permit Soviets increased control over their military and might even go so far as to furnish the Soviets with bases. Jordanians heard nothing to suggest the UAR would be prepared to offer bases. Nasser had dismissed the Syrians as "uncontrollable tycoons."~~

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By gn, NARA, Date 1-11-00

78

Pres file

Tuesday, July 18, 1967 -- 7:45 pm

Mr. President:

In addition to the attached, Evron said he was so disturbed by the New York Times story that he seriously considered asking to be relieved. He asked you to believe the story did not come from him and, indeed, it was in tone quite hostile to him as well as to you.

Without telling me exactly how it came about, he indicated his judgment by saying he has now arranged that all his cables touching on White House contacts will be held in an exceedingly narrow Israeli channel.

I would judge that he believes that the story was leaked to some newspaperman in Israel as a distorted or secondhand version of his reporting cable.

I would say both his distress and his indicated judgment are genuine.

W. W. Rostow

WWRostow:rln

78a

~~CONFIDENTIAL~~

Tuesday, July 18, 1967 -- 8:20 p. m.

MEMORANDUM OF CONVERSATION

Minister Evron is back from Israel and asked to see me briefly today.

1. His formal message to the U. S. Government is that the Israeli government is carefully examining all the alternatives for a Jordan settlement. It has not made up its mind. It will have a definitive position in about two weeks. He said that they are all conscious that this is an historic matter which will affect the shape of Israel and the Middle East for a long period and requires detailed study, including economic and demographic estimates.

2. He reported vividly the impact on him of being in Israel. He said it is impossible to understand at this distance the extent to which Israeli emotions and political life have been changed by the war. First, the extraordinary physical facts of the victory. He saye, for example, that well over 700 tanks were destroyed or abandoned in the Sinai and incredible tonnages of ammunition were found in the fortresses on the Syrian Heights.

But, above all, the fact of Israeli access to and control of Jerusalem. He said he found himself getting caught up in this fever. He is now convinced that just as it will take the Arabs some time to come to grips with reality, it will also take the Israelis some time to recover from euphoria and grip the difficult real problems that lie ahead. (The latter remark he said was one that would not be approved by his government but was, in his judgment, a fact.)

3. Israeli politics is in complete ferment with men taking positions not so much on traditional party alignments as on an age basis. The war is bringing to the front a new younger lot of people. The results and new directions in politics cannot be predicted.

4. I confined my response to two substantive comments:

-- So far as Jerusalem is concerned, Israeli euphoria is no better guide as to what will be wise for the long pull than Arab humiliation and despair;

-- The Israelis have a duty to come to grips with the Hussein offer promptly, whatever the rhythm of their staff work.

W. W. Rostow

orig to President
20x to S/S - Ben Reed
copy to Mr. D. Bundy
H. Saunders

WWRostow:rlm

~~CONFIDENTIAL~~

Meeting With the President
Tuesday, July 18, 1967, 6:00 p.m.

AGENDA

1. Viet Nam: Bombing Policy. (Sec. McNamara: Sec. Rusk)

- narrower circles around Hanoi-Haiphong?
- restrike Hanoi TPP?
- mine inland waterways up to ChiCom buffer zone as Mark 36 destructors become available?

2. Yemen: 303. (Sec. Rusk and Sec. McNamara)

See Tab A for explanation of issue.

3. Rusk Committee Recommendation. (Sec. Rusk)

The Committee is seriously considering a recommendation for a new semi-private commission to assist voluntary organizations doing important work abroad.

4. Middle East. (McGeorge Bundy)

Current issues.

5. Other.

W. W. Rostow

DECLASSIFIED

Authority 70CJ 84-282
By MS/isp, NARA, Date 7-19-91

80

Tuesday, July 18, 1967
5:50 p. m.

Mr. President:

Herewith another day in which
the Vietnamese solved their political
problem in their own mysterious way.

Pres file

W. W. Rostow

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By ry, NARA, Date 7-18-94

WWRostow:rlh

Secret.

~~SECRET - EXDIS~~

80a

Situation Report on Viet-Nam

July 18, 1967

New Developments

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-163
By ij, NARA, Date 7-20-94

Embassy Saigon has just reported by phone that the National Assembly in an extended evening session just concluded approved the Thieu-Ky ticket by 56 votes out of about 70 deputies present. Earlier in the evening the Assembly voted to disqualify Big Minh's candidacy by 54 votes. In the afternoon session on July 18, the Assembly disqualified the Au Truong Thanh ticket.

The Assembly thus has overridden the recommendation of the special Assembly committee, which voted to disqualify the Thieu-Ky ticket on the grounds that Thieu and Ky had not taken leave of their government positions. The Committee had also voted to recommend approval of the Big Minh ticket.

The Assembly has now completed action on the candidacies, which will be posted on July 19 for the second and final time. There are 12 lists approved, including the tickets of Assembly President Suu, former Prime Minister Huong, the Thieu-Ky ticket, and Dai Viet party leader Ha Thuc Ky. Six tickets, including Big Minh's and Au Truong Thanh, have been disqualified.

Saigon 1307 reports a conversation between Vietnamese Ambassador Bui Diem and Ambassador Bunker on the morning of the

~~SECRET - EXDIS~~

18th. Bui Diem said he had come from a meeting of the top generals, including Thieu and Ky, and that the Generals were considering what course to follow should the Assembly vote against the Thieu-Ky ticket. Presumably, the meeting of the Generals has been overtaken by the Assembly's favorable action on the Thieu-Ky ticket, but we do not have any late reports confirming this.

Saigon 1232 reports a conversation between Thieu and Ambassador Bunker on the morning of July 16. Thieu agreed with Bunker that he and Ky must work together in a relationship of mutual trust. He said that he planned to divide the work of government operations with Ky, but he was not specific and made no mention of any written agreement with Ky.

Comment

We hope that the Assembly's favorable action on the Thieu-Ky ticket will dissipate what was obviously growing tension between the military leaders and the Assembly on the morning of July 18. Thieu and Ky should now be able to concentrate in working out their relationships and their campaign organization. Nevertheless, the actions of the Assembly Committee and the cliff-hanging session of the Assembly earlier today, could leave their marks on the relationships between the Assembly and the Generals.

Tuesday, July 18, 1967
5:45 p.m.

Pres file

Mr. President:

Herewith Art McCafferty's useful analysis of relative US/GVN casualties, done at my direction.

It shows (see third chart) that the DMZ fighting accounts for the relative bulge in May and June.

The other charts may also interest you.

W. W. Rostow

WWRostow:rln

THE WHITE HOUSE
WASHINGTON

81a

July 18, 1967

MEMORANDUM FOR MR. ROSTOW

In regard to the article in the New York Times this morning stating that statistics indicate the burden of fighting has passed ~~in~~ decisively to the Americans, I have assembled the following charts:

1. US and GVN Force Strength
2. US and GVN KIA
3. US and GVN KIA per Corps Area
4. Ratio of GVN KIA/MIA/Cap to US KIA
per 1,000 OB
5. GVN KIA/MIA/Cap and US KIA
per 1,000 OB

The figures used in the Times article are essentially correct, i. e., there have been more US casualties in May and June than GVN, so I don't think we can argue statistical data with them -- the only thing we can do is try to find fault with the conclusions.

The following facts stand out to me:

1. On a per 1,000 OB basis, they could have written the same article at this time last year, i. e., proportionately there were more US casualties than GVN casualties during the same period.
2. GVN casualties have remained rather stationary, as has their force strength, while US casualties have increased in about the same line as the US force strength.

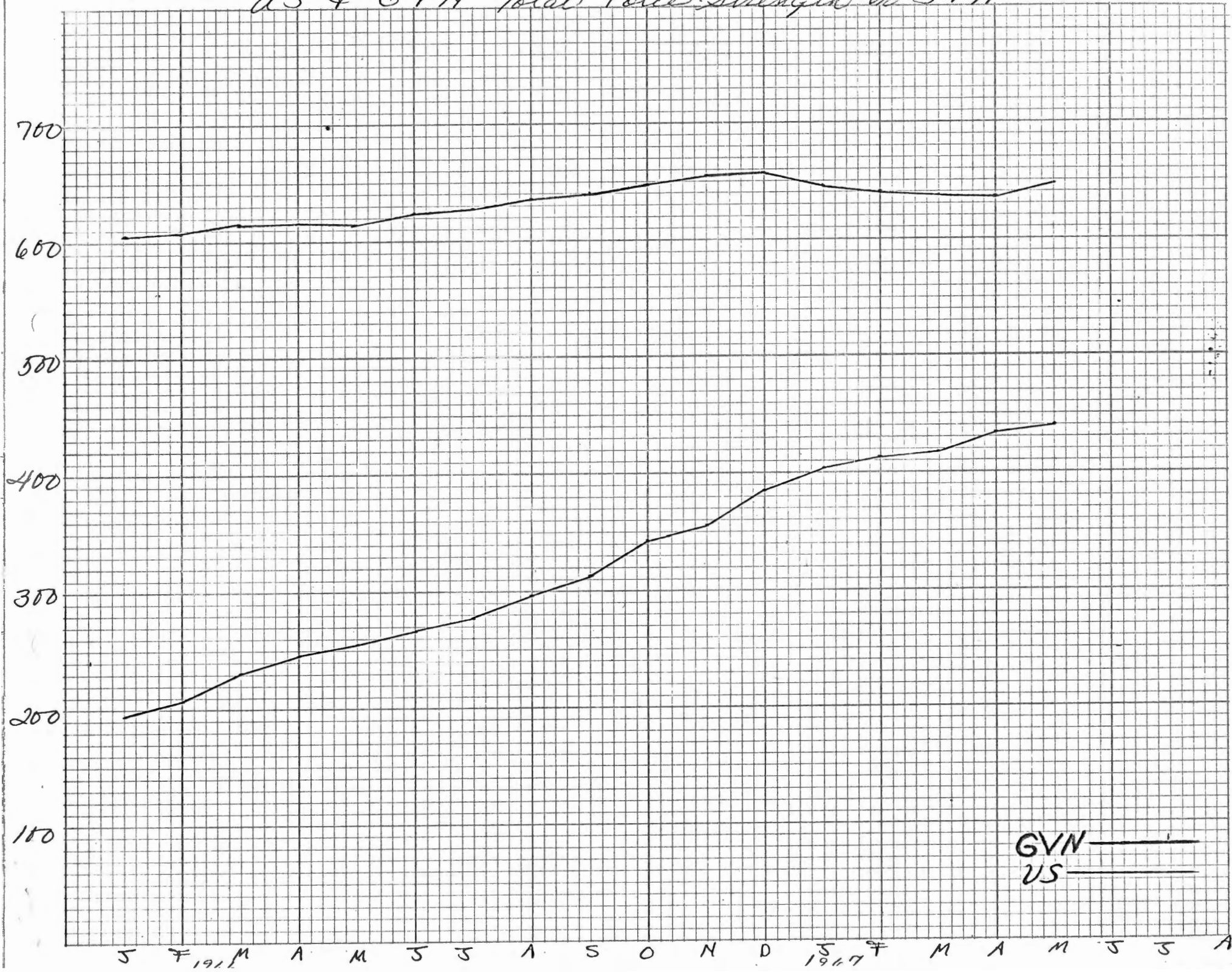
3. In May and June, almost 50 percent of the US casualties were suffered in the First Corps area, reflecting the heavy fighting between US and North Vietnamese forces along the DMZ.

4. Another factor that enters into this would be the increased movement of ARVN forces into the pacification program -- now involving 55 of the 154 RVNAF battalions (some 22 of these are in the First Corps). This GVN effort is still an unknown quantity since they have admittedly not yet gotten off the ground in the pacification work. How this will go in the future will be hard to foretell, but it is possible that with the VC emphasis on RD teams ^{and} in the pacification effort, the GVN forces involved will start taking a large share of the action, especially if the enemy Main Forces resist combat for any extensive period.

I am not sure this effort of mine will help you, but I think it does show some interesting facts and, as was said this morning, you can take any statistics for any particular period and write the story you want. But, as our statistics show, you must look at it over a long-range period and not just for one month or two months. If I had been projecting statistics on the basis of figures of last May and June, I think I may have written the same story. But, as the remainder of the year demonstrated, it would not have been true.


Art McCafferty

US & GVN Total Force Strength in SVN



US & GVN Killed in Action



US + GVN KIA by Corp Area (1967)

I Corps

II Corps

600

400

200

J F M A M S

600

400

200

J F M A M S

III Corps

IV Corps

600

400

200

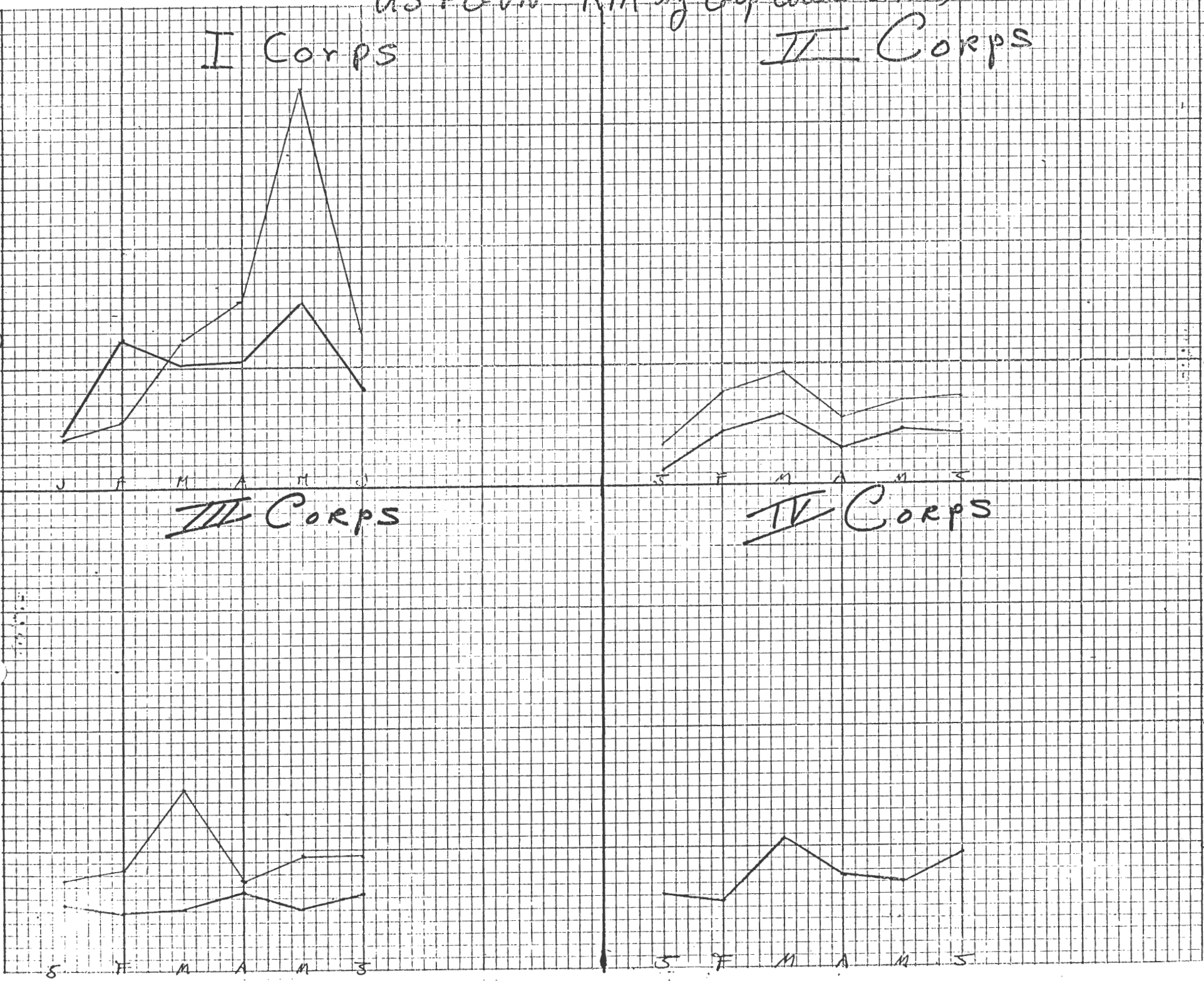
J F M A M S

600

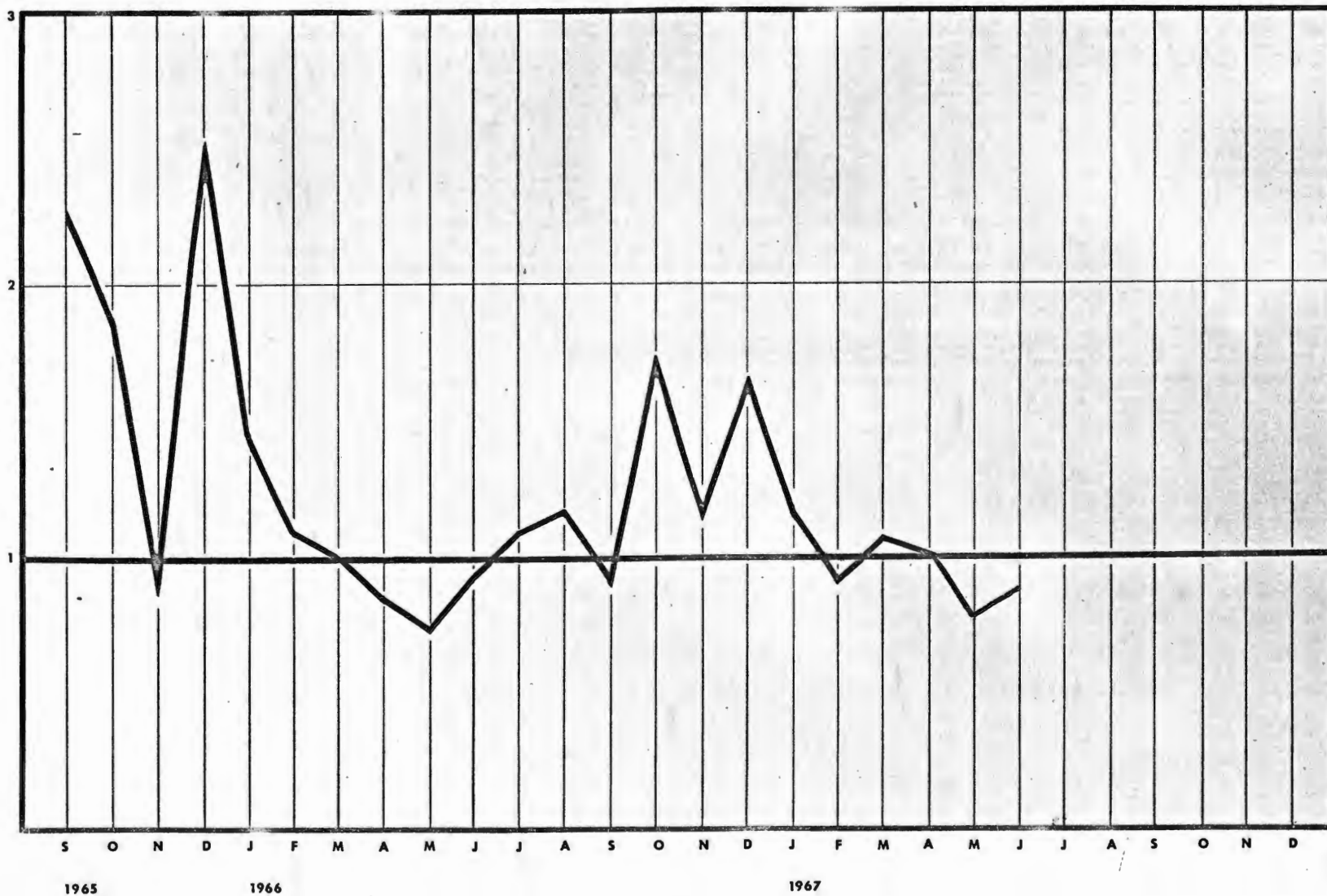
400

200

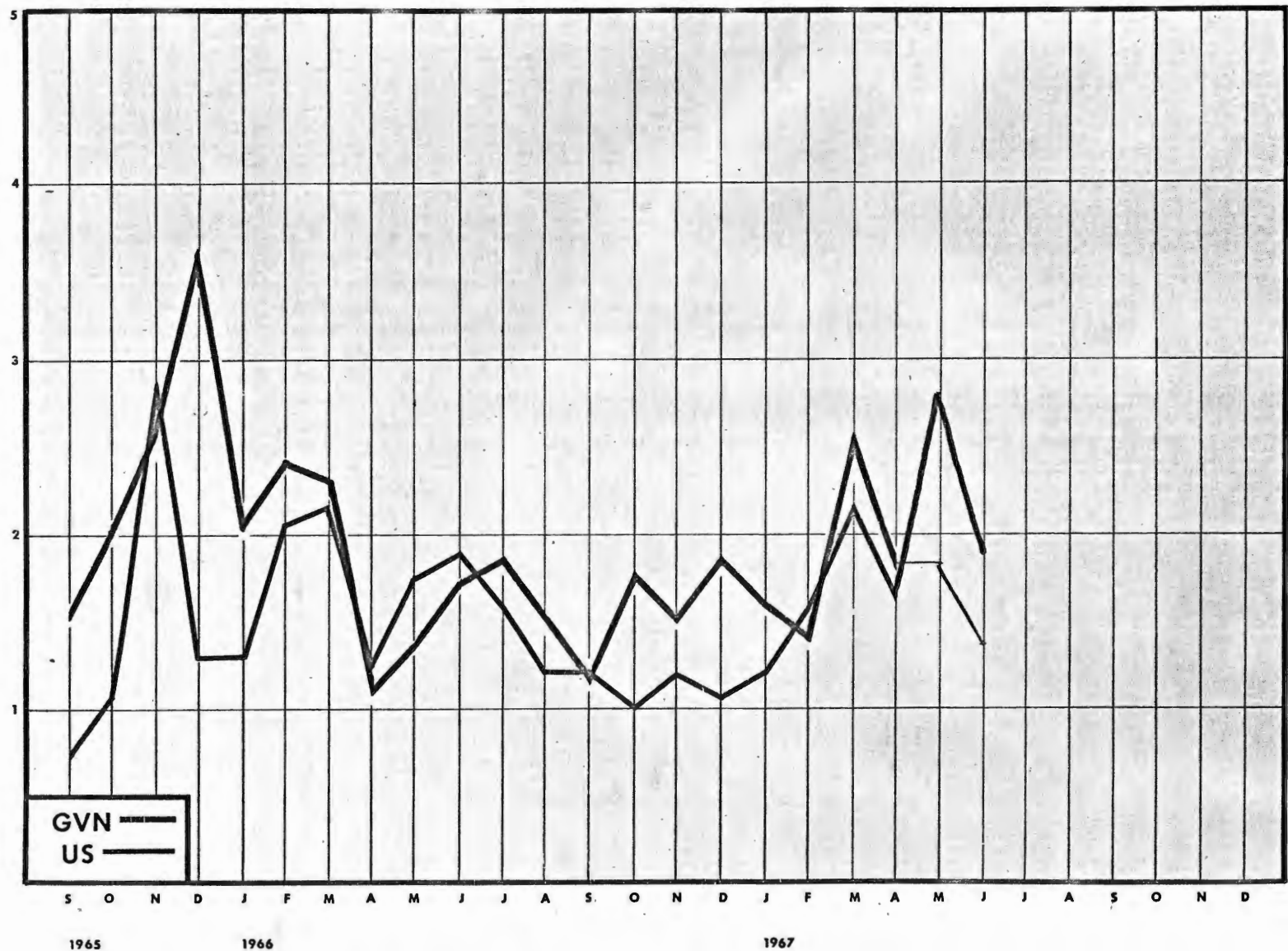
J F M A M S



Ratio GVN KIA/MIA/Cap to US KIA Per 1,000 OB



GVN KIA/MIA/Cap and US KIA Per 1,000 OB



~~TOP SECRET -- CODE WORD~~

Pres file

Tuesday, July 18, 1967
5:40 p. m.

Mr. President:

Herewith Clark Clifford's brief
but definitive analysis of the attack on
the LIBERTY.

It is based on the study of
literally thousands of pages of evidence.

Conclusions are on page 5.

W. W. Rostow

~~TOP SECRET~~

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 94-389
By us, NARA Date 6-25-98

SC No. 07445/67
Cy 1

WWRostow:rln

~~TOP SECRET~~

82a

THE WHITE HOUSE
WASHINGTON
PRESIDENT'S FOREIGN INTELLIGENCE ADVISORY BOARD

July 18, 1967

MEMORANDUM FOR HONORABLE W. W. ROSTOW

SUBJECT: The Israeli Attack on the USS Liberty

In accordance with your request, I have reviewed all available information on the subject.

Based thereon, I submit the enclosed memorandum which deals with the question of Israeli culpability. In the event additional significant information is received concerning the foregoing, I will submit a supplementary report.

Other questions involving U. S. command and control of the Liberty are being investigated by responsible officials in the Executive Branch.

Because of discussions held on this subject within the Special Committee, I am sending copies of this memorandum to the Secretary of State and the Secretary of Defense.

DECLASSIFIED
E.O. 12356, Sec. 3.4
NIJ 94-387
By cb, NARA, Date 8-30-95

Clark M. Clifford
Clark M. Clifford
Chairman

Attachment

cc: The Secretary of State
The Secretary of Defense

HANDLE VIA COMINT CHANNELS ONLY

~~TOP SECRET~~

~~TOP SECRET~~

SC No. 07445/67

THE WHITE HOUSE

WASHINGTON

PRESIDENT'S FOREIGN INTELLIGENCE ADVISORY BOARD

826

July 18, 1967

SANITIZED
E.O. 12356, Sec. 3.4
NIJ 94-389
By CB, NARA, Date 10-25-95

The Israeli Attack on the USS Liberty

The Attack

On the afternoon of June 8 (2:05 p.m., Israeli time), the USS Liberty while in international waters in the Eastern Mediterranean suffered an attack by Israeli aircraft and motor torpedo boats. When attacked the Liberty was approximately 15.5 nautical miles north of Sinai and was traveling in a westerly direction at a speed of five knots.

The initial attack consisted of five or six strafing runs by jet aircraft and was followed twenty-four minutes later with an attack by three motor torpedo boats.

The attack was executed with complete surprise, remarkable efficiency, devastating accuracy and deeply tragic results.

Israel's Explanation of the Attack

Israel's explanation of the attack is summarized as follows:

- a. The attack was an "innocent mistake--no criminal negligence was involved."
- b. Israel's Navy and Air Force had received a number of reports that El Arish was being shelled from the sea. These reports were later determined to be erroneous but, at the time they were received, they were accepted at face value by Israeli Naval and Air Force headquarters.
- c. Israeli officers who knew the Liberty had been identified earlier the same day did not connect her with the unidentified ships said to be shelling El Arish (and apparently the fact that a U. S. flag vessel was in the area was not communicated to subordinate elements of the Israeli Defense Forces (IDF)).

HANDLE VIA COMINT CHANNELS ONLY

~~TOP SECRET~~

d. A second "mistaken report" -- that the Liberty was steaming at thirty knots--was received by the IDF. When the Liberty was identified on the morning of June 8, the IDF determined from Janes Fighting Ships that the Liberty's maximum speed was eighteen knots. The second "mistaken report" led to the conclusion that the earlier identification of the Liberty was erroneous and that the vessel allegedly traveling at thirty knots was an enemy ship.

e. IDF standing orders provided that any ships in the area cruising at speeds above twenty knots may be brought under attack without further identification. Thus the air attack was launched.

f. A "third mistake" resulted in the execution of the second (motor torpedo boat) stage of the attack. This third error of the IDF was its mistaken identification of the Liberty as the Egyptian supply ship El Quseir.

g. Immediately following the air attack, serious doubts began to arise concerning the true identity of the ship, but these doubts were not communicated to the commanding officer of the motor torpedo boats before he launched the second stage of the attack.

h. Prior to launching the torpedo attack one of the Israeli boats sent an "A-A" signal (meaning "What is your identity?") to the Liberty. The Liberty, instead of identifying herself, responded with an "A-A" signal. Officers on the Israeli boats interpreted the return signal as an evasion and concluded that the vessel in question was Egyptian, whereupon the torpedos were launched.

i. The Liberty acted with lack of care by approaching excessively close to shore in an area which was a scene of war, without advising the Israeli authorities of its presence and without identifying itself elaborately. The Liberty tried to hide its presence and its identity both before it was discovered and after having been attacked.

Our Findings of Fact

Based upon a thorough review of all information on the incident which has become available thus far, I wish to submit the following findings of fact:

- a. At all times prior to, during, and following the attack, the Liberty was in international waters where she had every right to be. As a noncombatant neutral vessel she maintained the impartial attitude of neutrality at all times prior to the attack.
- b. Prior to the attack no inquiry was made by the Israeli Government as to whether there were U.S. flag vessels in the general area of the Eastern Mediterranean adjoining Israel and the United Arab Republic.
- c. The weather was clear and calm in the area at the time of attack and throughout the preceding hours of June 8. Visibility was excellent.
- d. At all times prior to the attack the Liberty was flying her normal size American flag (five feet by eight feet) at the masthead. The flag was shot down during the air attack and was replaced by a second American flag (seven feet by thirteen feet) five minutes prior to the attack by motor torpedo boats. The Liberty did not endeavor to hide her identity or her presence in international waters at any time prior to or during the attack.
- e. The Liberty's U.S. Navy distinguishing letters and number were printed clearly on her bow. The Liberty's name was painted clearly in English on her stern. (Egyptian naval ships such as the El Quseir, with which the Liberty was allegedly confused, carry their names in Arabic script.)
- f. The ship's configuration and her standard markings were clearly sufficient for reconnaissance aircraft and waterborne vessels to identify her correctly as the non-combatant ship Liberty.
- g. At the time she was attacked, the Liberty was making only five knots. Her maximum capability is eighteen knots, a fact which had been ascertained by IDF personnel when she was identified on the morning of June 8.
- h. Prior to the torpedo attack the Liberty neither received nor dispatched an "A-A" signal. The Israeli claim that the Liberty transmitted an "A-A" signal prior to the torpedo attack is demonstrably false. The Liberty's signal light capability was totally destroyed in the air attack which occurred some twenty minutes before the torpedo boats appeared on the scene. Intermittently prior to the attack Liberty personnel observed a flashing light coming from the center boat. The first

intelligible signal received by the Liberty was an offer of help following the torpedo attack.

1.3(a)(4) i. The Liberty was reconnoitered by aircraft of unidentified nationality on three separate occasions prior to the attack--5 hours and 13 minutes before the attack, 3 hours and 7 minutes before the attack, and 2 hours and 37 minutes before the attack. Personnel on the Liberty, who observed and in some instances photographed the reconnaissance aircraft, were unable to identify them fully. Positive evidence concerning their nationality is still lacking, however, there are several grounds for assuming they were Israeli: (1) when the aircraft orbited the Liberty on three separate occasions the Arab-Israeli war was in its fourth day, the Egyptian Air Force had been substantially destroyed, and the Israeli Air Force was in effective control of the air space in the area; (2) [REDACTED] received information from a reliable and sensitive Israeli source reporting that he had listened to IDF air-to-ground transmissions on the morning of June 8 indicating Israeli aircraft sightings of a vessel flying the U.S. flag; (3) in the course of advancing its explanation for the attack, the Israeli Government acknowledged that the Liberty had been identified by IDF officers early on the morning of June 8.

1.3(a)(4) j. [REDACTED] shortly after the torpedo attack, the Israelis began to have doubts as to the identity of the vessel and efforts were intensified to verify its identification. Ten minutes after the torpedo attack an Israeli ground controller still believed it to be Egyptian. Identification attempts continued, and forty-five minutes after the torpedo attack, helicopters were checking the masts, flag and bow number of the Liberty. By this time, there appears to have been no question in Israeli minds as to what had happened. The weight of the evidence is that the Israeli attacking force originally believed their target was Egyptian.

Conclusions

Based upon a thorough review of all information on the incident which has become available thus far, I wish to submit the following conclusions:

a. The information thus far available does not reflect that the Israeli high command made a premeditated attack on a ship known to be American.

b. The evidence at hand does not support the theory that the highest echelons of the Israeli Government were aware of the Liberty's true identity or of the fact that an attack on her was taking place. To disprove such a theory would necessitate a degree of access to Israeli personnel and information which in all likelihood can never be achieved.

c. That the Liberty could have been mistaken for the Egyptian supply ship El Quseir is unbelievable. El Quseir has one-fourth the displacement of the Liberty, roughly half the beam, is 180 feet shorter, and is very differently configured. The Liberty's unusual antenna array and hull markings should have been visible to low-flying aircraft and torpedo boats. In the heat of battle the Liberty was able to identify one of the attacking torpedo boats as Israeli and to ascertain its hull number. In the same circumstances, trained Israeli naval personnel should have been able easily to see and identify the larger hull markings on the Liberty.

d. The best interpretation from available facts is that there were gross and inexcusable failures in the command and control of subordinate Israeli naval and air elements. One element of the Israeli air force knew the location and identification of the Liberty around 9:00 a.m., and did not launch an attack. Yet, hours later, apparently a different IDF element made the decision to attack the same vessel that earlier flights had identified and refrained from attacking.

e. There is no justification for the failure of the IDF--with the otherwise outstanding efficiency which it demonstrated in the course of the war--to ensure prompt alerting of all appropriate elements of the IDF of the fact that a U.S. ship was in the area. There was ample time to accomplish such alerting because the Liberty had been identified as a U.S. flag vessel five hours before the attack took place.

f. The unprovoked attack on the Liberty constitutes a flagrant act of gross negligence for which the Israeli Government should be held completely responsible, and the Israeli military personnel involved should be punished.

WWR

83

Tuesday, July 18, 1967 -- 5 PM

~~1-2-67~~
P. Per file

Mr. President:

You should know that Rowly Evans is nosing around about the PL-480 Executive Order. He called Dorothy Jacobsen at Agriculture this morning to ask "about those two Executive Orders which have been recommended by the Bureau of the Budget and all of the President's other advisers, but which he refuses to sign." Evans said he had the word of a "very high official in the Executive Branch" that the Orders did exist, and that the President had refused to sign them.

Dorothy stonewalled. She explained that the 1961 Order provides machinery to operate the program under the new Act as well as the old. To be half-way convincing, she had to confirm that she does not expect a new Executive Order very soon. (This does not, of course, restrict your ability to issue an Order whenever you are ready.)

I know that you are handling this problem in your own good time. I pass on the above merely as a matter of information.

W. W. Rostow

Hamilton/vmr

Yellowey

Pres file
84

Tuesday - July 18, 1967
4:30 pm

Mr. President:

Former Brazilian President Castello Branco was killed today in a mid-air plane crash in the northeast of Brazil.

State recommends that you send the attached condolence messages to President Costa e Silva (Tab A) and Castello Branco's son (Tab B), who is now travelling in the United States with a Brazilian War College Group. A message identical with the one to the son would be sent to the daughter in Rio de Janeiro.

State is checking to see what the funeral arrangements are, and whether special delegations are being requested.

W. W. Rostow

Attachments

Tabs A and B.

Approve _____

Disapprove _____

See me _____

84a

SUGGESTED PRESIDENTIAL MESSAGE OF CONDOLENCE TO
BRAZILIAN PRESIDENT COSTA e SILVA

I have just learned of the tragic death of former President Humberto
Castello Branco. On behalf of the Government and people of the
United States I extend sincere condolences for this great loss to
Brazil and to the world.

Lyndon B. Johnson

846

SUGGESTED PRESIDENTIAL MESSAGE OF CONDOLENCE TO
CMDR. PAULO CASTELLO BRANCO,
Member of Brazilian War College Group,
at Fort Benning, Georgia.

Dear Commander Branco:

In this time of sorrow, I extend my sincere condolences for the tragic death of your father. Although words can give little comfort in this sad hour, I want you to know that we share your sorrow and that of the Brazilian people.

Lyndon B. Johnson

Tuesday, July 18, 1967 -- 3:00 PM

WWR

*Pres file
85*

Mr. President:

At Tab A, Secretary Rusk recommends that you reply to Zambian President Kaunda's message thanking you for sending the C-130's to the Congo.

At Tab B, for your approval, is the proposed reply.

W. W. Rostow

Approve _____

Disapprove _____

Speak to me _____

Log 2742

Hamilton/vmr

2742



DEPARTMENT OF STATE

Washington, D.C. 20520

1 - Hamilton
2 - file. 85a

July 15, 1967

~~CONFIDENTIAL~~

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Letter to President Kaunda of Zambia

President Kaunda of Zambia has just written to Ambassador Good to say:

May I take this opportunity to convey to President Johnson my thanks for his responding quickly to the call by President Mobutu. I was delighted to learn that the United States Government had sent some three transport planes to help President Mobutu's troops' mobility.

Yours sincerely,

Kaunda, President

I recommend that the enclosed letter be sent to President Kaunda.

Dean Rusk

Dean Rusk

Enclosure:
Suggested letter.

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-163
By *WJ*, NARA, Date 7-20-94

~~CONFIDENTIAL~~

85 b

FROM PRESIDENT TO PRESIDENT OF ZAMBIA

Dear President Kaunda:

I greatly appreciate your support of my Government's decision to grant President Mobutu's request that we send transport aircraft to Kinshasa. It is heartening to know that our response is understood and appreciated by the neighbors and friends of the Democratic Republic of the Congo.

Sincerely,

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-162
By CG, NARA, Date 6-9-95

~~SECRET~~

Tuesday, July 18, 1967
1:00 p. m.

86
Pres file

Mr. President:

I believe you will enjoy
reading this report on how the
Rumanians regard Maurer's meeting
with you.

W. W. Rostow

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By 19, NARA, Date 7-18-91

86a

SUBJECT: Rumanian Reaction to the Johnson-Maurer Meeting
of 26 June 1967

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

1. [REDACTED]

[REDACTED] from Rumanian Premier Ion Gheorghe Maurer. Maurer interpreted his 26 June 1967 meeting with President Johnson as a very important meeting and one which contributed to the enhancement of Rumania's prestige in the international sphere. Maurer said that the fact that President Johnson invited him to this meeting will give Rumania's political position on international problems increased weight, and especially on those problems regarding the Near East. Premier Maurer described the President as being an intelligent man, well-balanced, and receptive to Rumania's political position. He was impressed by the fact that President Johnson listened and showed courteous regard even though Rumania is a small country.

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

2. Maurer commented that, in general, the meeting gave him an opportunity to learn in an indirect manner the position of the United States on various international problems, particularly the Near East, and to a lesser degree Vietnam. Maurer believes that the United States government has a reasonable stand toward the Near East conflict and that the United States wishes to find an equitable solution for peace in that zone of the world. In connection with the Near East, Maurer reported that a large measure of responsibility for the provocation of the conflict in the Near East rests with the Soviet Union and a lesser measure rests with Communist China--it does not rest with the United States. [REDACTED] said that this was an interesting observation to hear from Maurer. In this same context, Maurer mentioned that Rumania could not rally to Moscow's position on the Near East because the Soviet Union is carrying out an adventurous and dangerous policy in that part of the world and is interfering in a rude manner in the internal affairs of the Arab countries.

3. Maurer manifested his regret that relations between Rumania and the United States are developing very slowly and said that he told President Johnson that Rumania

SANITIZED
E.O. 12958, Sec. 3.6
NLJ/RAC 00-209
By ctm, NARA, Date 3-22-02

wishes to establish good relations but that this will depend henceforth on the United States government. He went on to say that it is regrettable and unfortunate that relations with the United States are not better because Rumania could obtain many advantages from collaboration--economic, scientific, cultural and political.

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

4. According to our source, [REDACTED] the State and Party cadres in Rumania regard the Johnson-Maurer meeting as a positive, favorable development. It is a spark of hope, a ray of light, which could help Rumania in her policy of independence.

5. We have received a second report, [REDACTED]

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

[REDACTED] which states that in a briefing paper sent to Party organizations in Rumanian embassies abroad, the Rumanian Communist Party defined the role of Rumania as that of a mediator between East and West. In commenting on the recent meeting between Premier Ion Gheorghe Maurer and President Johnson, the paper implied that the President had given Maurer the mission of mediator between the United States and China. The paper added that President Johnson appears to know Rumania's problems in depth and, moreover, appreciates Rumania's desire and ability to act as a mediator. The President recognizes the fact that Rumania has good relations with the French government and that Rumania's "game" with China has given Bucharest stature with the Chinese. The briefing paper went on to state that the Rumanian Communist Party was pleased with the manner in which President Johnson treated Maurer but that the Party leadership would have to move with care since the Americans were following their actions closely.

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

87a

July 18, 1967

Walt:

Attached is a draft speech prepared to reply to Senator Church's arms sales speech. It was written in Defense and cleared by Kuss and McNaughton. I had it reviewed at State and by Howard Wriggins and Bill Bowdler.

Defense originally was cool to the idea of a speech but now they are rather interested in it. It would be useful in their current defense of the arms sales program.

You had asked for this ^{speech} so that the President could judge for himself whether Church should be answered. It is a good solid speech emphasizing the following points:

- Church's criticism applies to only 10% of the total sales program
- Arms sales are made in the context of our overall foreign policy--they do not control that policy
- The aggregate of combined sales and grants is not increasing
- We cannot unilaterally control arms races by refusing to sell but by a judicious policy we can discourage or limit expenditures for unnecessary or expensive items taking into account the overall resources of each nation.
- Arms sales and aid contribute to our own security and help friendly nations preserve their internal security.
- Training of foreign officers redounds to the long-range political benefit of this country.

I need your guidance on whether we should go ahead and place the speech for Senate use.

Go ahead _____

See me _____


Dick Moose

3

The recent speech on the floor of the Senate by the Senator from Idaho concerning the United States Government's military aid programs raises many points that deserve comment.

It should be noted at the outset that the scope of the Senator's criticism of our military-export programs is not nearly so broad as newspaper reporting has credited him. Senator Church concedes that:

"it makes good fiscal sense to sell arms to such developed nations as Great Britain, Western Germany, Belgium, Canada or Australia. Rich nations which enjoy the protection of our defense umbrella should help offset the costs we incur by maintaining so many troops abroad -- such as the 350,000 we maintain in Western Europe -- by purchasing weapons from us."

The Senator also recognizes that these "entirely proper" sales "to industrial countries which can afford to pay" constitute "at least four-fifths of our arms sales for this year." In fact, the percentage of U.S. arms sales going to the developed countries of Europe and Asia in recent years has been about 90 percent, with about 80 percent of that figure going to our NATO allies in Europe. The sales to developing nations criticized by Senator Church thus constitute only about 10 percent of our total sales program.

Senator Church incorrectly implies that the total of the combined sales and Grant Aid programs is increasing. He states that "As if to augment these massive

gifts of arms, the Defense Department is now engaged in a mushrooming sales campaign," and that "our total addition to the armament inventory of other nations is now higher than for any period since the Korean War".

These statements are, at best, misleading. The aggregate of the two programs is not increasing. The earlier ratio of two dollars of grant-aid for every dollar of sales is now reversed. For the past five years the total has been stable at about \$3 billion annually; it is expected to approximate \$2.5 billion in fiscal 1967, and to remain below \$3 billion for the foreseeable future. The total value of U.S. military exports over the decade 1962-1971 is not expected to be measurably higher than in the decade 1952-1961. When the effects of inflation are taken into account, total numbers of weapons and equipments will, in fact, have diminished appreciably.

Let me consider now the main points raised by the Senator with respect to the approximately 10 percent of the sales program that he does criticize. The Senator has stated:

"...we should avoid export sales into troubled regions where war hangs in the balance, and we should never promote sales contracts in conflict with our basic foreign policy objectives. Yet now, the tail wags the dog, for we have permitted our short-range concern over the balance of payments to override more fundamental interests."

I can state unequivocally that arms sales do not control U.S. foreign policy. We do not promote sales in conflict with our foreign-policy objectives; we do not permit concern over the U.S. balance of payments to override our country's more fundamental interests. No arms sale is approved by our Government until a positive determination has been made that, balance of payments

considerations aside, the transaction furthers the best interest of our nation. Accordingly, such determinations are made only after a thorough Executive Branch review -- joined in by the Department of State, the Agency for International Development, the Defense Department, and other relevant agencies -- of the legitimacy of the recipient country's requirement for the arms, its ability to pay for them, the potential effect on the peace or stability of the area, and all other pertinent foreign-policy considerations.

As a result, the amount of potential military sales turned down by the United States each year in the less developed and the less stable areas of the world far exceeds the amount of sales consummated. ~~[A striking example was the recent case of a Latin American country which requested some \$200,000,000 worth of military equipment and will be permitted to purchase no more than \$10,000,000 spread over a period of years.]~~

It is, however, an international fact of life that the United States lacks the power to bring about through its own policy the elimination of arms races in the world and the maximization of resources devoted to economic development. As the Senator stated with respect to arms limitations

"I am not very sanguine as to the chances that we can secure such an agreement at this time, but that is no reason why it ought not to be one of the primary objectives of American policy."

He further stated:

"I repeat that present indications are that the Soviet Union is not interested in such an arms embargo. However, again I think it ought to be a primary objective of American policy, so that we make it clear to the world that we are prepared, when other countries such as the Soviet Union, France, the United Kingdom, and the other principal suppliers of arms to the Middle East, are willing to enter into an

agreement, to ~~joint~~ them in a common effort to either eliminate or reduce the flow of arms into this very volatile, dangerous, incendiary region of the world."

Such an agreement, of course, has always been an important objective of U.S. policy. However, the Soviet Union has consistently frustrated its attainment, ~~most recently and emphatically during Premier Kosygin's visit to the U.S.~~ Limited arms sales and grants have therefore been made to friendly Near East governments in order to avoid the dangerous imbalance that would otherwise result from massive Soviet arms deliveries, especially to the UAR and Syria.

These complicating factors are well illustrated in the two areas of the world -- Latin America and the Middle East -- where Senator Church accuses us of having been too willing to make a sale.

In Latin America, the Senator disapproves of our agreement last year to sell Argentina 50 A-4B subsonic combat aircraft (only 25 of which were actually delivered); he states that Chile "reacted by" purchasing 21 Hawker Hunter jet fighters from Great Britain, and that Peru is now negotiating for even more advanced fighters. The Senator declares that in such situations

"...I think we must face down the argument that if we do not sell to poor countries they will buy elsewhere. This is nothing less than a demand for prostituting our own principles. If our announced policies of curtailing arms races has validity, then we must resist the temptation of the opposite course, simply because other countries may choose to follow it."

In reality, however, the policy advocated by Senator Church would probably have been the least likely means of curtailing arms races and achieving our

other foreign-policy objectives in Latin America. In brief, Argentina, Chile, Peru, and other Latin American countries were all seeking to replace pre-Korean vintage aircraft which were difficult and uneconomical to maintain. They preferred the U.S.-manufactured F-5, a supersonic jet. We offered Argentina instead the used subsonic, and cheaper, ^{sub-sonic} A-4B. If Argentina had not bought these from us, ^{probably} she would have accepted the offer of another nation to sell her more advanced, newly manufactured planes at a much higher price. Chile, when we subsequently were unable to supply more A-4B's because of the Vietnam war, did buy more expensive reconditioned subsonic aircraft in Europe.

Under the circumstances -- given the fact that Argentina was going to buy replacement aircraft somewhere -- our sale of the A-4B's had the purpose and effect of minimizing the diversion from her economic resources and, as Secretary McNamara has said, of helping to "control a potential arms race and dampen it down." I find it difficult to see now how policy objectives in Latin America would have been better served if we had followed the course of primly refusing to sell any combat aircraft to Argentina, thereby forcing her to do what Chile did.

Senator Church also attacks our policy in the Middle East. Here again, he would have had us simply refuse to sell arms. We were wrong, the Senator thinks, to try to exercise some restraining influence by judicious intervention in the Arab-Israeli arms race.

But here again, the Senator disregards the political and military realities created by the actions of other countries over which we have no control. His discussion of the Middle East situation almost completely ignores the huge build-up of Soviet arms in the United Arab Republic, Syria, and other Arab countries.

He criticizes us for making attempts "at balancing the armed forces of Israel and her Arab neighbors" -- as if the United States were the only external country affecting the balance.

The point is that the avoidance or limitation of arms races in the world is not something which the United States can accomplish alone. Senator Church recognizes this to be a fact. In a recent magazine article he speaks of the need for "joint U.S.-Soviet initiatives in limiting the spread of conventional armaments," and urges the United States to "push for passage of a United Nations resolution encouraging action to limit regional arms races."

With specific reference to the Middle East, our Government has taken just such initiatives. In Latin America too, we have urged the nations of the continent to reach agreement among themselves on arms limitations. If these and other efforts at limiting arms races are to succeed, however, they must be joined in by nations other than the United States. In the absence of such international cooperation, it is naive to suppose that the United States can unilaterally impose effective arms limitation.

Turning to the military grant-aid program, I think Senator Church gives an erroneous impression when he describes it as a runaway program that as yet to be effectively checked and when he implies that the present Administration is trying to expand the program. The amount of United States military grant-aid has declined from \$5.7 billion in fiscal 1952 to less than \$850 million in equipment and materiel services in 1967. The program proposed by the Administration for fiscal 1968 is even less.

Despite the decline in size, the principal purpose of our military-aid program today is similar to the purpose of providing assistance to Western Europe after World War II: To strengthen the capability of selected allies, especially in countries bordering the Soviet Union or Communist China, to defend themselves against external military threat. The program's other purposes are to help friendly nations protect the fabric of their societies against externally inspired internal violence, and to provide access for the United States to strategic bases and facilities, while at the same time disposing nations favorably toward the United States in their diplomacy, their public sentiment, and the direction of their internal development.

The country-composition of our present military-aid program is consistent with its principal purpose. Of the proposed program for fiscal 1968 about three-quarters of the total amount are allocated to five nations (Greece, Turkey, Iran, Nationalist China, and Korea) that ^{are} directly confront^{ed by} the Soviet bloc or Communist China. The forces of these nations are vitally important to our "forward strategy" for the common defense of the free world. Less than one-fifth of the proposed 1968 total is allocated to countries not directly exposed to the threat of aggression by Communist neighbors.

Senator Church has strong criticism for our military aid to South Korea. His objections are based on the fact that, despite this aid, 'we still insist, fourteen years after the truce in Korea, on stationing more than 50,000 American

combat troops near the 38th parallel." But the Senator does not consider how many more American troops would now have to be stationed in Korea if our military aid had not helped that country to develop a large and capable military force of its own. (At the height of the Korean conflict the number of Americans stationed there was 302,000, and there were 142,000 U.S. casualties in that conflict). Nor does the Senator mention that South Korea now has 46,000 capable troops standing alongside of ~~Canadian peace-keepers~~ American soldiers in South Vietnam.

Senator Church also accuses us of unwisely allocating military aid to Africa. He said: "here our favorite rationalization is that the gift of arms may gain us favor with the restless young African armies which have either seized, or which threaten to seize, political power."

In fact the U.S. military assistance for Africa is only about 5% of the world-wide total. More than 80% of this small African program is allocated to North Africa and Ethiopia. In North Africa the substantial flow of Soviet arms to Algeria in recent years has led to a decided imbalance between Algeria's forces and the defensive strengths of her neighbors. In the Horn of Africa also, Soviet arms shipments to Somalia have increased the concern of neighboring countries, including Ethiopia, for their security. The limited assistance which we have provided in both of these areas has been designed to assist in the development of modest defensive forces that will contribute to stability in the area and thus to a sense of security essential to economic and social progress.

The remaining small amount of military assistance for countries in sub-Saharan Africa includes principally civic action equipment for only two countries (Congo and Liberia) and training in the United States for limited numbers of African military personnel.

With respect to such training programs, I think it less than wholly fair or accurate to suggest ~~as Senator Church does,~~ that the more than 250,000 foreign soldiers who have received training in the United States have taken away primarily "an appetite for the sophisticated weaponry we have developed." This is not our purpose in conducting and financing such training, and it is not the most important effect.

Attendance by foreign officers at military schools in the United States redounds to the long-range political benefit of this country. When these officers are brought into the American environment they are directly exposed, not only to our military power, but to life in the United States and to the people and policies of this country. They have an opportunity to discover that the American people actually control the United States Government, and that United States foreign policy reflects the popular will and is rooted in a genuine desire for world peace and stability. They can observe at first-hand our civilian-military relationships and thus acquire an understanding of the appropriate political posture for military officers in a functioning democracy.

These young officers are, after all, destined to be leaders of their country's armed forces. In many cases, they are also destined -- whether or not we approve such a role for the military -- to have considerable influence on their country's domestic and foreign policies. Exposure of such men to life in the United States would seem no less desirable than comparable visits to this country by foreign students in non-military fields. I am unable to accept Senator Church's apparent view that the United States should avoid contacts with young military officers of underdeveloped countries because in many such lands "the army is usually the hated symbol of the status quo." Indeed, ~~even where that is true,~~ I can think of no more promising vehicle for change in the army itself than exposure of its young officers to American democracy.

Probably even more important is the intangible effect of the friendships they develop here and the deep feeling of affection for the United States that their stays here engender.

Senator Church, citing such events as the overthrow of the Communist Party in Indonesia by that country's Soviet-equipped army, suggests that, whenever a country seeking military aid can get it from the Soviet Union, our reaction should be: "Please go ahead." I would wholeheartedly agree with the Senator that a foreign army's "allegiance can never be bought by the gift of arms." That is not a purpose of our military aid program! Nevertheless, I find it difficult to believe that the peace of the world and the other foreign-policy objectives of the United States would be promoted, on an overall basis, if we were to sit back and approve the massive entry of Communist arms and Communist military technicians into every country which, having no alternative, might accept such aid. The influx of Soviet bloc arms into the UAR which began some ten years ago should have clearly dispelled this notion. I find it again especially difficult to believe in light of indications that the Soviets do not contemplate altering their arms policy, regardless of recent events in the Middle East.

There are many other points raised by the Senator's speech about which I would have liked to comment, if time permitted. I hope I have said enough, however, to indicate that the policy decisions involved in the United States Government's programs of foreign military sales and grant-aid are not simple, but difficult and complex, and that the U.S. tries to make these decisions in the interests of the United States and a responsible and judicious manner best calculated to promote world peace.

Pres file

Tuesday, July 18, 1967 -- 11:25 am

Mr. President:

You asked to look at a draft speech in reply to Senator Church's speech on arms sales policy.

I believe we now have a quite solid draft, if you think it politically wise to proceed to place it.

W. W. Rostow

Place speech _____ with _____

No _____

See me _____

WWRostow:rln

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28

Tuesday, July 18, 1967
10:40 a. m.

Mr. President:

Herewith, extracted from the big red book, is General Momyer's briefing, with key passages marked.

Pres file

It helped convince a number of those in Secretary McNamara's party that we are making headway in the bombing of transport in the northern part of North Viet Nam.

W. W. Rostow

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WWRostow:sln

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By kg, NARA, Date 7-18-01

~~SECRET NOFORN~~

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7AF BRIEFING

8 July 1967

SUBJECT: Operations in Route Package VIA

Mr. Secretary, I have briefed you on in-country operations and the interdiction effort in Route Package I and Laos. (Slide 1.) I would now like to turn to a discussion of our operations in Route Package VI and the effects we think those operations are having on the ability of the North Vietnamese to sustain his deployed forces.

Since your last visit our effectiveness on the North-East Railroad had increased by a factor of four. In view of this substantial improvement, I think it is necessary to cover the changes in tactics and weapons which have permitted this increased effectiveness to be realized.

Although we have not increased the total number of strike aircraft available for the war in North Vietnam, we have attained a more significant increase in air crews. (Slide 2.) It was not until about February of this year that we really reached the full potential of our forces. This fact, in my judgment, is very important in trying to come to grips with how we are doing now as compared to a year ago. Today, we are in a vastly improved posture to sustain the offensive without let up. For the first time, I feel we now have the enemy in such a condition that the initiative has turned in our favor. I will try to bring out why I have arrived at such an assessment.

Here is a picture of the CBU-24. (Slide 3.) It is a lethal weapon for FLAK suppression. This time last year production was relatively limited. As a consequence, we were using general purpose (GP) bombs for suppression. Under some circumstances they are excellent, but they don't give the coverage. The enemy defenses were rapidly building at this time last year, so we were really confronted with a very difficult problem of how best to handle the FLAK.

Here is a 37MM AAA Site. (Slide 4.) Notice the extensive protection against the CBU-24.

(Slide 5.) With the increased quantities of CBU-24, we are able to use the lead flight to saturate the area as a means of holding the fire down. If the enemy defenses are not very dense, we use only two aircraft for FLAK suppression while the remainder of the flight bombs the target. We can now trade-off FLAK suppression for bombing aircraft according to the target condition. As a matter of fact, some of the targets in the Northeast Railway system have been pounded so thoroughly we are able to go in with no large amounts of AAA thrown against us. We know this is a transitory condition and we have to keep after the defenses to hold them in check.

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DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-351
By isp, NARA, Date 3-7-95

~~SECRET NOFORN~~

Without question the most dramatic change in our capability has been the QRC-160 Pod. This Pod has revolutionized our tactics and has had a tremendous effect on the enemy defense system. This chart shows the formation we fly and the protection it gives. (Slide 6.) The strike aircraft are spaced 1500' apart horizontally and 500' vertically. With this formation the enemy is compelled to resort to barrage firing. Since there is such a degradation in tracking and azimuth he must forego individual tracking.

Before the introduction of this Pod, here is the tactic we had to use to avoid the SAM. (Slide 7.) By flying at these lower altitudes, we were exposed to a much greater degree to anti-aircraft fire. Here is the altitude span which gave the AAA better kill potential. You will note this type of tactic placed a very heavy demand on the pilot who had a minimum of time to acquire the target, pop up and roll into his dive bombing run. When one is going 540 to 580 knots this isn't much time. Since we had to fly at lower altitudes, much of the time weather prevented us from getting to the target.

With the Pod, here are the tactics we are able to employ. (Slide 8.) The fighters now are above the AW and 37MM AAA. The SAM is still a threat but not nearly as severe, and the pilot is in the real pay off position to acquire the target. This tactic has contributed more to the improved bombing than any other single factor.

The Pod has provided us with another operational advantage we didn't formerly enjoy. As you can see by this chart, weather is the dominant factor in our ability to sustain the air offensive. Even during the "so-called" good weather months, there are periods when parts of the target area are covered with clouds. Formerly, I couldn't operate with less than 10,000 feet and five miles visibility since the pilots had to see the SAM's in order to evade them. With the Pod I can come in over an undercast and take a chance the weather will break at the last minute in the target area. This has increased my strike potential tremendously and accounts for part of the explanation of why we have been able to mount a much higher rate of effort than last year.

The effect of the CBU-24's, the QRC-160 Pods and the new tactics is reflected in the attrition rates. (Slide 9.) You will note a year ago in August our attrition was about 18.1 aircraft per 1,000 sorties for Route Packages V and VIA. Since we have been using the Pods and CBU'S there has been a significant reduction in our loss rate. The current loss rate in Route Packages V and VIA is at a new low as shown on the right of the chart. What this means to me - - is more effectiveness per sortie and a greater weight of effort against the enemy as compared to last year. It also means we have more latitude in employment.

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There is another major change since your last visit. This time last year the MIG threat was building very rapidly. The numbers were not changing but the proficiency and aggressiveness of the pilots was increasing. On this chart is a plot of the reactions we were getting by month. (Slide 10.) The numbers in the circles along the top of the columns are MIG shoot-downs. As would be expected, the reactions were light during the months of January, February and March because of the relatively low number of penetrations we were making because of weather. Note, however, the rapid increase and then the sharp decline. We have not encountered MIGS since 11 June. Our losses have drastically dropped off since that date.

When we received authorization to hit the airfields, this forced the enemy to put up more of a fight or be destroyed on the ground since he couldn't be sure we wouldn't attack all of his fields. This circumstance plus the additional targets authorized such as railroad repair yards, power plants and supply installations brought about the opportunity for the air-to-air battles. This chart shows the results of those engagements. The authority to hit airfields is what created the situation favorable for air engagements. The best means of destroying an Air Force is still to catch it on the ground. For all practical purposes his Air Force was destroyed.

The NVN Air Force is being restored as you know. This chart shows the current order of battle. (Slide 11.) As surely as it comes up and engages, we shall destroy it again. You might ask, "won't the Soviets or Chinese increase the size of the force?" In my judgment, the North Vietnamese are about at the limit of their capability. To support a larger Air Force, it would have to be manned from outside resources.

By these air-to-air engagements, we have gained a significant advantage these past weeks. Our fighters have had to jettison very few bombs because of MIG'S, and we have been able to concentrate with greater authority on getting the bombs on the target. This, of course, is what we are after.

This Mr. Secretary, is a resume of what I think are fundamental changes in the air environment. I would now like to discuss what we have been able to do in disrupting the ability of the enemy to support his forces in South Vietnam.

My main objective since the onset of the good weather has been to increase the pressure to the maximum extent possible against the main lines of communication in North Vietnam. It is estimated that about 70% of the war materiel comes in over the Northeast Railroad. During the month of June we have flown 1,540 sorties in Route Package VIA. Last year at this time the best we could do was 195. Pilots refer to the area outlined in red as the "Iron Triangle". (Slide 12.) Our attacks

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have varied up and down the line in order to create as many bottle-necks as possible so as to destroy the rolling stock. Our sole objective has been to make it as difficult as possible for the enemy to handle and distribute the incoming supplies. I believe we have demonstrated this past month we can keep the transportation systems interdicted and disrupted at a rate that will cause him serious distribution problems.

I would like to show you a few slides on what we have been doing to these lines of communication. It represents some of the best fighter-bombing I have seen under very difficult operating conditions.

(Slide 13.) The downing of the Hanoi Railroad-Highway Bridge, struck by F-105 aircraft in April, backed up rail traffic all along the Northeast Rail Line.

(Slide 14.) This photo was taken during the strike on the largest railway car repair shops in NVN - - The yard is 1-1/2 nautical miles from Hanoi.

(Slide 15.) The Huong VI RR yard on the newly completed Kep-To-Thai Nguyen Bypass Rail Line - - before and after shots of our attack on the 26th of May. We caught the North Vietnamese in the process of off-loading large POL tanks from rail cars (they can be seen to the right of RR cars in the right-hand photo). Because of the operating conditions we now enjoy, I am able to slide strike fighters from one target to another when there is rolling stock in a marshalling yard. We now send the IRON HAND flight 5 minutes ahead of the strike forces. If he sees rolling stock, the flight leader is requested to shift targets. We may modify this tactic depending upon enemy changes in defense.

(Slide 16.) This photo shows the closure of the Kep-Thai Nguyen line - - the destruction of the Dong Muc Rail bridge. A repair train can be seen in the cut at the top of the picture.

(Slide 17.) This is the Ha Gia Railway Bridge. Two of its spans were downed on 12 June.

This slide portrays some of the tangible effects of our campaign in the north. (Slide 18.) The numbers down the left side of the chart are key targets on the Northeast Railroad and the Kep-Thai Nguyen Bypass. The green bars represent disruption in his rail system. You can see, from the eighteenth of May on, we have had his transportation system heavily interdicted. From the beginning of May we have had a continuous interdiction of key bridges, JCS 13 and 16, on the through lines. As an example, on the 27th of May the main line was cut at 7 major points and the Thai Nguyen bypass was also cut in 7

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areas. This chart illustrates the major pressure we have had working against the enemy during May.

DIA estimates the NVA attempts to ship approximately 1,000 short tons on this line daily, based on supplies required in 1966. At each impasse, where the rail line has been cut by interdiction of yard or bridge, the North Vietnamese can wait for repairs and thus tie up valuable rolling stock; they can off-load the materials so that the rolling stock can be released; or they can transship by trucks. This chart represents the transshipment costs for NVN on the Northeast Rail Line, for this relatively short period of good weather. (Slide 19.) The estimate of the number of truck loads required for transshipment is based on three tons per truck.

So far during the month of June the weather has been good, bombs have been landing on target, and as you can see the Northeast Rail system has been interdicted for much of the time. (Slide 20.) This illustrates my earlier point of being able to sustain the effort without major interference. We have kept this effort going at a very acceptable loss rate.

Transshipment costs for NVN for the month have been heavy. (Slide 21.)

Another indicator of the disruption in the movement of supplies on the Northeast Railroad system is the number of times that the key bridges and Railroad yards have been successfully attacked. (Slide 22.) Bridges are coded blue and railroad yards in red. Rolling stock observed along the rails is shown in green. Between 15 May and 30 June the number of flights striking key interdiction targets are shown in the circles. Some variations occur because of weather, but our strikes are planned against his concentration of rolling stock. I have tried to set up a series of blocks that would seal in the rolling stock. I think we have been very successful this past month.

An overall summary of our strike results are shown on this slide. (Slide 23.) These enemy losses point out to us the importance of interdicting military supplies as far away from the battlefield as possible. The more difficult we make it for him to move his supplies, equipment and war goods at home the greater the delay those essential resources will encounter in getting to his fighting troops.

As a further result of our increased attacks against the transportation system, there has been a heavy demand for ammunition. It is estimated there are some 6,800 AAA guns of 37MM size or larger. These guns are deployed as indicated on this chart. (Slide 24.) We estimate that the recent monthly firing rate by the enemy has required about 25,000 tons of ammunition. To move this ammunition required 8,300 truck loads - - if trucks were used. These are resources that could be turned against our troops in the south if it were not for our pressure which forces him to react in the North.

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The majority of our aircraft losses occur in the immediate vicinity of the target area. AAA is our major threat. The degree of AAA reaction is shown on this slide. (Slide 25.) Percentages of reactions to attack for each week since July 1966 are indicated by the vertical bars.

Although the rate of reaction has been fairly constant, from mid-May the intensity and accuracy of enemy AAA has shown a downward trend. Since mid-May, on some days our strike forces experienced mixed reaction even in heavily defended target areas. The significance of this chart when related to level of effort is the number of reactions are down while the number of sorties is at the highest level of the war. In other words, the day to day pounding has had a wearing down effect on his whole defense system. I am sure if we give it a rest we will see a resurgence of its former self.

We estimate the SAM firing rate as shown on this chart. (Slide 26.) Even though his kill rate is about 1 to 54, he has fired without much restraint. From pilot observations, approximately 70% of the SAM'S miss by more than a mile. This represents a monthly requirement of about 900 tons to be moved. Since 14 June there has been a sharp reduction in the SAM firing rate. The fact that there has been a slow down in his firing indicates the logistical system is straining to meet the requirements in a timely manner, or there has been a delay in the shipment of weapons from the Soviet Union, or he may be trying to devise some better tactics. I am inclined to think it is the strain on his logistical system. Since 1 June we have lost one aircraft to a SAM. It was a recce aircraft in Route Package V and was shot down by a field deployed SAM. During June we have been flying at an unprecedented rate and the enemy has fired only 101 missiles at our strike aircraft. I think this reflects a logistical problem of some dimension. In any event, if he is having problems this close to the source of his supplies, they are certainly accentuated in supporting his forces deployed to the north of the DMZ and in South Vietnam.

One of the best indicators of "How the war is going" is the bomb jettison rate. (Slide 27.) The rate for MIG'S, SAM'S and AAA are shown by the vertical columns. In the month of April, I authorized combat crews to jettison bombs "SAFE" if a good opportunity for a MIG shoot-down occurred. This was one of many actions taken in our battle to destroy the MIG'S in the air.

As a field commander directing the day to day air effort against North Vietnam in Route Package V and VIA, there is no question in my mind about the very profound effect we are having on the enemy's fighting ability.

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As I have tried to show this judgment is predicated on a number of factors. These factors are: (Slide 28.)

(A) We are able to sustain a level of effort not previously possible.

(B) Loss rate has gone down while sortie rate has gone up.

(C) SAM firings have dropped off significantly. Some reports indicate a rationing of missiles.

(D) Anti Aircraft Fire has fluctuated from heavy to moderate indicating some difficulty of supply.

(E) Since ¹¹/₇ June we have had no MIG engagements. The enemy Air Force continues to flee the battle area.

We have destroyed his Air Force even though it is now restored. He knows it will experience a similar fate if it comes out to fight again. This is a most demoralizing situation for an Air Force to be in.

(F) We have seriously disrupted the Northeast Railroad and kept it disrupted for the better part of a month.

(G) There is a major change in the speed with which he now repairs bridges, marshalling yards and removes rolling stock.

(H) We have destroyed or damaged nearly 1,000 box cars during June. These can be replaced, but it strains a system that is already laboring to keep up.

In view of these considerations, Mr. Secretary, now is the time to increase our pressure. The enemy for the first time is feeling and seeing the full effects of our air offensive. If we can broaden and increase our effort we have the most favorable time of the war to effect a change in the attitude of the enemy. These next few months of good weather could be decisive for us.

LT GEN MCMYER
TSN 3101

7

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89

Pres file

~~SECRET~~

Tuesday, July 18, 1967
8:55 a.m.

Mr. President:

Herewith Nick's statement of the case against Intelligence Board "cover" and the case for "full consultation."

I believe that "full consultation" would work if we were to say:

-- A summit conference among troop contributors is envisaged in the autumn, after the Vietnamese elections;

-- In the meanwhile, we wish to share our own thoughts on Viet Nam with our fighting allies; and

-- In particular, we wish to learn directly their thoughts about the current situation and to begin to ascertain from them their views on appropriate items for such a summit conference.

This makes not only good cover but good sense. One reason the Punta del Este meeting went well was that it was overtly planned for some time.

W. W. Rostow

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DECLASSIFIED
E.O. 12356, Sec. 3.4
NIJ 94-162
By cb, NARA, Date 6-9-95

WWRostow:rln

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DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 94-163

By ijp, NARA, Date 3-20-95

DEPARTMENT OF STATE

WASHINGTON

~~SECRET~~

July 17, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Clifford/Taylor Trip

I attach a draft outgoing message to the Manila capitals, seeking their concurrence in the Clifford-Taylor trip. Messrs. Clifford and Taylor concur in this message, as does Secretary McNamara.

On reflection, all of us have concluded that it would be impractical and unwise to try to use any Intelligence Board "cover" for this trip. The nature of the required appointments alone is totally out of keeping with such a "cover" purpose, and we believe it would be immediately seen through and derided. We believe that the justification for full consultation is wholly adequate and indeed better in terms of avoiding excessive speculation about immediate decisions for additional forces.

If this message could go tonight we would hope to be able to make an announcement by Wednesday or, at the latest, Thursday. With a Saturday departure, this would avoid the impression of excessive haste.

Messrs. Clifford and Taylor already have preliminary briefing papers, and we should be prepared by Thursday to go over the whole trip with you for your final instructions.

Walter D. Diefenbacher
Under Secretary

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Pres file

~~CONFIDENTIAL~~

Tuesday - July 18, 1967

Mr. President:

I suggest we consider under the "Other" item of our "Tuesday Lunch" agenda the Peruvian program loan and the related issues of IPC and supersonic aircraft. Rusk and McNamara will come prepared to give you their views.

Prospects on IPC

Belaunde told the IPC representative yesterday that he had four options for handling the IPC bill:

1. Form a dummy corporation with majority Peruvian capital and enter into an operating contract with it. (IPC won't buy this formula.)
2. Veto the bill. (Politically Belaunde can't afford to do this.)
3. Sign the bill and drag out implementation indefinitely.
4. Promulgate the law and send it back to Congress for clarification as to whether it permits him to enter into an operating contract with a foreign company.

He did not commit himself to which option he would follow. What scant evidence we have indicates that he would go for the fourth option if Haya de la Torre (head of the opposition APRA Party) will give assurances that APRA will not attack him if he makes an operating contract with IPC.

We have a man in London now talking to Haya de la Torre. Haya returns to Peru this Thursday and, if he is so inclined, ^{could} reach an understanding with Belaunde in time for Belaunde to follow the fourth option. If Haya won't play ball, the betting is that Belaunde will start with the fourth option and then slip into the third so as to maintain the "no impairment" agreement he has with you.

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One related favorable development is that the Peruvian Government yesterday announced that agreement had been reached with ITT over the telephone system. Over a three-year period:

- ITT will make an immediate modest expansion of telephone facilities.
- Peruvian users will be able to "buy out" the company.
- A much larger expansion of service will follow, open to international bidding in which ITT can take part.

The Background on Supersonics

Beginning in 1963, the larger South American countries indicated their interest to go supersonic. To hold them off, McNamara agreed then to sell them F-5's in 1969-70 if their economic position permitted.

Since 1965, Argentina, Chile and Venezuela have bought planes from us, the U. K. and West Germany, respectively -- but they were all subsonic.

Peru, and recently Brazil, have shown impatience over waiting until 1969-70 for F-5's and have started negotiations with the French for Mirages.

The situation we now face is:

- We can't make F-5's available, or enter into negotiations, right away because of the adverse impact it would have in Congress on the Alliance and MAP.
- Unless we have an attractive alternative, Peru and Brazil will buy Mirages and the Congressional reaction will be just as severe.
- Our best strategy is to reiterate the McNamara pledge and tell them to be patient until later in the year on implementation.

Behind this strategy lie these considerations:

- Northrop could start talks in October or November after the Congress adjourns.
- The lead time for F-5's is 20 months, which would place delivery in the time frame of 1969-70.

W. W. Rostow

P.S. - I have just learned that the House Foreign Relations Committee has approved an amendment to the AID bill (Ross Adair introduced it) banning aid of any kind to any Alliance country that acquires supersonic military jet aircraft from any source or by any means.

This amendment is mischievous in the extreme, since some countries will obtain such aircraft whether we like it or not. To the proud Latins, sanctions of this nature produce the opposite effect of what they are intended to achieve.

I can see all the good work of the Summit going down the drain if this amendment is ~~approved~~ *maintained*



Participation
Local
what's up?

Plan
Procedure

1. Ray Telles
2. Hearing
3. back to a plan

~~CONFIDENTIAL~~

Tuesday - July 18, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Your Meeting with Our US-Mexico Border Development Commission.

Bands
contests
San Antonio

what projects - plan - such 2. Pres file
- added notes.
State - cited.
Job Govt
Neighborhoods

You have agreed to meet with Ray Telles and the other members of the US Section of the United States-Mexico Border Development Commission at 11:30 a.m. on Wednesday, July 19. President Diaz Ordaz will be meeting at about the same time with the Mexican Section. The purpose of the dual meeting is to:

- formally announce the members of the Commission. (Draft release at Tab A).
- stimulate the naming of the Mexican Section (this has now been accomplished).
- urge Ray Telles to come up with a specific development program in health, education, job opportunities, housing, transportation, tourism.

Last August you approved a three-phase plan of organization for the Commission:

- Phase I - negotiations with Mexico on establishment of the Commission.
- Phase II - study of economic and social problems of border communities.
- Phase III - proposals for administering and financing our part of the program based on the Phase II study, including seeking Congressional authorization and appropriations.

In approving the plan you indicated that you wanted to see the results of Phases I and II before you authorized Phase III. The agreement with Mexico was that the study under Phase II would be the basis for a joint program.

~~CONFIDENTIAL~~

DECLASSIFIED

Authority, State Sta 11/30/78
By rglip, NARA, Date 7-19-91

The Commission is now in Phase II and stalled over a difference of approach as to its task. Ray Telles tends to look upon the Commission primarily as a coordinating group to straighten out day-to-day operational problems between existing US and Mexican agencies. In part, this view stems from his desire to become US Ambassador to Mexico and he sees this type of activity as a stepping stone. He is also a man of action rather than of analytical planning. This comes through in his memo to you on the mission of the Commission (at Tab B).

State and OEO see the Commission's job as primarily developmental in working out specific programs for improving education, health, housing, transportation, work opportunities and tourism along the border. Where it can be useful in coordinating problems which are the primary responsibility of other agencies, it can do so, but this would be an incidental function. The Mexican Government shares this view.

The message I would like you to convey to Telles is:

- you want to see the Commission become operational with a sound development program as rapidly as possible.
- this means formulating concrete projects which can be carried out either jointly with the Mexicans or by each government individually.
- you would like the Commission's recommendations for such projects by not later than October 1, with an indication of those which can be carried out with funds already available to the agencies and those requiring appropriation.
- these recommendations will serve as a basis for discussion with the Mexican Government as agreed in the exchange of notes of November 30 - December 30, 1966.

~~CONFIDENTIAL~~

-3-

- they will also provide a basis for seeking authorizing and appropriation legislation in FY 1969.

At Tab C is a scenario paper for the meeting, with talking points.

W. W. Rostow

Attachments

Tab A - Draft WH Press Release.

Tab B - Amb. Telles' memo on mission of the Commission.

Tab C - Scenario for the meeting.

~~CONFIDENTIAL~~

A
9/a

DRAFT PRESS RELEASE

Office of the White House Press Secretary

THE WHITE HOUSE

President Johnson met today with the United States Section of the joint United States - Mexico Commission on Economic and Social Development of the Border Area. The Chairman of the United States Section is Ambassador Raymond Telles, formerly Mayor of El Paso, Texas, and, until recently, United States Ambassador to Costa Rica. His fellow Commissioners are:

**Covey T. Oliver,
Assistant Secretary for Inter-American Affairs,
Department of State.**

**Lisle C. Carter, Jr.,
Assistant Secretary for Individual and Family Services,
Department of Health, Education and Welfare.**

**Don Hummel,
Assistant Secretary for Renewal and Housing Assistance,
Department of Housing and Urban Development.**

**Stanley H. Ruttenberg,
Assistant Secretary and Manpower Administrator,
Department of Labor.**

**William H. Crook,
Director of VISTA,
Office of Economic Opportunity.**

This was the first opportunity the President has had to meet with the Commissioners as a group. The Commission began its work in April of this year, shortly after Chairman Telles arrived in Washington from Costa Rica. Chairman Telles in April and May visited the more than 25 border communities between Brownsville, Texas and San Diego, California, to study economic and social conditions and to confer with local and state officials on activities which the Commission might undertake. The Commission is now engaged in the preparation of a program.

At today's meeting the President made a brief statement to the group re-emphasizing his strong interest in working with the President of Mexico in raising the standard of living of the people on both sides of the border, and in strengthening the close ties which exist between the two countries.



DEPARTMENT OF STATE

WASHINGTON

Office of the Chairman, U.S. Section
U.S.-Mexico Border Development Commission
Room 800
1800 G Street, N.W.
Washington, D.C.
July 14, 1967

B 2717
1 Bowler
2 Ret.

9/13

MEMORANDUM FOR THE PRESIDENT

Subject: Poverty Along the U.S.-Mexican Border:
Requirements for Study and Action

During my seven-week tour of the 2,000 mile frontier with Mexico in April and May, I saw the most moving and compelling evidence that the United States and Mexico must act with decisiveness and speed--jointly and unilaterally--to alleviate unemployment, disease, malnutrition, ignorance and a general feeling of desperation among the peoples of that area.

It is clear to me that the study which you directed me to supervise as Chairman of the U.S. Section of the Border Development Commission must be undertaken simultaneously with pilot programs and low-cost, high-impact projects focusing on targets of opportunity which we can attack now, without waiting for the results of a formal study. For the present, the funds for these action projects will come from existing agency budgets.

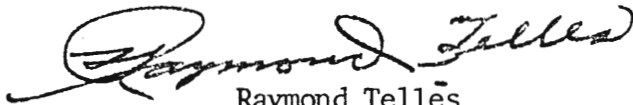
I believe that an effective study of conditions along the border must include experimental and demonstration action projects--just as I believe that effective programs in the border area must be based on a thorough but expeditious review of the problems and alternatives that face us there. The Commission can coordinate U.S. programs in the border area and help bring to bear available resources on critical problems. The Commission can also help resolve many of the day-to-day problems which affect our good relations with Mexico on the border.

In my last talk with you on this matter, I was deeply impressed with your determination to do something about the situation along the border. I was equally impressed at the swearing-in ceremony for Vicente Ximenez to hear you call for more action now rather than for reports in the future. In my approach to our problems along the border, I have taken this admonition very seriously.

I intend to see to it that as much of our effort as possible bears fruit in the depressed areas of Texas, New Mexico, Arizona and California by mid-1968.

My Section of the Commission is in general agreement with me on this approach, and I wanted you to have these views as background for our meeting on July 19. A more detailed explanation of the purpose and objective which the U.S. Section will pursue is set out at Tab A.

I would be pleased to discuss this with you in more detail, if that would be helpful to you.



Raymond Tellés
Ambassador

Enclosure:

Mission of the Joint U.S.-Mexico
Border Development Commission (Tab A).

9/c

MISSION

The Joint U.S.-Mexico Border Development Commission shall seek to improve the standard of living of the people on both sides of the U.S.-Mexican border and to strengthen friendly relations along the frontier between the two countries.

The necessary programs will be initiated to fulfill this mission. Some programs will be undertaken by the Joint Commission. Others will be initiated by the U.S. Section of the Commission. The Commission will also advise and assist other agencies with their programs in the area.

PROGRAMS TO BE UNDERTAKEN

I. Study and Planning Program of Joint Commission

A. Preparation and submission to the two Presidents of joint economic and social programs in such areas as:

- . labor
- . industry
- . education and training
- . community development
- . health
- . housing
- . agriculture
- . transportation

B. Preparation of a joint comprehensive regional border economic and social development plan.

II. Action Program of U.S. Section

A. Coordinate existing U.S. programs to assure the optimum use of resources to achieve highest priority objectives. Advise and assist federal agencies and other entities, such as state and local governments and civic organizations, on the planning and implementation of economic and social programs in the border area.

B. Encourage better understanding and cooperation between United States and Mexican labor organizations along the border through:

1. Sponsoring joint meetings to discuss labor problems and programs on both sides of the border.

2. Encouraging the establishment of joint labor councils along the border.

C. Encourage joint action programs between U.S. and Mexican social, cultural, service and other community action groups.

D. Under the general guidance of the Department of State and in cooperation with the U.S. Embassy in Mexico, help resolve many of the day-to-day problems which affect relations between the people of the two countries.

III. Program Coordination of U.S. Section

A. Consult with members of the U.S. Congress.

B. Consult with federal agencies, state and local governments, other community organizations and leaders and other interested parties.

C. Cooperate with the Chairman and members of the Inter-Agency Committee on Mexican American Affairs with respect to problems on the U.S.-Mexican border.

IV. Legislative Program of U.S. Section

Preparation and recommendation to President Johnson of legislation or other appropriate authorization to provide:

A. Permanent status of the U.S. Section as part of the Joint U.S.-Mexico Commission for Economic and Social Development of the Border Area.

B. The budget required for research, program implementation and administration.

July 14, 1967

Opening Remarks by the President

9/e

1. I am glad to meet with you today to discuss the problems and opportunities of the United States-Mexico border region.
2. As I told Ambassador Telles when I asked him to chair the new Commission, I long have had a deep concern for the people of that area.
3. I was happy to find, as I got to know my good friend President Diaz Ordaz of Mexico better, that he shared my conviction that the meeting and blending of the cultures of our two great nations should be a source of positive benefit for all.
4. When President Diaz Ordaz and I met in Mexico City in April last year, we took note of the friendship and harmony along our common border and expressed our determination "to improve the relations between the frontier cities of both countries and to elevate the life of those who live in the border region."
5. I want to reiterate to you my profound commitment to this task and ask that you, working with your Mexican colleagues, bring your best efforts to bear on it.

91 1/5

Closing Remarks by the President

1. The task before you is primarily one of development.
2. The Mexican-Americans for the most part in the Southwest have been neglected. Mr. Ximenes' Commission is working on this problem.
3. Your area is the border communities where the neglect is more noticeable.
4. Per capita income on the US side is about \$1400, less than half of the floor we have set as a decent standard of living. On the Mexican side it is \$600.
5. There is no reason why a boundary line should make such a difference. Your job is to raise the standard on both sides.
6. I want you to tell me what we can do to improve education, health, and housing. I also want you to look at the pace of industrialization and the adequacy of transportation to see if more and better paying jobs can be created and the bottle-necks to trade removed.
7. Then, given the agreement we have with the Mexicans and their sensitivity on border relations, it is important that you meet with your Mexican counterparts to reach agreement on what the cooperative program should be.
8. I know that occasionally there will be coordinating problems with respect to existing agency operations. If your Commission can help resolve them, you should not hesitate to offer your services. But the urgent task is to draw up and carry out a development program.

9. I would like to have your ideas by October 1 on projects that can be started immediately. I would like to know which can be carried out by existing agencies with funds now available and which will require new appropriation.
10. Be sure you work closely with your Mexican counterparts.
11. You have my full backing in your endeavors.

~~SECRET~~

ACTION: Amembassy BANGKOK IMMEDIATE
CANBERRA "
MANILA "
SAIGON "
SEOUL "
WELLINGTON "

NODIS
EYES ONLY FOR AMBASSADOR OR CHARGE

92
7/18/67
Profile
DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 94-163

By ij, NARA, Date 3-20-95

1. For your background, President wishes to send Mr. Clark Clifford and General Maxwell Taylor, with very small party, to Saigon and then to consult in rotation with Manila nations for full exchange of views on current situation. They will be representing the President and will report to him on their return. We count on you to arrange appropriate appointments and otherwise facilitate their mission. We would expect that it would be pointed out that such consultation natural at this stage, in the wake of the McNamara mission but before a summit meeting.

Instruction below is first step in obtaining Manila government concurrences. Tentative proposed schedule, assuming such concurrences, would be departure about Saturday, July 22, with visits to Saigon (July 24-27), Bangkok (July 27-28), Canberra (July 29-31, to include day of rest), Wellington (July 31-August 1), Manila (August 2-3), Seoul (August 3-5), and then return to Washington.

2. In order to obtain host government concurrences in this plan, you should deliver following personal message from President to Thanom, Holt, Marcos, Thieu, Park, and Holyoake respectively:

~~SECRET~~

~~SECRET~~

-2-

QUOTE: Dear (Salutation):

I have now had the opportunity to review fully Secretary McNamara's findings from his recent visit to Vietnam, and I have sent you a summary of the highlights.

In the meantime, it seems evident that Hanoi has been reviewing its position. While we think it unlikely that they have reached any serious decision in the direction of peace -- and may indeed be headed in just the opposite direction -- it seems entirely possible that we shall be confronted in the near future with some new tactical move. In any event, there is much to discuss concerning Hanoi's attitude, including the question of the possible effect in Hanoi of the apparent steady deterioration and increasing extremism in Communist China.

In the light of these developments, I have been giving thought to the need for full consultation among all the Seven Nations with forces in Vietnam. The April meeting of our foreign ministers was most helpful, but I believe we ^{should plan on the next occasion to} ~~need something that would cover all the major strategic and diplomatic issues. At the same time, while all of us have been giving thought to the possibility of another summit conference, such a conference is plainly out of the question until after the Vietnamese elections and the establishment of a new and constitutionally based government in Saigon.~~

~~SECRET~~

~~SECRET~~

-3-

Accordingly, I have asked my most experienced and trusted advisors, Mr. Clark Clifford and General Maxwell Taylor, to travel to Saigon for a review of the situation, and then to make their observations available to my colleagues in the capitals of the other nations with forces in Vietnam. Mr. Clifford and General Taylor have participated fully in our review here of the McNamara findings, and have been intimately associated over a long period with the whole situation. I repose the fullest trust and confidence in them.

The fundamental purpose of the trip would be, then, interim consultation on all aspects of the Vietnamese problem.

With the momentum we have achieved, it is more than ever vital to convince Hanoi that we mean to keep up the pressure. We must meet and defeat whatever Hanoi may do in the South, while continuing to deal effectively with thrusts across the border by North Vietnamese forces and with the infiltration routes and sources of supply in North Vietnam.

The Vietnamese themselves fully recognize that they must do more, and General Westmoreland feels substantial additional need for external help. Accordingly, Messrs. Clifford and Taylor will be in a position to review these Vietnam questions with you on a totally private basis, as fully as possible, and to indicate the actions that we ourselves have in mind.

~~SECRET~~

~~SECRET~~

-4-

Could you let me know as soon as possible your reaction to this suggestion and whether the idea of the trip, together with possible dates, would be acceptable to you?

With warm personal regards,

(Signed) LBJ END QUOTE

3. In presenting letter you may draw on background in para 1, including dates. You should tactfully make it clear that we would appreciate immediate response, to permit announcement here Thursday or Friday, with advance notice to other capitals so that they could confirm as desired. As indicated in tentative schedule, we hope for departure Saturday here.

4. For your own planning purposes, or if question should arise in presenting letter, schedule in each country should be as businesslike as possible, and party would wish to avoid formal entertainment if this can possibly be done. We would welcome your suggestions on schedule in each country, and will provide further guidance, including ways to keep press speculation at minimum.

5. For Saigon omit para. beginning "The Vietnamese themselves."

~~SECRET~~

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

43
Pres file

~~SECRET~~

Monday, July 17, 1967, 8 PM

MEMORANDUM FOR THE PRESIDENT

Through: Mr. Walt W. Rostow
From: McGeorge Bundy *inf. B.*
Subject: Middle East This Week

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By *JW*, NARA, Date 1-11-00

We plan to bring you up to date on this matter at the Tuesday lunch group six o'clock meeting tomorrow, but you may want to be chewing on one general issue in the meantime. Not far down the road I think we will face a major judgment as to whether we wish to use our own influence in an effort to produce some form of settlement between Israel and Jordan. The tough issue will be Jerusalem, and the next most important question that of the status of the West Bank. If the Israelis were to give Hussein as a final answer what they have been giving to us -- and if Hussein were to demand of the Israelis what he says to us that he needs -- there would be no agreement, and Hussein would either abdicate or turn to Moscow. Both sides are veteran bargainers, and Hussein clearly wants some sort of bargaining. What is not clear is whether the Israelis can bring themselves to give him a bargain. For a number of reasons, I am persuaded that a bargain with Hussein is in Israel's own best interest, even if it implies fudging the issue of control of Old Jerusalem and greater generosity than he deserves over the West Bank. They will have only trouble without him, and the fancy schemes for a Palestinian-Arab state on the West Bank, which they have been playing with, are nothing but sources of trouble (as their wisest men know). *But I doubt if they'd agree today.*

Pretty soon now we shall begin to have a major chance to bargain with the Israelis. They are getting ready to talk with us about lots of weapons.

Question: Do we link a settlement with Jordan with their secure access to our weapons? There are powerful arguments both ways, and it is not my purpose tonight to offer you a full account of them. The issues are pre-eminently Presidential in character, and I think the Tuesday group will need just as much comment and guidance as you feel able to give. If we take a passive role, I doubt if there will be a settlement between Israel and Jordan. Indeed there may not be a settlement in the works no matter what we do, *But the worst course of all* would be for us to embark on a course which requires pressure on Israel if in fact at the moment of truth we are likely to conclude that it is unwise to apply such pressure.

~~SECRET~~

94

Pres file

July 17, 1967
Monday, 6:45 p. m.

MEMORANDUM FOR
THE PRESIDENT

Attached is today's Situation Report
on Political Developments in Viet-Nam.

Att. W. W. Rostow

SECRET-EXDIS ATTACHMENT

~~SECRET-EXDIS~~

94a

Situation Report on Viet-Nam

July 17, 1967

New Developments

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-163
By ijg, NARA, Date 7-20-94

Saigon 1164 describes Ambassador Bunker's meeting with Ambassador Bui Diem. The latter claimed that a written agreement between Thieu and Ky did exist and that he had seen it. He said that he had talked to Thieu, but gave no details. Bui Diem also indicated that there was to be another meeting of the Armed Forces leadership today to discuss "the whole range of problems connected with the Thieu-Ky candidacy."

A consistently reliable source states that Ky's earlier campaign manager, Social Welfare Minister Phong, has been working with Thieu and his followers on a framework for a joint Thieu-Ky campaign organization. This source indicated that the organization would be largely based on Ky's earlier organization but that Thieu men would be appointed to important positions "so that local political observers will see Thieu men running the Thieu-Ky campaign." The source also stated that a Supreme Military Council would be established to provide behind-the-scenes guidance to the new government on major policy matters.

~~SECRET-EXDIS~~

Ky has told an American observer that he and several political advisors intended to agree on supporting six Upper-House candidate lists and that these lists would be approved at the meeting of the Armed Forces leadership today. Ky also indicated that he and his advisors would be discussing the composition of the new Cabinet. Ky stated that he had instructed Gen. Loan to "keep his mouth shut on political matters."

The National Assembly is scheduled to meet tomorrow, July 18, to consider the recommendations of the Central Election Council with regard to presidential slates. Assembly sources confirm the likelihood that the Assembly will disqualify both Big Minh's and Au Truong Thanh's candidacies, as well as several minor candidacies.

Comment

These reports contain some hopeful signs of progress that the Thieu-Ky relationships and campaign organization are being worked out. However, this process is still in the early stages. Clearly, the Armed Forces leadership meeting today is an important session in determining the effectiveness of the Thieu-Ky ticket and its organization for the campaign ahead.

Pres. file

~~SECRET~~

Monday, July 17, 1967
6:40 p. m.

Mr. President:

Herewith for your urgent consideration a draft cable launching Clark Clifford and General Taylor on their journey.

It closely conforms to the mission as you designed it the other day, with one major exception; namely, it is universally agreed that they should abandon cover as members of your Intelligence Advisory Board and proceed, simply, as distinguished and trusted advisers.

The change made at the bottom of page 3 is my suggestion, since there is no clear statement of the mission in the text.

W. W. Rostow

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NLJ 94-162
By CB, NARA, Date 6-9-95

WWRostow:rln

95a

OUTGOING TELEGRAM Department of State

INDICATE: COLLECT
 CHARGE TO

~~SECRET~~

Classification

FOR OC/T USE ONLY

Origin

ACTION:	Amembassy	BANGKOK	IMMEDIATE
		CANBERRA	"
		MANILA	"
		SAIGON	"
		SEOUL	"
		WELLINGTON	"

Info

STATE

NODIS

EYES ONLY FOR AMBASSADOR OR CHARGE

DECLASSIFIED
E.O. 12356, Sec. 3.4
NLJ 94-162
By cb, NARA, Date 6-9-95

1. For your background, President wishes to send Mr. Clark Clifford and General Maxwell Taylor, with very small party, to Saigon and then to consult in rotation with Manila nations for full exchange of views on current situation. While private objective of trip would be to obtain maximum progress on additional force contributions, we plan to depict trip to maximum possible extent as another step in normal consultation among Manila nations, for exchange of views on all aspects. We would expect that it would be pointed out that such consultation natural at this stage, with formal summit meeting out of the question at least until after Vietnamese elections. We would plan to downplay question of additional force contributions, noting that any

Drafted by:

EA: W. P. Bundy:bmm 7/17/67

Tel. Ext.

4235

Telegraphic transmission and

classification approved by:

The Secretary

~~XXXXXXXXXXXXXXXXXXXX~~

Clearances:

DoD-Secretary McNamara
White House - Mr. Rostow

S/S-

Page 2 of telegram to Bangkok, Canberra, Manila, Saigon, Seoul, Wellington

~~SECRET~~

Classification

requests for additional forces should come from GVN in any event, and that each of Manila nations is sovereign government fully devoted to the cause and able to determine for itself what the need is and what it should do. Instruction below is first step in obtaining Manila government concurrences. Tentative proposed schedule, assuming such concurrences, would be departure about Saturday, July 22, with visits to Saigon (July 24-27), Bangkok (July 27-28), Canberra (July 29-31, to include day of rest), Wellington (July 31-August 1), Manila (August 2-3), Seoul (August 3-5), and then return to Washington.

2. In order to obtain host government concurrences in this plan, you should deliver following personal message from President to Thanom, Holt, Marcos, Thieu, Park, and Holyoake respectively:

QUOTE Dear (Salutation):

I have now had the opportunity to review fully Secretary McNamara's findings from his recent visit to Vietnam, and I have sent you a summary of the highlights.

In the meantime, it seems evident that Hanoi has been reviewing its position. While we think it unlikely that they have reached any serious decision in the direction of peace--and may indeed be headed in just the opposite direction--it seems entirely possible that we shall be confronted in the near future with some new tactical move. In

CORRECTIONS MADE ON THIS ORIGINAL MUST BE MADE ON ALL COPIES
BEFORE THE TELEGRAM IS DELIVERED TO OC/T(A), Room 6243

Page 4 of telegram to Bangkok, Canberra, Manila, Saigon, Seoul, Wellington

~~SECRET~~
Classification

it above. At the same time, I must say frankly to you that the McNamara findings lead us to conclude that there is a need for substantially raising our sights on force needs in Vietnam.

With the momentum we have achieved, it is more than ever vital to convince Hanoi that we mean to keep up the pressure. We must meet and defeat whatever Hanoi may do in the South, while continuing to deal effectively with thrusts across the border by North Vietnamese forces and with the infiltration routes and sources of supply in North Vietnam.

The Vietnamese themselves fully recognize that they must do more, but there remains a substantial additional need for external help. Accordingly, Messrs. Clifford and Taylor will be in a position to go over this question with you privately as fully as possible, and to indicate the actions that we ourselves have in mind.

In addition to these basic factors, I am sure you will recognize that the prospect of additional force contributions from other Manila nations can make a great difference to our political situation here. As the American Congress and people are asked to assume greater burdens, they will inevitably be asking whether these burdens are being fairly shared among those nations who have the most direct stakes in the outcome.

(Ambassador or Charge) is in a position to give you more detailed information on our tentative plans. Could you let me know as soon as

Page 5 of telegram to Bangkok, Canberra, Manila, Saigon, Seoul, Wellington

~~SECRET~~

Classification

possible your reaction to this suggestion and whether the idea of the trip, together with possible dates, would be acceptable to you?

With warm personal regards,

(Signed) LBJ END QUOTE

3. In presenting letter, you may draw on background in para 1, including dates. You should tactfully make it clear that we would appreciate immediate response, to permit announcement here Wednesday or Thursday, with advance notice to other capitals so that they could confirm as desired. As indicated in tentative schedule, we hope for departure Saturday here.

4. For your own planning purposes, or if question should arise in presenting letter, schedule in each country should be as businesslike as possible, and party would wish to avoid formal entertainment if this can possibly be done. We would welcome your suggestions on schedule in each country, and will provide further guidance, including ways to keep press speculation at minimum.

5. Following are individual country variations in proposed letter:

- a. Saigon should omit paras beginning "The Vietnamese themselves", and "In addition to these basic factors."
- b. Bangkok should add after the words "force needs in Vietnam"

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Page 6 of telegram to Bangkok, Canberra, Manila, Saigon Seoul Wellington

~~SECRET~~

Classification

the following: "which I raised during my conversations with His Majesty and which you and Ambassador Martin have discussed subsequently."

GP-3

END

Monday, July 17, 1967 -- 6:15 p.m.

Mr. President:

In case you do not know it, Bob Komer
is back in Walter Reed Hospital for observation;
just for the night, I believe. He is to be back in
his office at 9:30 a.m. tomorrow, Tuesday.

W. W. Rostow

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

Monday, July 17, 1967, 4:50 p. m.

W.W.R.

97

~~W.W.R.~~

2. Pres file

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Your Meeting with Icelandic President Asgeirsson;
July 18, 12:30 P. M.

At Tab A is Secretary Rusk's briefing memo. A biographic sketch of Asgeirsson is at Tab B. (He comes here from EXPO 67. You met him in September 1963, on your Scandinavian trip.)

Schedule

12:30 P. M. -- Meet with Asgeirsson (AS-geer-son)

1:00 P. M. -- Lunch

Talking Points (Asgeirsson will probably not raise any substantive issues; as Head of State but not Head of Government, he carries little substantive responsibility.)

1. Vietnam.

2. The Middle East. Thank Asgeirsson for:

-- Iceland's quick agreement to participate in the Maritime Declaration.

-- Her support in the U. N. (Iceland voted against the Indian resolution, and for the Latin American proposal.)

3. NATO

-- We are grateful for Iceland's constructive role in NATO matters following French withdrawal.

4. Astronauts Visit to Iceland (Twenty-four of our astronauts have just completed a training mission in Iceland.)

-- We appreciate the hospitality Iceland showed our astronauts. The training mission was a great success.

5. US Air Base at Keflavik (We now have a squadron of F-102's stationed at Keflavik. We have told Iceland that they may be withdrawn sometime after March 1968. The Icelanders want to keep the squadron there indefinitely. You will not want to raise the subject, but Asgeirsson may bring it up.)

- It is remarkable how well the base personnel and the people of Iceland have gotten along. It is a great credit to the hospitality of the Icelandic people.
- We are now studying the future of the fighter squadron; nothing has yet been decided; we will consult fully before taking any action.
- The base continues to be of great importance to us.

* * * * *

Asgeirsson will be accompanied by the Foreign Minister, Emil Jonsson, and Ambassador Thorsteinsson. Walt Stoessel (Deputy Assistant Secretary for Europe), Karl Rolvaag and David McKillop (Scandinavian Country Director) will be there from State.

Walt and I will be available.

[file]

Francis M. Bator

95a

THE SECRETARY OF STATE
WASHINGTON

July 15, 1967

~~CONFIDENTIAL~~

MEMORANDUM FOR THE PRESIDENT

Subject: Visit of Asgeir Asgeirsson, President of Iceland, July 18, at 12:30 p.m.

You have agreed to receive Asgeir Asgeirsson, President of Iceland, on July 18 at 12:30 p.m., followed by your luncheon for him at 1:00 p.m. President Asgeirsson will have come to Washington from an official visit to Canada and EXPO '67. He will be accompanied by the Icelandic Minister of Foreign Affairs, Emil Jonsson, the Icelandic Ambassador to Washington, Petur Thorsteinsson, Acting Assistant Secretary of State for European Affairs Walter J. Stoessel, Jr., American Ambassador to Iceland Karl F. Rolvaag, and Scandinavian Country Director David H. McKillop.

We have no important bilateral problems with Iceland, and we have been told that President Asgeirsson will not raise substantive issues in his talk with you. The Icelandic Presidency, by tradition and law, carries little responsibility for the important affairs of the country.

President Asgeirsson probably will be most interested in hearing your evaluation of world issues, specifically of the Middle East and Viet Nam. In addition, you may wish to raise the following points:

1. Express appreciation for the excellent and close cooperation achieved between our two countries in international affairs, particularly for the promptness with which Iceland agreed to participate in a

~~CONFIDENTIAL~~

Group 3

Downgraded at 12 year intervals,
not automatically declassified.

DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 94-163

By mg, NARA, Date 7-20-94

~~CONFIDENTIAL~~

- 2 -

Maritime Declaration prior to the recent outbreak of hostilities in the Middle East; for Iceland's unwavering support in the United Nations for a just solution to Middle East problems (Iceland voted against the Indian resolution, and for the Latin American resolution); for Icelandic full support of the American UN position on the question of Communist China; and for its full support to the American position on recent changes in NATO occasioned by the French withdrawal of military cooperation.

2. Regarding the NATO Base at Keflavik, manned by American troops, you appreciate that in recent years there have been almost no problems between us, due to excellent mutual cooperation. Should Asgeirsson inquire about the future of the single fighter squadron (F-102's) at the Base (the Icelandic Government has been told it will remain through March of 1968), say that its future has not yet been decided, but that we will consult with the Icelandic Government before any action is taken. Assure Asgeirsson that we continue to attach the greatest importance to the Base.

3. The Astronauts' Visit to Iceland, a training mission just completed, was apparently quite successful, and we greatly appreciate the hospitality of the Icelandic Government and people.

You met President Asgeirsson at his official residence in Iceland on September 16, 1963, during your Scandinavian tour.

Brief biographic sketches of the President, Foreign Minister Jonsson, and Ambassador Thorsteinsson are enclosed.



Dean Rusk

Enclosure:

Biographic sketches.

~~CONFIDENTIAL~~

~~TOP SECRET~~ [REDACTED]

Monday, July 17, 1967 -- 4:25 p.m.

Mr. President:

On June 21 I received from Charlie Schultze the enclosed recommendation for a high level Presidential review of our Signals Intelligence Program under NSA. All hands agree that it is a good time to review that massive and essential effort.

Before forwarding it to you, I asked Clark Clifford for his recommendation. He believes the Secretary of Defense should organize this review. Clark's letter is also in this file.

I then put the matter to Bob McNamara who proposes that Dick Helms, as senior intelligence officer in the government, conduct the review.

I believe there is virtue in putting this matter in Dick's hands but he would need strong support from McNamara's people to assess the management as opposed to the pure intelligence aspects of NSA.

W. W. Rostow

Follow Sec. McNamara's suggestion _____

Sec. McNamara should organize the review
as suggested by Clark Clifford _____

Establish Presidential group as Charlie
Schultze recommends _____

See me _____

WWRostow:rlh

~~TOP SECRET~~

99

~~SECRET~~

Monday, July 17, 1967
2:35 p. m.

Pres file

Mr. President:

I have had two rather long items typed for you because they give some real feel for what went on in Cairo between Hussein and his Arab brothers; and, equally important, some insight into the situation and emotions at work in Cairo.



3.3(b)(1)

~~SECRET~~

W. W. Rostow



CLASSIFIED
E.O. 13202, Sec. 3.5
By 08-225
By ml, NARA, Date 1-23-09

WWRostow:rln

~~SECRET~~

99a

Monday, July 17, 1967

TEXT OF CABLE FROM AMMAN (4945)

SUBJECT: Ambassador Burns' Conversations with Gen. Khammash,
Jordanian Chief of Staff, and Jordanian Chief of
Protocol Rifa'i

Khammash took particular pains when in Cairo to probe for clues about Nasser's present position and concluded that Nasser has now firmer control over the UAR than before the war; the crisis made clear there was no one who could replace him. On June 9, Nasser had told his aides he wished to resign so that the UAR could go to the Americans for help. Nasser's military and senior civilian aides were aghast at the idea of his resignation and were convinced that if they did not persuade him to withdraw it, Egypt would fall into chaos.

UAR Military Developments - The following information is based on a conversation between Khammash and UAR Chief of Staff Abdul Munim Riyadh:

(A) 300 officers, largely from senior ranks, were purged in the wake of the UAR military debacle. Nasser wanted to overturn the whole rank structure by appointing junior officers to senior commands in an effort to get new blood in positions of responsibility. Riyadh counseled caution on this move which he felt could have destroyed army morale.

(B) Nasser had exploded in fury when the extent of the debacle was clear. He had called in his General Staff and cursed them out as "bastards and cowards." (Chief of Royal Protocol Rifa'i commented separately there was considerable talk in Nasser's entourage that extensive trials and executions of senior officers would be carried out once the political situation had begun to settle down in Cairo.)

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-163
By ijp, NARA, Date 7-20-94

(C) Riyadh asserted his officers were demanding revenge but their morale was very low.

(D) In the wake of hostilities, the Israelis had shot many Egyptian officers seeking to escape across Sinai to the Canal. Among surviving personnel, the Israelis carefully selected to be prisoners of war those officers and non-coms who had special technical qualifications such as tank commanders and crews.

(E) The UAR Armed Forces will be ready to try to push the Israelis out of Sinai in about four months.

Khammash expressed his amazement to Riyadh, whose competence and judgment he highly respects, that he could dare to project the UAR forces would be ready so soon. Riyadh responded that Khammash must remember the UAR had 16,000 army officers, and to replace 300 was no problem. Furthermore, the UAR Army was already top heavy in its senior ranks where purges hit most heavily.

(F) UAR Air Force strength is now almost back to its June 4 level as far as fighter aircraft are concerned. The Russians have supplied MIG 17, 19, and 21 models. They have not resupplied any bombers of the "badger" class.

(G) Soviet controls. Khammash did not discuss with Riyadh whether there was any change in the nature of Soviet control over the UAR forces. Khammash surmized that in all likelihood the UAR would agree to an increased number of Soviet military advisers. This was particularly likely in view of a secret known, according to Riyadh, to only Nasser and himself that Nasser had intended in mid-June to seek a defense pact with the Soviets. Riyadh talked him out of doing this but, Khammash believed, this showed how interested Nasser had become in a closer UAR-USSR relationship. ("He is now fully in the Soviets' lap," Khammash observed.) The recent arrival of Soviet fleet units in Port Said and Alexandria was in response to Nasser's plea for protection. His intelligence reports indicated that the Israelis intended to move first against Port Fuad and then across the Canal to strike Port Said. These Soviet units are now in place as a screen and are likely to stay for an extended period.

(H) Both Chief of Staff Riyadh and the Iraqi Air Force Chief were in Moscow for talks with the Soviets as of July 12.

Settlement with Israel - Hussein had three meetings with Nasser during his twenty-four hour stay in Cairo. The first was just between the two leaders; during the second, Boumedienne joined them, while the third was attended by Jordanian, UAR and Algerian delegations (Jordan: Hussein, Crown Prince Hassan, Personal Representative Telhouni, Khammash; Algeria: Boumedienne, Algerian Ambassador to Cairo, Algerian Representative at Arab League, Chief of the National Liberation Front Belkassem; UAR: Zakariyya Muhiedin, Anwar Sadat, Sidqui Sulaiman, Mahmoud Riyadh, UAR Ambassador to Amman Nuri.

At all three meetings, the question was discussed of Jordan's "special problem" as a result of Israeli occupation of the West Bank. It had initially been understood that only Nasser, Hussein, and Boumedienne would attend the third meeting, held the morning of July 11. However, apparently acting in response to indications received from the Jordanians that they would like witnesses to Nasser's privately stated position about Jordan's special problem, Nasser suddenly was determined to call in all the delegations.

Nasser made the following comments: He felt "great pain" over the occupation of Sinai and knew that Damascus felt the same about the Golan Heights. However, Jordan had unquestionably suffered the greatest loss, now being faced with the tremendous problems of its refugees, its citizenry on the West Bank under Israeli rule and the loss of Jerusalem. He, Nasser, blamed himself more bitterly than anyone that Jordan should have suffered this loss. He spoke of Jordan's special relationship with the United States and recalled that he had not opposed the King's decision to retain diplomatic relations with Washington.

It was regrettable that in years past the Arabs had been unable to supply Jordan's economic needs. One day he hoped this could be done, but "Today I do not even have half a loaf to share with you."

Nasser said he would understand, should Jordan seek to get the West Bank back by coming to some agreement with the Israelis, perhaps using the Americans to work out a settlement which,

in turn, might be imposed through the United Nations. He asked only two things: that there be no direct Jordanian-Israeli negotiations and that there be no treaty with Israel. Nasser concluded "others may criticize you for doing this but not I, I will understand."

Khammash said he considers that Nasser has now given Hussein a green light to proceed and observed that Boumedienne made no direct comment on the foregoing statement. He acknowledged there was a possibility that Nasser might try to doublecross Hussein on this issue as he had done on so many past occasions. However, Khammash added, he was struck by Nasser's evident desire to have his views heard and witnessed by a large number including the Algerians.

Khammash also suggested that Nasser might be trying to use Hussein as a sort of trial balloon for more general Arab-Israeli negotiations. Should Hussein be successful, Khammash thought it quite possible the UAR would be interested in seeking a subsequent arrangement for itself with Israel.

Hussein and the Jordanian Army - The King held his first meeting July 12 with the Jordanian Army senior commanders (Major Generals) to "begin to prepare them" for the idea of a Jordanian-Israeli settlement. The King did not get into specifics and handled presentation "beautifully," according to Khammash. The Army's reaction remains, however, an open question at present. When asked by the Ambassador about the likelihood of a purge in the Jordanian Air Force, Khammash flatly stated this was not the proper time to do any such thing and affirmed he did not think that even later any extensive changes would be needed.

Jordanian Cabinet Change - The King will shortly reorganize his government, bringing in a Cabinet with a majority of Palestinians. (Comment: The balance in Cabinets has normally been 50 percent East and 50 percent West Bankers.) The King is starting consultations with Palestinian notables. (We have separately reported his request we intercede with the Israelis to facilitate travel to Amman of those notables now on the West Bank.) Khammash clearly implied Prime Minister Juma will be replaced along with other Ministers.

Jordan's Military Needs - Khammash desires to leave immediately for Washington and meet with Bundy. Khammash said he

was already under pressure from his senior commanders to arrange the re-equipping of the Jordanian Air Force. He is having to string them along and provide assurance which go beyond what he knows are the present limits of our ability to help. He has told his commanders the U.S. is willing to help, but he will soon have to produce in order to convince these commanders, on whom he relies to convince the rest of the officer corps, that it is practical for Jordan to plan to retain U.S. - Jordanian military ties.

Khammash is seeking non-lethal equipment, in particular armored personnel carriers and communications equipment. When asked for his thinking on the Air Force, Khammash said he would estimate that the Air Force should, as soon as possible, get 18 aircraft. He observed that the only practical plane for Jordan in the immediate future would be the Hawker Hunter for which 15 Jordanian pilots were qualified (although not fully combat qualified). Khammash suggested that the U.S. intercede with the U.K. to secure these aircraft for Jordan. He knew that several Hawker Hunters were available but tabbed for delivery to India whose needs were, however, not so pressing as those of Jordan. About Jordan's future supersonic needs, Khammash said that after extended discussions, the King has decided Jordan should abandon thoughts of F-104's and try to secure F-5's.

US-UAR - Nasser said in front of the Jordanian delegation, "I have made up my mind that in the Near East, it will either be Nasser or the U.S." Nasser and Egyptian leadership remain convinced U.S. actively participated in the conflict, at minimum by U.S. carrier refueling of the Israeli aircraft which bombed Luxor. The story of U.S. -U.K. aircraft in other strikes at Jordan and Sinai was not revived by Nasser, probably to avoid embarrassing the King, who had several times publicly denied there was any proof of this.

Iraqi Forces - Hussein has already written President Aref asking that Iraqi forces be withdrawn from Jordan. They present no immediate security problem but the King wishes to eliminate the possibility they might become one in the future. Hussein's letter was sent to Aref in Cairo to coincide with his visit. Nasser, Khammash stated, was aware Hussein was making this request, and, Khammash assumed, would not oppose it.

Soviets-Syria - Nasser's entourage expressed concern that Syria might shortly permit Soviets increased control over their military and might even go so far as to furnish the Soviets with bases. Jordanians heard nothing to suggest the UAR would be prepared to offer bases. Syria, Khammash stated, was already trying to undermine Hussein. Nasser had dismissed the Syrians as "uncontrollable juveniles."

Soviets-UAR - Khammash stated that the Soviets have made it absolutely clear in direct conversations with Nasser that they stood ready to back him in pushing Israel back to the previous armistice lines but no further. The Soviets have emphasized they accept Israel's right to existence and are not in the least interested in Israel's destruction.

Rifa'i-Ambassador Conversation - Chief of Royal Protocol Rifa'i was unwilling to go into as much detail as did Khammash but, in comments, confirmed in general those of Khammash. Rifa'i made the following additional observations:

(A) The King's reception in Cairo had obviously received the UAR's usual careful organization. Large crowds had been trucked in to cheer him and Nasser as they drove from the airport to the palace. However, Rifa'i asserted, he could detect more applause and cheering for Hussein than for Nasser. Jordanian delegation was struck by the degree to which the Egyptian intelligence organs control all aspects of Cairo life.

(B) Boumedienne made a very poor impression on the Jordanians. Rifa'i described him as a man who sees the world in strictly black and white terms and as a leader of considerably less stature than Ben Bella. Boumedienne insisted several times during the meetings that all Arabs should continue the war.

(C) On June 5 when Nasser telephoned Hussein urging him to go on the offensive and move Jordanian armor toward Beersheba, Nasser was convinced that the UAR Air Force remained intact. UAR operational commanders in both Army and Air Force failed to forward timely and accurate battle reports. This was the principal cause of the Arab disaster. Rifa'i observed this failing was typical of the misreporting Nasser always received from the Egyptian Foreign Service, military and civil bureaucracy.

Monday, July 17, 1967 -- 2:50 p.m.

Mr. President:

We are thinking of organizing the family vacation in Norfolk for the two weeks August 12-26.

I am, of course, conscious that any such planning on my part must be contingent on circumstances at the time; but would it make sense for me to plan to take leave for that period?

I would, of course, be accessible by telephone and less than an hour from Washington.

W. W. Rostow

Plan on August 12-26 leave _____

No _____

See me _____

WWRostow:rln

~~101~~

101

~~101~~
2. Pres file

Monday - 2:00 pm
July 17, 1967

Mr. President:

Herewith a report from Secretary
Rusk on implementation of the
Summit decisions.

W. W. Rostow

Attachment

THE SECRETARY OF STATE
WASHINGTON

2732
1-Bowdler
2-Ref
101a

12265

July 15, 1967

MEMORANDUM FOR THE PRESIDENT

Subject: Second Progress Report on Implementation
of the Inter-American Summit Decisions

This is the second of a series of reports to keep you informed on progress in implementing the Inter-American Summit decisions. The first was my memorandum of May 4.

In summary, implementation of a number of United States initiatives at the Summit is underway or before Congress and significant multilateral actions have been taken in recent meetings of the Inter-American Cultural Council and the Inter-American Economic and Social Council (IA-ECOSOC).

1. United States Initiatives Pending Congressional Action

Your proposal for an additional \$100 million for Alliance for Progress funds in FY-1968, and for United States contributions to the Inter-American Development Bank Fund for Special Operations of \$300 million a year for the next three years beginning in FY-1968, continue under Congressional consideration. The outcome is uncertain. AID Administrator Gaud and Assistant Secretary Oliver are leading with the Congress on the first proposal. Undersecretary of the Treasury Barr is in charge on the second one.

Consultations have been carried out with Congressional leaders on the extension of procurement for AID-financed Alliance projects to all Alliance countries, and I will forward my recommendation on this issue to you shortly.

2. Integration

Four significant actions on integration have been taken since the Summit.

The first was the decision announced at the IA-ECOSOC meeting of five countries -- Chile, Colombia, Peru, Ecuador and Venezuela -- to take steps to form a subregional common market as provided for in Paragraph 2 d of Chapter I of the Punta del Este Action Program.

The second was the decision at the IA-ECOSOC meeting that the Inter-American Committee for the Alliance for Progress (CIAP) should convene a meeting of government representatives of Latin American member countries of the Organization of American States (with the United States as an observer) in Rio de Janeiro in September to study the financing implications of the move to a Latin American common market. This group is to report its findings to the next ministerial meeting of IA-ECOSOC to be held in Costa Rica in 1968. The financing implications cannot be studied, of course, without reference to the specifics of the integration process itself. In this connection, the Latin American Free Trade Area is expected to consider at its annual ministerial meeting in Asuncion in August procedures for carrying out the commitment of the Presidents to a Latin American Common Market.

The third was the United States decision last week to proceed with a \$20 million loan to the Central American Bank for Economic Integration.

The fourth was a \$250,000 grant approved by the Inter-American Development Bank in June for studies on which to base multinational development of the River Plate region.

Pursuant to your statement at the Summit that we would see whether a broad consensus could be reached with other governments on temporary tariff advantages to all developing countries from all industrialized countries, a United States representative discussed the trade preferences issue with representatives of industrialized countries at the meeting of the OECD special group on trade for developing countries in Paris on May 24 and 25. He then reported on these discussions at the June 15-25 IA-ECOSOC meeting before going to another OECD session on June 23-24. This issue will be further discussed in the OECD special group this month as part of the continuing effort to reach a consensus by the time of the next UNCTAD meeting early in 1968.

A resolution was passed at the IA-ECOSOC meeting calling for representations in Europe on trade issues, with particular reference to discriminatory trade preferences, by a special Latin American committee of ministers.

The IA-ECOSOC meeting also agreed on recommended bases for establishing an Inter-American export promotion center. CIAP was instructed to draft statutes for the establishment of the center for subsequent consideration by a group of government experts and approval by a special IA-ECOSOC meeting.

With regard to your proposal at Punta del Este concerning coffee diversification, we expect progress to be made at the Coffee Council meeting scheduled for late August. Intensive work will begin in early August on the renegotiation of the Coffee Agreement.

4. Education and Science

At a special meeting in the second half of May the Inter-American Cultural Council appointed an expert panel of thirteen scientists and educators from

as many countries of the hemisphere to develop specific recommendations on the Inter-American science program called for in the Summit Declaration. Dr. James Killian has been named the United States representative on this panel, and an inter-agency task force has been established under his leadership to formulate United States proposals. The expert panel will hold its first meeting on July 17 here at the Pan American Union.

The Inter-American Cultural Council also directed the Secretariat of the OAS to select a panel of experts to study the feasibility of establishing an inter-American educational television training center, and established a committee to develop specific recommendations on other educational initiatives in the Summit Declaration for which the OAS has responsibility.

The recommendations on the science program, on an educational television training center, and on other education initiatives are to be considered by the Cultural Council at a November ministerial meeting.

In partial implementation of the statement in a background news release at Punta del Este that the United States would expand its assistance for scholarship and student loan programs in Latin America, we are negotiating a \$1.4 million scholarship loan to the Dominican Republic and we are discussing with officials of the Latin American Scholarship Program of American Universities plans for increased funding for that program in FY-1968.

A team of AID experts has just returned from El Salvador where it drew up an educational television demonstration project for Central America.

The Atomic Energy Commission has developed a proposed regional atomic energy program which was discussed by Chairman Seaborg with Latin American science, education, and government leaders during his recent trip there. The program was well received, and work is going forward on its implementation. About \$600,000 is expected to be committed for this purpose in FY-68.

5. Agriculture

The Department of Agriculture is discussing with the Bureau of the Budget alternative formulae for extending the screw worm eradication program southward in Mexico. After a position is reached with the Executive Branch on a specific proposal, subsequent discussions will be held with Congressional leaders and the Mexican Government.

Dean Rusk

Dean Rusk

Monday, July 17, 1967 -- 11:45 a.m.

Mr. President:

I don't like one little bit the threat in the memorandum Mr. Kitchel filed with his letter to you (at paper clip).

If you choose to reply, I recommend this brief, dignified note which does not go into elaborate explanations.

Alternatively, I could write a fuller letter; although it sounds to me as though this is a 1968 campaign gambit from the Republican right-wing. And any substantive reply should be geared to that likelihood.

I short, your decision and guidance are required.

W. W. Rostow

WWRostow:rln

Monday, July 17, 1967 -- 11:35 a.m.

Mr. President:

I have checked the transcript of the Khrushchev show.

He referred to Kusinnen, an old Finnish-born high-ranking Soviet Communist, as supporting the missiles in Cuba -- not Kosygin. At that time Kusinnen was a member of the Presidium and a Party Secretary. After the crisis was ended, Kusinnen made a speech to the Hungarian Communist leadership defending the withdrawal of the missiles in the same terms Khrushchev used in the TV interview.

W. W. Rostow

WWRostow:rlh

WWR

104

Monday, July 17, 1967, 11:00 a. m.

Mr. President:

John Hayes, your Ambassador to Switzerland, will call on you today at 12:30 p. m. (As you know, he is a former Vice President of the Washington Post/Newsweek, and former President of Washington radio station WTOP.)

Hayes went to Bern last November. He has done a first-rate job, both with the Swiss, and in putting our Embassy in shape.

We have no bilateral problems with the Swiss. (They represent us in Cuba, and have recently taken over our interests in Algeria.)

Hays will probably want to talk about Vietnam. The Swiss Government has played a carefully neutral role, but their newspapers are much friendlier to our position than most in Western Europe.

Francis M. Bator

FMB:LSE:mst

105

~~CONFIDENTIAL~~

Monday, July 17, 1967
10:45 a.m.

Mr. President:

You will be interested in this
insight into the bombing issue in
Australlian politics.

Canberra 210 W. W. Rostow

~~CONFIDENTIAL~~

WWRostow:rln

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By RLG, NARA, Date 7-18-91

RECEIVED
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~~CONFIDENTIAL~~

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cy [signature]

~~CONFIDENTIAL~~ CANBERRA 210

IN LOCAL BY-ELECTION, PRIME MINISTER HOLT HAS BEEN UNDER INCREASING ATTACK AS BEING "MORE BELLICOSE THAN PRESIDENT JOHNSON" ON QUESTION OF CONTINUED BOMBING OF NORTH VIET-NAM. OPPOSITION CHARGES THAT PRESIDENT WOULD LIKE TO STOP IF HE DID NOT HAVE TO CONTEND WITH "HAWKS SUCH AS HOLT." HOLT PLANS MAKE SPEECH EVENING OF JULY 17 QUOTING PERTINENT PARAGRAPHS FROM LETTER SENT BY PRESIDENT JOHNSON TO SENATOR JACKSON MARCH 1 (PRINTED IN CONGRESSIONAL RECORD OF MARCH 2) AND TO SAY "I KNOW PRESIDENT STILL HOLDS OPINIONS EXPRESSED IN THAT LETTER."

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-163
By 108, NARA, Date 7-20-94

PAGE 2 RUHDAC 210 ~~CONFIDENTIAL~~
IF PRESSED FURTHER, HOLT WILL MAKE NO REFERENCE TO RECENT LETTERS FROM PRESIDENT BUT WILL CONCEDE THAT HIS REASSURANCE HAS BEEN RECEIVED WITHIN PAST FEW DAYS.
GP-4. CLARK
BT

NNNN

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

TOP SECRET

Monday, July 17, 1967 -- 10:00 am

Mr. President:

As you know, our military feel they have achieved real momentum in their attack on the northern part of North Viet Nam.

The attached book contains the three briefing statements on the subject, given in Saigon to Sec. McNamara's party.

At Tab 2 is the best of these -- that of General Momyer (beginning at paper clip). A terse summary is at the red tab paper-clipped to briefing 2.

You may wish to thumb through the book as a whole, which is mainly made up of charts and other illustrative material.

W. W. Rostow

~~TOP SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By NY, NARA, Date 7-18-91

107

~~CONFIDENTIAL~~

Monday - July 17, 1967

Pres file

Mr. President:

Bob Anderson tells us that as a result of his conversations with Republican Senators last week Dirksen invited him to brief the Republican Policy Committee tomorrow, and he accepted.

Bob is prepared to do the same for the Democratic Policy Committee, but in response to an invitation. This should be done. If you agree, Mike Manatos can talk to Senator Mansfield.

W. W. Rostow

OK for Manatos to approach Mansfield _____.

Prefer not _____.

See me _____.

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By RG, NARA, Date 7-18-41

~~CONFIDENTIAL~~

Mr. Rostow

Pres file

108

July 17, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Farewell letter for Ambassador Matsas

The State Department believes that Ambassador Matsas of Greece, to whom you said goodbye on Friday, would greatly appreciate receiving the attached farewell letter from you.

They tell us he will probably frame it as a memento. It would be a nice thing to do.

W. W. Rostow

108a

THE WHITE HOUSE
WASHINGTON

July 17, 1967

Dear Mr. Ambassador:

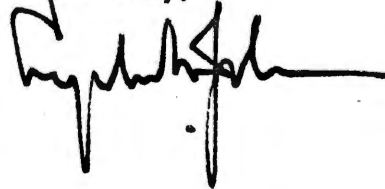
Thank you for your kind letter of June 26.

I regret that ill health has caused you to resign from the diplomatic service of your country and to depart from Washington. I hope that, with rest and relaxation, your health will soon be restored.

I also wish to express my personal gratitude to you for the cooperation and understanding which you have fostered in all matters concerning our two countries over a period of more than five years. It was a pleasure to see you before you went off.

Mrs. Johnson joins me in extending to you and Mrs. Matsas our warmest regards and best wishes.

Sincerely,



His Excellency

Alexander A. Matsas,

Ambassador of Greece.

109

Pres file

Monday - July 17, 1967

Mr. President:

As a master of the art of politics and
connoisseur of electoral techniques,
I think you will enjoy reading this news
item from Ecuador.

W. W. Rostow

K
POWDER

QUITO, EQUADOR, JULY 17 (REUTERS)--CONTROVERSY IS RAGING HERE BECAUSE A FOOT POWDER NAMED POLVAPIES WAS ELECTED MAYOR OF A TOWN OF 4,000 PERSONS.

A FOOT DEODERANT FIRM DECIDED DURING RECENT MUNICIPAL ELECTION CAMPAIGNS TO USE THE SLOGAN: "VOTE FOR ANY CANDIDATE, BUT IF YOU WANT WELL-BEING AND HYGIENE, VOTE FOR POLVAPIES."

ON THE EVE OF POLLING. IT FOLLOWED UP ITS ADVERTISING WITH NATION-WIDE DISTRIBUTION OF A LEAFLET THE SAME SIZE AND COLOR AS OFFICIAL VOTING PAPERS SAYING, "FOR MAYOR: HONORABLE POLVAPIES."

WHEN THE VOTES WERE COUNTED, THE COASTAL TOWN OF PICOAZA HAD ELECTED POLVAPIES MAYOR BY A CLEAR MAJORITY AND DOZENS OF OTHER VOTERS IN OUTLYING MUNICIPALITIES HAD MARKED THEIR BALLOTS FOR IT.

THE NATIONAL ELECTORAL TRIBUNAL NOW IS GRAPPLING WITH THE PROBLEM OF WHETHER IT IS OBLIGED TO DECLARE POLVAPIES MAYOR IN PICOAZA AND DOZENS OF CANDIDATE IN OTHER AREAS ARE THREATENING TO SUE THE PHARMACEUTICAL COMPANY FOR PREJUDICING THEIR CHANCES TO WIN.

COMPANY OFFICIALS SAID WHEN THREATENED WITH LEGAL WRITS THAT THERE WAS NOTHING IN THE COUNTRY'S CONSTITUTION OR LAW TO BAR THE FORM OF COMMERCIAL PUBLICITY IT USED.

PM 1:00A

Sunday - July 16, 1967 - 1:15 P.M.

Mr. President:

Pres file

This past week I saw:

Joe Alsop -- Vietnam and some Middle East, mainly oil situation.

Frank Reynolds -- Vietnam: No statement. Reynolds is something of a hawk about more troops and the desire of our people to see "decisive" action.

Russ Wiggins and Phil Geylin -- on Post editorial. After I finished Wiggins said if we acknowledged the problems and didn't simply say we were making "great progress" he'd be less critical. Geylin was much interested in my set of statistical charts and asked for copies which I have furnished.

Carl Rowan -- I found him playing golf on vacation and delivered message fully on Congo in 1964.

Andy Glass -- Long session on Vietnam with charts, etc. breaking-up image of stalemate. It may have helped tone of his Sunday article (p. 22).

Joe Kraft -- He had written his Sunday column when I saw him on Saturday. He is interested in negotiating possibilities and tells me he has received a letter from Barnett telling him he will receive in a few weeks a letter from Hanoi's information minister inviting him to Hanoi. I went through the "no statement" routine.

I shall carry forward regularly this week as George Christian furnishes the bodies.

W. W. Rostow