

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#1 memo	Rostow to President, 12:00 noon C 2 p State LTR 4/24/78; NSC LTR 2/28/79 opened 9/12/94	8/10/67	A
#1b memo	Katzenbach, Gaud to President C 5 p State LTR 5/25/78, opened 9/12/94	8/9/67	A
#1f memo	Hamilton to President NLJ 89-192, opened 9/12/94 C 3 p	8/10/67	A
#6b memo	Goodpaster for Record S 3 p Open 4-17-95 NLJ 94-190 [Duplicate of #14b, NSF, Name File, "Eisenhower, Dwight D. Gen." Box 2] [Sanitized 1980]	8/10/67	A
#7a ltr	President to Ankrah PCI 2 p Open 4-17-95 NLJ 94-190	8/11/67	A
#7b ltr	Ankrah to President PCI 2 p Open 4-17-95 NLJ 94-190	6/27/67	A
#9a memo	E. Rostow, Gaud to President State LTR 5/25/78 S 6 p opened 9/12/94	8/8/67	A
#9b rpt	"Food Aid Offers" (Tab A) " S 1 p	undated	A
#9c rpt	"Matching Aid which is clearly..." (Tab B) S 1 p	undated	A
#10a memo	Gaud to President C 2 p Open 3/25/94	8/9/67	A
#11a cable	Saigon 2686 ^{more info released} Sanitized 9-21-94 NLJ 94-191 S 11 p [Duplicate of #11a, NSF, Country File, Vietnam, "8B(1)[A] Bunker's Weekly Report to the President] -[Sanitized NLJ/CBS 10] Open 8-16-06 RAC11127 and NLJ94-191	8/9/67	A
#12 memo	Rostow to President S 2 p Open 4-17-95 NLJ 94-190	8/10/67	A
#13 memo	Rostow to President S 1 p Open 4-17-95 NLJ 94-190	8/10/67	A
#13a memo	President to AEC Chairman S 1 p Open 4-17-95 NLJ 94-190	8/11/67	A

FILE LOCATION

NSF, Memos to the President, Walt Rostow, Vol. 37, 8/1-10/67

Box 20

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#14 memo	Rostow to President C 1 p open 4-17-95 NLJ 94-190	8/10/67	A
#15 memo	Rostow to President C 1 p open 4-17-95 NLJ 94-190	8/10/67	A
#18 memo	Rostow to President, 6:00 p.m. S 1 p open 4-17-95 NLJ 94-190 [Duplicate of #93, NSF, Country File, Panama, Vol. 9]	8/9/67	A
#18a cable	Tokyo 794 open 9-21-94 NLJ 94-191 S 2 p [Duplicate of #93a, NSF, Country File, Panama, Vol. 9]	8/9/67	A
#18b memo	Katzenbach to President S 2 p open 9-21-94 NLJ 94-191 [Duplicate of #93b, NSF, Country File, Panama, Vol. 9]	8/8/67	A
#20 memo	Rostow to President, 5:45 p.m. S 1 p open 4-17-95 NLJ 94-190	8/9/67	A
#20a note	Intelligence Note 649 S 3 p <i>sanitized 9-21-94 NLJ 94-191; same same NLJ 019-020-2</i> <i>OUPE in VN Country File, Box 56, "Memos...", Vol 2" Doc #63a</i>	8/8/67	A
#21 memo	Rostow to President, 5:30 p.m. S 1 p <i>SANITIZED 6/21/95 NLJ 94-188; same same NLJ 019-020-2</i>	8/9/67	A
#21a cable <i>not open</i>	Intelligence Information Cable S 3 p <i>Exempt 2-17-95 NLJ 94-187; Exempt NLJ 019-020-2</i>	8/9/67	A
#22a airgram	Algiers A-036 S 7 p open 9-21-94 NLJ 94-191	7/31/67	A
#25a cable	Paris 1725 open 9-21-94 NLJ 94-191 S 1 p [Duplicate of #94a, NSF, Country File, France, Vol. 12] [Exempt 1986]	8/8/67	A
#29 memo	Rostow to President, 10:55 a.m. S 1 p open 4-17-95 NLJ 94-190	8/9/67	A
#29a memo	Greene to Cooper open 9-21-94 S 3 p NLJ 94-191	8/3/67	A
#29b memo	Cooper for Negotiations Committee S 3 p open 9-21-94 NLJ 94-191	8/2/67	A

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#29c rpt	"Conversations with Dong & Ho" (pp. 12-7) S 6 p open 9-21-94 NLJ 94-191	undated	A
#30 memo	Rostow to President, 10:30 a.m. S 1 p sanitized 8-7-95 NLJ 93-509 open 12/11/09	8/9/67	A
#34a rpt	"Vietnam Political Situation Report" S 1 p Dup. #11a, NSF, CF, VN. "8A1" Box 103 open 9-21-94 NLJ 94-191	8/9/67	A
#38 memo	Rostow to President, 7:00 p.m. S 1 p open 4-17-95 NLJ 94-190 [Duplicate of #94, NSF, Country File, Panama, Vol. 9]	8/8/67	A
#38a cable	Panama 368 S 2 p open 9-21-94 NLJ 94-191 [Duplicate of #94d, NSF, Country File, Panama, Vol. 9]	8/8/67	A
#39 memo	Rostow to President, 5:45 p.m. open 4-17-95 NLJ 94-190 S 1 p Dup. #2, NSF, Files of Spec. Com. of NSC. "Yugoslavia", Box 8	8/8/67	A
#39a cable	Deptel to Belgrade S 6 p open 4-17-95 NLJ 94-190 Dvo. #20, as above	8/8/67	A
#40 memo	Rostow to President, 5:20 p.m. open 12/11/09 S 1 p sanitized 2-26-93 NLJ 91-32 [Duplicate of #108, NSF, Country File, Bolivia, Vol. 4]	8/8/67	A
#41a memo	Rostow to President, 1:50 p.m. S 1 p exempt 11-29-94 NLJ 94-190 open 12-19-08 NLJ/RACD 8-77 (235c) [Dup #35c, CF, MEC, "Sandstrom/..." Box 113]	8/2/67	A
#41b memo	Bundy to President PCI 1 p open 4-17-95 NLJ 94-190	8/1/67	A
#41c cable	Deptel to Ambassador Barbour S 4 p exempt 9-21-94 NLJ 94-191	undated	A
#46 memo	Rostow to President, 10:00 a.m. C 1 p open 4-17-95 NLJ 94-190	8/8/67	A
#46a ltr	Leoni to President PCI 3 p open 4-17-95 NLJ 94-190	7/25/67	A
#46b ltr	President to Leoni PCI 3 p open 4-17-95 NLJ 94-190	8/8/67	A
#46c cable	Deptel to Caracas PCI 1 p open 9-21-94 NLJ 94-191	undated	A

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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#49a rpt	Sen. Mansfield's various points... TS 3 p Dupe in FILES OF ROSTOW, Box 4, "VIETNAM" # 9 NLS 85-57	undated	A
#50 memo	Rostow to President, 5:30 p.m. C 1 p Open 4-17-95 NLS 94-190	8/7/67	A
⁵³ #49a memo	Rostow to President (duplicate of #49a) TS 3 p NLS 85-57	8/7/67	A
#51c msg	"Jetstream" open 4/24/01 PCI 2 p example 11-29-94 NLS 94-190	undated	A
#56 memo	Bator to President PCI 1 p Open 4-17-95 NLS 94-190 [Duplicate in Diary Backup, 8/7/67, Box 73]	8/7/67	A
#58 memo	Rostow to President open 4-17-95 NLS 94-190 S 1 p (dup. of # 81a, NSF, Name File, Rostow memos)	8/7/67	A
#60a rpt	"Vietnam Political Situation Report" S 1 p Dup. # 14a, NSF, FILE, VN "SAT" Box 03 open 9-21-94 NLS 94-191	8/5/67	A
#63 memo	Rostow to President, 11:00 a.m. open 5/02 NLS 00-133 TS 1 p Dupe in FILES OF WWH, Box 4, "VIETNAM", # 8 SANITIZED 6/21/95 NLS 94-188	8/5/67	A
#63a memo	Ginsburgh to Rostow Dupe as above, #8a TS 3 p DECLASSIFIED 6/21/95 NLS 94-188	8/4/67	A
#65 memo	Rostow to President C 1 p Open 4-17-95 NLS 94-190 [Duplicate of #95, NSF, Country File, Panama, Vol. 9]	8/5/67	A
#65a cable	Deptel to Tokyo open 9-21-94 NLS 94-191 S 3 p [Duplicate of #95e, NSF, Country File, Panama, Vol. 9]	undated	A
#68 memo	Rostow to President, 7:00 p.m. S 3 p Open 11/7/00 NLS 00-133 (Duplicate of #141, NSF, Canada, Vol 5, Box 167)	8/4/67	A
#70 memo	Rostow to President, 6:30 p.m. Open 11/7/00 NLS 00-133 S 3 p example 11-29-94 NLS 94-190	8/4/67	A
#72a rpt	"Views of Mauer..." S 2 p Sanitized 2-17-95 NLS 94-187 [Duplicate of #86b, NSF, Country File, Rumania, Vol. 3]	undated	A

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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#73a rpt	"Vietnam Situation Report" <i>open 9-21-94 NLJ 94-191</i> S 1 p <i>Dup. #15a, NSF, CF, VN, "8A1" Box 103</i>	8/4/67	A
#74 memo	Rostow to President, 3:00 p.m. S 1 p <i>open 4-17-95 NLJ 94-190</i>	8/4/67	A
#76a memo	Jorden to Rostow S 3 p <i>open 4-17-95 NLJ 94-190</i>	8/3/67	A
#78 memo	Rostow to President, 11:00 a.m. C 1 p <i>open 4-17-95 NLJ 94-190</i>	8/4/67	A
#78a cable	Rio de Janeiro 816 C 3 p <i>Sanitized 9-21-94 NLJ 94-191</i>	8/4/67	A
#78b cable	Rio de Janeiro 817 C 1 p <i>open 9-21-94 NLJ 94-191</i>	8/4/67	A
#79 memo	Rostow to President C 1 p <i>open 4-17-95 NLJ 94-190</i>	8/4/67	A
#80 memo	Rostow to President C 1 p <i>open 4-17-95 NLJ 94-190</i>	8/4/67	A
#80a memo	Rusk to President C 2 p <i>open 9-21-94 NLJ 94-191</i>	8/3/67	A
#81 memo	Bator to President C 1 p <i>open 4-17-95 NLJ 94-190</i>	8/4/67	A
#81a memo	Rusk to President <i>open 9-21-94 NLJ 94-191</i> C 2 p	7/29/67	A
#82 memo	Rostow to President S 1 p <i>open 4-17-95 NLJ 94-190</i>	8/4/67	A
#83 memo	Rostow to President, 7:35 p.m. S 1 p <i>SANITIZED 6/21/95 NLJ 94-188</i> <i>Sanitized 4/6/01 NIS 00-217</i>	8/3/67	A
#83a memo	Intelligence Memorandum S 3 p <i>Exempt 2-17-95 NLJ 94-157</i> <i>Sanitized 5/30/01 NIS 00-134</i>	8/3/67	A
#85 memo	Rostow to President, 7:15 p.m. <i>Exempt 11-29-94 NLJ 94-190</i> S 2 p <i>(dup of #2, files of work - VAI - WIK, Box 1)</i>	8/3/67	A
#86a cable	Deptel 14979 to Saigon S 2 p <i>open 9-21-94 NLJ 94-191</i>	8/2/67	A

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#87 memo	Rostow to President, 4:45 p.m. S 1 p open 4-17-95 NLJ 94-190	8/3/67	A
#87a cable	Saigon 2289 <i>more info released</i> S 14 p <i>Sanitized 9-21-94 NLJ 94-191</i> [Duplicate of #10a, NSF, Country File, Vietnam, "8B(1) Bunker's Weekly Report to the President," Box 104] [Sanitized NLJ/CBS10] [Dup. #34, NSF, CF, VN, "8BB" Box 105]	8/3/67	A
#88 memo	Rostow to President, 4:00 p.m. C 1 p open 4-17-95 NLJ 94-190	8/3/67	A
#91 memo	Rostow to President, 11:30 a.m. S 1 p open 4-17-95 NLJ 94-190	8/3/67	A
#92a cable	Wellington 214 S 3 p <i>Sanitized 9-21-94 NLJ 94-191</i>	8/2/67	A
#93 memo	Rostow to President, 11:15 a.m. PCI 1 p <i>SANITIZED 6/21/95 NLJ 94-188</i> [Partial duplicate of #68, NSF, Country File, France, Vol. 12]	8/3/67	A
#93a cable	Intelligence Information Cable S 5 p <i>Sanitized 2-17-95 NLJ 94-187</i> [Duplicate of #68a, NSF, Country File, France, Vol. 12]	8/2/67	A
#94a cable	Tehran 543 S 2 p <i>open 5-27-92 NLJ 91-341</i> [Duplicate of #242a, NSF, Country File, Iran, Vol. 2]	8/2/67	A
#97 memo	Rostow to President <i>Open 11/7/00 NIS 00-133</i> S 1 p <i>exempt 11-29-94 NLJ 94-190</i>	8/3/67	A
#97a memo	Saunders to Rostow S 1 p open 4-17-95 NLJ 94-190	8/3/67	A
#98 memo	Rostow to President <i>Open 11/7/00 NIS 00-133</i> S 1 p <i>exempt 11-29-94 NLJ 94-190</i>	8/3/67	A
#98a ltr	Furlonger to President <i>open 2-13-06</i> S 1 p <i>exempt 11-29-94 NLJ 94-190</i>	8/3/67	A
#98b ltr	Holt to President <i>open 2-13-06 NLJ 05-80</i> PCI 3 p <i>exempt 11-29-94 NLJ 94-190</i>	8/3/67	A
#100 memo	Rostow to President, 7:55 p.m. (<i>dup #4, NSF, Country File, Vietnam, memos to the President [Vol. 1]</i>) S 1 p <i>exempt 11-29-94 NLJ 94-190 Open 11/7/00 NIS 00-33</i>	8/2/67	A

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#100a memo	Intelligence Memorandum <i>(dup #4a as above)</i> S 6 p Exempt 2-17-95 NLJ 94-187; exempt NLJ 019-020-2	8/1/67	A
#102 memo	Rostow to President, 7:00 p.m. S 1 p open 4-17-95 NLJ 94-190	8/2/67	A
#102a memo	Duplicate of #102 " "		
#103a memo	Wright to Rostow S 4 p <i>Sanitized 4-17-95 NLJ 94-190</i> [Duplicate of #183a, NSF, Country File, Philippines, Vol. 4] [Exempt 1986] <i>(Dup in Files of Macy, Rostow, Box 502)</i>	8/2/67	A
#104a cable	Wheeler to Westmoreland and Johnson S 3 p open 2-15-96 NLJ 94-189	8/11/67	A
#104b cable	MAC 7180 " " S 4 p	8/2/67	A
#105a rpt	East Asia, 6:00 a.m. to 5:00 p.m. S 1 p open 9-21-94 NLJ 94-191	8/2/67	A
#105b rpt	Africa, etc., 6:00 a.m. to 5:00 p.m. " S 2 p	8/2/67	A
#111 memo	Rostow to President NLJ 89-192, opened 9/12/94 S 4 p	8/2/67	A
#113a rpt	"Vietnam Situation Report" open 9-21-94 NLJ 94-191 S 2 p Dup. #160, NSF, CF, VN, 8A11 Box 103	8/2/67	A
#114 memo	Rostow to President, 6:05 p.m. S 1 p SANITIZED 6/21/95 NLJ 94-188	8/1/67	A
#114a cable	Intelligence Information Cable S 4 p <i>Sanitized 2-17-95 NLJ 94-187</i>	7/31/67	A
#114b cable	Intelligence Information Cable S 5 p <i>Sanitized 2-17-95 NLJ 94-187</i>	7/31/67	A
#114c cable	Intelligence Information Cable S 3 p <i>Sanitized 2-17-95 NLJ 94-187</i>	7/31/67	A
#115 memo	Rostow to President, 5:45 p.m. S 1 p SANITIZED 6/21/95 NLJ 94-188	8/1/67	A

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#118a memo	President to Khan PEI 1 p open 4-17-95 NLS 94-190	8/2/67	A
#119 memo	Rostow to President, 3:30 p.m. S 1 p SAN 11/12/67 6/21/95 NLS 94-188; <i>some</i> 56w NLS 014 020-2 (12/01)	8/1/67	A
#119a cable	Intelligence Information Cable S 4 p <i>Exempt 2-17-95 NLS 94-187</i> <i>Exempt 5/3/01 NLS/RA 00-207</i>	8/1/67	A
#119b cable	Intelligence Information Cable C 5 p <i>Sanitized 2-17-95 NLS 94-187</i> <i>Sanitized 5/3/01 NLS/RA 00-207</i>	8/1/67	A
#120a memo	Intelligence Memorandum S 7 p <i>Exempt 2-17-95 NLS 94-187</i> <i>Exempt 4/6/01 NLS 00-185</i> [Duplicate of #164b, NSF, Country File, Laos, Vol. 17]	7/31/67	A

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MEMORANDUM

THE WHITE HOUSE

WASHINGTON

CONFIDENTIAL

Thursday, August 10, 1967 -- noon

1
2. Profile

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Wheat for India

DECLASSIFIED
Authority: State 4/24/88; NSC 2/28/79
By: *glip*, NARA, Date 3/25/94

At Tab A, Messrs. Katzenbach and Gaud restate for you the options on India food. In addition to the three choices presented at last Saturday's meeting (no food now; 1 million tons; and 1.5 million tons), this memorandum adds two more variants:

- Do a million tons, but announce it as a cut in the 3 million ton target established in the Congressional Resolution. That is, the emphasis in our announcement would be that budgetary problems had forced us to cut back from the 3 million tons set out in the Resolution to 2.5 million tons. Since we have already supplied 1.5 million tons, this leaves 1 million.
- Authorize no new agreement now, but allow the Indians to buy wheat in the United States on the understanding that the bill will be paid either through a new PL 480 agreement later, or from Indian foreign exchange.

The first variant reflects the only way we have been able to devise whereby this decision could be presented as consistent with your cuts in domestic spending. A 500,000 ton cut in the wheat target we announced in the Message and the Resolution might compare favorably with the cuts you must make in domestic food programs. On the debit side, it would make it impossible for you to come up with more wheat later in the year if the Indian situation gets desperate, and it would probably subject you to international criticism that we had committed ourselves to go to 3 million tons if matched and then gone back on our word.

The second new option is a stopgap designed to get the food into India while we decide the terms. But you should know that if you approve this it will be very difficult to avoid picking up the tab for whatever the Indians have contracted for between now and whenever we decide what more we are willing to do through PL 480. In any event, the 600,000 tons your advisers suggest would buy us only about a month before the question would come up again.

At Tab B is a short discussion of debt relief -- what it is and how it relates to other forms of aid.

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8/10/67
Wheat for
India

At Tab C is a paper you asked Ed Hamilton to do outlining how we might go at the others for more matching funds, assuming we are unwilling to accept debt relief. Hamilton emphatically does not recommend this. He has supplied it at your request.

The Katzenbach/Gaud memo ends with a recommendation of a flat 1.5 million tons now. That is, and has always been, the State/AID preference. Fowler and Freeman support 1 million tons now, and are strongly opposed to going any further. Katzenbach and Gaud would not strongly object to this solution.

In my bones, I think we should do the 1.5 million tons now if we are going to have to do that much by the end of the year. If the domestic politics of the budget problem simply won't permit that amount, I think you should approve 1 million tons now, covering it in a public announcement by slamming the door on the last 500,000 tons mentioned in the Congressional Resolution.

W. W. Rostow

1. Go ahead with 1.5 million tons now _____
2. Go ahead with 1 million tons now. Our public posture should be that further authorizations will be considered as necessary. _____
3. Go ahead with the 1 million tons, but slam the door in public on the last half-million tons in the Congressional Resolution. _____
4. Tell the Indians to go ahead on the reimbursable basis. We will decide later what we can do through PL 480. _____
5. I want to have another go at the other donors. Give me a detailed proposal filling out the scenario at Tab B. _____
6. Tell the Indians we can do nothing more for them now. _____
7. See me. _____

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DECLASSIFIED
Authority State ltr 5/25/78
By plw, NARA, Date 3/25/94

DEPARTMENT OF STATE
WASHINGTON

August 9, 1967

MEMORANDUM FOR THE PRESIDENT

India Food

In reaching a decision on the India food problem, we see essentially five options open to you.

You can:

- i. release all of the remaining 1.5 million tons,
- ii. do nothing more,
- iii. release 1 million tons and tell the GOI there will be no more,
- iv. release 1 million tons and leave the door open for further authorizations if required, or
- v. approve reimbursable purchase authorizations for 600,000 tons immediately to permit India to start purchases while continuing to consider final action on this tranche.

1. We favor releasing the full 1.5 million tons now because:

-- we have achieved our major objectives in this year's India food exercise and have secured wide and significant international participation in food aid.

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There has been more burden sharing. India is buying more with its own resources. It has increased its purchases in the U.S. from 111,000 tons in 1966 to 425,000 tons in 1967 (See attached memo);

-- the need is real;

-- food stocks are way down;

-- the pipeline is breaking;

-- we should not change the ground rules of the food policy we announced in February in the middle of the crop and calendar year;

-- we have already negotiated two PL-480 agreements this year. Each has tightened the screws and requested more of the Indians. To continue down this path this year will undercut the integrity and reliability of our relations with India -- achieved over a period of many years -- without significant gains;

-- the job is not finished. There will be food problems and policy problems next year which we will have to negotiate with India. The U.S. can best influence the balance of Indian decisions and responses in areas of concern to us by maintaining a reciprocal and constructive dialogue which, among other things, capitalizes on our contributions to India's food needs.

-- the ability of the GOI to maintain law and order and to hold on until the food situation eases this winter is at stake.

2. For all these reasons we oppose doing nothing.

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3. Assuming domestic political considerations require some cut in our India food program, we would recommend a cut of not more than 500,000 tons. Anything more than that might create a serious problem of food shortages, generate severe political difficulties within India and jeopardize our bilateral relations with India as well as the overall success of the Consortium exercise.

4. Assuming the figure decided upon is one million tons, you could release one million tons:

(i) with a flat announcement that the door is closed to further action. This would be justified on the basis of our domestic budgetary problems, and a reassessment of India's needs in light of a slightly better crop than anticipated and a good monsoon which may release some private stocks later in the year.

(ii) without closing the door completely to further action.

The same reasons as in (i) would be given but recognition would be made of the fact that it is not yet clear whether India can do without the remainder, or afford to purchase any additional requirements. You would state that we are watching the situation very closely and reviewing shipments and crops as well as our domestic budgetary needs, that it is hoped that a million tons will suffice but because of our concern for India we do not want completely to foreclose the possibility of a further shipment. Mention would also be made of the shipping problems which may make it impossible to get any more than a million tons into India this year.

5. We favor the second alternative. We recognize that a flat decision to go only a million tons more provides the clearest domestic political advantages but it eliminates our flexibility to respond if India's food situation worsens and it does nothing to soften the Indian political reaction we can anticipate from a cut.

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6. If there is any further delay in these decisions, we urge the approval of reimbursable purchase authorizations for 600,000 tons to keep the pipeline moving.

By the end of September India will have received all the foodgrain imports currently programmed from all sources. To maintain India's present precarious food situation, we must ship at least 500,000 tons per month in the August-September-October period for arrival in the October-November-December period. Shipping time from the U.S. to India is now averaging 6-8 weeks compared with 4-6 weeks prior to the Suez closure. India is also having a problem chartering vessels.

Food stocks on which the GOI draws to maintain the nation's rationing network and to supply the deficit states are extremely low. The Indians would like on hand at least two million tons. In 1966, the first year of the drought, they averaged 870,000 tons, about ten days' supply for the country. These shortages have created what can be described as a ship-to-mouth situation. The stocks are scattered throughout the country and the GOI has no capacity to mobilize reserves to meet new emergencies. This situation will continue until the current crop reaches the market in December.

This tight food situation has already had political repercussions, undermining the Congress Party's narrow hold over the country. It may have more serious implications as the cupboard becomes even barer. Food riots have already broken out in Kerala, where the Peking Communists are in control, and in West Bengal, where they hold key positions in the Government. Food agitation has substantially increased in the last 10 days.

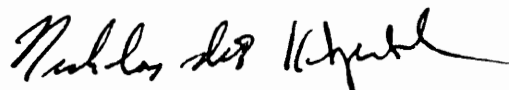
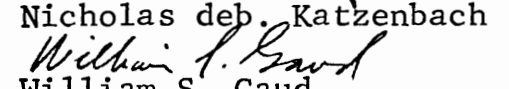
CONFIDENTIAL

~~CONFIDENTIAL~~

-5-

RECOMMENDATIONS:

1. That you authorize immediate release of the full 1.5 million tons.
2. That if you determine some cut is required now, you authorize the release of 1 million tons leaving the door open for further action if necessary.
3. That if a final decision is not made at this time, you approve reimbursable purchase authorizations for 600,000 tons.


Nicholas deB. Katzenbach

William S. Gaud

Attachment:

Supplemental memo.

~~CONFIDENTIAL~~

1c

B.

THE ABC's OF DEBT RELIEF

1. If a poor man owes you \$1, but you want him to invest \$2 in his future, you have two choices:

-- force him to repay you the \$1 he owes and lend him \$2 more, or

-- let him keep the \$1 he owes and lend him only \$1 more.

If you choose the second alternative -- and you're a stuffy banker-- you call it debt relief.

2. More and more with each passing year, this is precisely the choice the rich nations face in dealing with the poor nations. The aid we and the other nations have been putting into such countries as India has been largely in the form of loans on a wide variety of repayment terms. Larger payments fall due each year. Therefore, each donor country must decide each year how much money it wants to put into its poor client in the form of new loans, and how much to provide in the form of reduced or forgiven payments on old loans.
3. Even in a perfect economic world, aid provided through debt relief would be no less useful than any other form of aid. From India's point of view, it is just as valuable to keep the dollars she is supposed to pay back to her creditors as to get new dollars.
4. But the imperfections of the aid world tend actually to make debt relief more valuable than most new non-U.S. aid. Countries provide aid loans on different terms -- the Europeans and the World Bank on considerably harder terms than the U.S., Canada, the UK and IDA. And most donors tie their aid to particular projects -- one dam or one steel plant -- so that it is not available to finance such important imports as spare parts and fertilizer. Finally, for balance of payments reasons, most donors tie their aid to purchases in their countries, so that the recipient cannot stretch the aid to the maximum by buying at the most economic price. Whether one avoids ~~these~~ problems through debt relief depends on the terms of the refinancing. But it is usually easier for donors to be liberal with refinancing old loans than in setting terms for new ones.
5. In theory it should be just as tough for donor countries to agree to debt relief as to make new loans. The net budgetary effect is the same; if payments are rescheduled or forgiven, receipts go down; if loans go up, expenditures go up.

6. In fact, however, it is easier for most governments to provide debt relief than new loans because they don't have to push large aid appropriations through their legislatures -- just as it is easier for us to have Harold Linder roll over his loans to Brazil and Turkey than to add \$100 million to the AID budget request. Thus, in a period of very tight aid budgets all around, debt relief is one of the few ways we may push our friends into more sharing of the aid burden.

7. It is true that even with refinancing, French and German loan terms won't be as liberal as ours, or as liberal as the repayment terms on PL 480 wheat. But the British will, and the Bank may -- we won't know until next Spring when the specific terms are decided. And the French and German terms will be much improved.

8. In summary:
 - debt relief is at least as useful as other forms of aid.

 - debt relief is one of the few ways now on the horizon by which we may be able to get the Europeans to cough up more aid.

 - there is no substantive basis for refusing to accept debt relief as aid.

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MEMORANDUM

IF

THE WHITE HOUSE

WASHINGTON

Thursday, August 10, 1967 -- 11:00 AM

CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

SUBJECT: More Matching Funds for India

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 89-192
By *Q/isp*, NARA, Date 3/25/94

You asked how we might go about getting more matching funds from other donors before moving ahead with another large commitment of U.S. grain to India. The plan below strikes me as the most likely to succeed, if you feel that we must try again now.

Let me be clear. I believe we have a very solid case that we have been matched by others, at least up to another million tons. In economic terms, debt relief is just as valuable as new aid, and more valuable than most of the credits traditionally offered by our European brethren.

Moreover, I suspect we have drained the well dry. The Europeans feel that we have browbeaten them into taking sizeable political risks to come through with substantial amounts of food, money, and debt relief. George Woods would argue he has risked his neck with his Board to get the standstill on debt repayments. The Canadians gave heavily in food during the first half of the matching exercise. The Germans and the British have serious budget problems, and in both cases our first priority will inevitably be to get them to spend more on troop commitments in Europe and elsewhere. I don't think any new ^{push} ~~position~~ on matching stands much chance of success.

Having said that, I would offer the following scenario as the best course we could follow if you decide that we cannot accept debt relief and that we should have another go at the others:

1. We would agree now to an interim tranche of 400,000 tons of grain, on the basis of the matching commitments we have received since the last tranche which are not in the form of debt relief (about \$23 million in food and food-related resources).
2. The President would send a personal representative -- someone of the stature of Clark Clifford or Gene Black -- to drum up more food and money.
3. The main targets would be Canada, Japan, Australia, the Scandanavians, the Benelux, the Russians, and perhaps even South Africa. (We should not waste a lot of time on the French, the British, the Germans and the Bank, all of whom have come through with substantial debt relief.)
4. The mission would be sent as quietly as possible.

CONFIDENTIAL

5. The target would be total new contributions of \$40 million. (What is necessary if we are to match 600,000 tons, or a total of 1 million beyond what we have done to date.)
6. We would tell the Indians we stand ready to release our grain in immediate 100,000-ton slices if and as new matching funds come dribbling in.

There is an alternative to the immediate interim tranche of 400,000 tons. We could authorize the Indians to buy wheat here according to an understanding that if there is no PL 480 agreement, any contracts they make will be paid by them with their foreign exchange. (This is the reimbursable system described in the Katzenbach/Gaud memo.)

Benefits

1. An interim agreement for 400,000 tons would buy about 3 weeks during which we could beat the bushes for more matching.
2. Another hard try for matching funds would presumably give us the strongest possible case with the Congress that we have done our very best to follow the toughest interpretation of the Congressional Resolution. This would be true even if in the end we had to go ahead with an unmatched tranche to avoid serious trouble in India.
3. We just might come up with some new money from countries which we hadn't hit so hard in the earlier matching drives.
4. The President would probably gain some support with people on the Hill who want to be very tough with the Indians.

Costs

1. If we came up empty from a new matching drive, it would be harder than ever to work out a way to get the necessary grain for India.
2. We simply cannot defend the proposition that debt relief does not count as aid. In economic terms, it is better than most other forms of aid -- certainly better than aid on the terms most of the Europeans charge.
3. If we refuse to accept debt relief as eligible for matching now, we will cut away an important and relatively less painful form of matching in future years as well. Debt relief is one of the very few aid actions which governments -- including our own -- can take without pushing

large appropriations through their parliaments. If we discredit it now, we will be cutting off our nose to spite our face, both in terms of future matching and as a way of supplementing our own scarce aid funds.

4. At best, commitments adding up to the size we are looking for would probably take time. Having asked for more contributions from others, we could not very well move until we had at least been answered. Serious trouble in India may not wait.
5. Any new money we came up with from consortium members would certainly be partially reflected in lower consortium contributions in October. The consortium is going to be in very difficult straits anyway. Every reduction in contributions contributes to the possibility that it simply won't hold together.
6. The Indians would probably raise the roof -- either publicly or by needling the hostile press -- and they would be supported by the Bank and by other major donors. The President would be charged with breaking his commitments, with applying a clearly unreasonable standard in determining what is eligible for matching, with callousness toward Indian hardship and with attempting to bludgeon other nations with crude threats of starvation. We could also expect a fair amount of this from the liberal wing at home.

Recommendation

I think it would be a great mistake to refuse to accept debt relief as matching. If you decide that we must, however, and that we need to have another go at other donors, I think the scenario outlined above is the best course we could follow. But I would recommend it only under these circumstances.

Ed Hamilton

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~~CONFIDENTIAL~~

Thursday, August 10, 1967
7:20 p.m.

Pres file

Mr. President:

Herewith a proposed Foster statement, now being checked out for tomorrow. We can come to grips with it tomorrow.

W. W. Rostow

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By 119, NARA, Date 7-23-91

2a

~~CONFIDENTIAL~~

August 10, 1967, Thurs., 6:00 PM

Mr. President:

Pursuant to your request, Bill Foster has prepared the attached statement on the Non-Proliferation Treaty which he proposes to make to the press following his meeting with you tomorrow morning.

ACDA is advising the Soviet delegation in Geneva that we will make a press statement and will inform us if there is an adverse reaction.

Spurgeon M. Keeny, Jr.

Att.

Approve Statement _____

Disapprove _____

Discuss _____

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1981
By ky, NARA, Date 7-23-91

~~CONFIDENTIAL~~

DRAFT STATEMENT BY MR. FOSTER UPON LEAVING WHITE HOUSE

I have been discussing with the President the progress in the negotiation of the non-proliferation treaty at Geneva. In particular, I have been discussing with him the fact that I have been advised that it is possible that we may, ^{very soon,} ~~during the coming week,~~ be able to submit a draft non-proliferation treaty for the consideration of the Eighteen-Nation Disarmament Committee now meeting in Geneva. For that reason, I am returning ~~immediately~~ to Geneva in the hopes that we can work out the final ^{solution of the problems} details for ~~the joint submission of such a treaty,~~ ^{concerning the talking a} ~~by the U.S.~~ ^{non-proliferation treaty,} and the U.S.S.R. ^{before the committee.}

work 3

~~_____~~

Thursday, August 10, 1967 -- 6:15 PM

Mr. President:

Senator Moss would like a short session with you for himself, Senator Edward Kennedy, and the 10 Congressmen (list attached) who attended a recent conference with British parliamentarians on Africa. (You may ~~not~~ recall that you saw the full group -- including the Britishers -- in April before the conference. You also saw the Congressional group after last year's conference.)

This is primarily a question of your relations with Moss and the others. The substance of their report would be that we take a harder stance against South Africa, Rhodesia, and Portugal on the southern African racial issue, and that we stop the arms race elsewhere in Africa. It would be interesting, but not vital, for you to hear them. I would only recommend you do it if it makes sense in terms of your general relations with the Hill.

W. W. Rostow

Set up meeting next week 8/16/67

Tell Moss I can't do it now, but will try later _____

No _____

Speak to me _____

Hamilton/vmr

Third Anglo-American Parliamentary Conference on Africa
May 4- 8, 1967
Bermuda

Senator Frank E. Moss
Senator Edward M. Kennedy

Congressman Jonathon Bingham
Congressman John Brademas
Congressman John C. Culver
Congressman Donald M. Fraser
Congressman Peter Frelinghuysen, Jr.
Congressman William S. Maillard
Congressman F. Bradford Morse
Congressman Ogden Reid
Congressman Benjamin S. Rosenthal
Congressman John V. Tunney

Thursday, August 10, 1967
4:45 p. m.

MR. PRESIDENT:

Jack Sutherland of U. S. News and World Report came in this afternoon. He said they are running a story on the question of whether President Johnson's hands are tied in dealing with Cuba by a deal made between President Kennedy and Khrushchev to end the Cuba missile crisis.

I told him that to the best of my knowledge great care was taken in all communications with the Soviet Union during and after the Cuba missile crisis in no way to diminish the statement of policy made by President Kennedy at his press conference on September 13, 1962.

To refresh your memory, the relevant passage is quoted below:

"However, unilateral military intervention on the part of the United States cannot currently be either required or justified, and it is regrettable that loose talk about such action in this country might serve to give a thin color of legitimacy to the Communist pretense that such a threat exists. But let me make this clear once again: If at any time the Communist buildup in Cuba were to endanger or interfere with our security in any way, including our base at Guantanamo, our passage to the Panama Canal, our missile and space activities at Cape Canaveral, or the lives of American citizens in this country, or if Cuba should ever attempt to export its aggressive purposes by force or the threat of force against any nation in this hemisphere, or become an offensive military base of significant capacity for the Soviet Union, then this country will do whatever must be done to protect its own security and that of its allies."

W. W. R.

(quote from Public Papers of
the Presidents p. 674)

5

~~SECRET~~

Thursday, August 10, 1967
4:30 p.m.

Pres file

Mr. President:

I was just about to send up to you this good memorandum of Henry Owen's which alters the proposed terms of reference of Sen. Clark's panel.

With your permission, I would like to make this memorandum available to Bob McNamara in raising with him Sen. Clark's proposal.

W. W. Rostow

~~SECRET~~

WWRostow:rln

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By 119, NARA, Date 7-23-81

5a

~~SECRET~~

August 10, 1967

MEMORANDUM

SUBJECT: Whither Arms?

1. Senator Clark's proposal that the President appoint a blue ribbon panel to focus exclusively on the ABM issue is a bad one. The scope of inquiry would be too narrow to make sense; it would be seen as a move aimed primarily at deferring or postponing ABM deployment, in face of pro-deployment pressures.

2. Here is an alternative proposal which makes more sense: The President should appoint a commission to study where we go from here in the field of strategic armaments as a whole. We stand at a turning point in respect of both offensive and defensive strategic weapons; a new look at the prospect ahead would make sense. Such a look might focus on two questions:

-- What disarmament proposals should the US put to the USSR, in the present situation? I doubt the Soviets will enter ABM and related discussions, except in response to such a proposal. Conflicting bureaucratic interests are now so evenly balanced within the US Government that a distinguished outside group could play a key role in gaining acceptance for such a proposal, within the Government and in terms of public opinion. Indeed, it may be that this is the only way a viable proposal will come to the surface.

-- In the absence of new US-Soviet agreements, what should the US do in re offensive and defensive armaments? It may be that a new round of competition in this field (including ABM's) is made unavoidable by new technology and Soviet actions. But we should be clear as to the disadvantages: First, this will undercut the impact of an NPT; Second, it may trigger European and Asian reactions (e.g., desires for ABM's) which could pose some very disagreeable choices for the US; Third, and most important, it could eat up some of the post-Vietnam resources needed

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DECLASSIFIED

Authority 7129 89-148

By 19/12p, NARA, Date 8-30-91

~~SECRET~~

- 2 -

to meet domestic problems. If the Commission is a good one, its report might strengthen the hand of the administration in trying to restrain pressures for a US over-reaction in this field.

3. There are other advantages:

(a) Such a Commission, with a balanced membership, might help to keep the nuclear issue out of politics in 1968.

(b) The Commission's work could help to transfer public and Congressional attention from the intended US-Soviet ABM talks as the critical variable in US decisions. The ABM talks could then go into low gear if they proved unproductive, or disappear from public sight if they never took place, without this attracting as much attention as a "failure", or stimulating as much pressure for expanded strategic programs, as otherwise.

NOTE: It's only fair to point out that there are risks with any Commission: (i) it might turn out a bad or split report (although we can probably influence this via selection of a wise chairman and sound members); and (ii) although we would want to make public its main findings, there would be pressure to release classified details.

^{Ho}
Henry Owen

~~SECRET~~

6

~~SECRET~~

Thursday, August 10, 1967
4:15 p. m.

Pres. file

Mr. President:

Herewith Andy's account of his conversation with Gen. Eisenhower on your three points.

W. W. Rostow

~~SECRET~~

WWRostow:rlh

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By AB, NARA, Date 7-23-91




~~SECRET~~
DEPARTMENT OF DEFENSE
THE NATIONAL WAR COLLEGE
OFFICE OF THE COMMANDANT
WASHINGTON, D.C. 20315

10 August 1967

MEMORANDUM FOR THE PRESIDENT

Attached is my memo for record of a meeting I had with General Eisenhower at Walter Reed Hospital yesterday. I covered the three points about which Mr. Rostow had spoken to me -- the possible trade of bombing cessation in the North for cessation of Soviet military supplies to North Vietnam; the Middle East desalinization proposal; and the state and progress of the Vietnamese war, which does not constitute "stalemate".


A. J. GOODPASTER
Lieutenant General, USA

~~SECRET~~

DECLASSIFIED

Authority per declassification of attachments

By sg/dch, NARA, Date 8-26-91

~~SECRET~~

6b

DECLASSIFIED
E.O. 12356, Sec. 3.4
NIJ 94-190
By cl, NARA, Date 4-3-95

10 August 1967

MEMORANDUM FOR RECORD

SUBJECT: Meeting with General Eisenhower, 9 August 1967

I met with General Eisenhower for about three-quarters of an hour at Walter Reed Hospital in the late morning of 9 August. The purpose was to cover with him three topics which Mr. Rostow had asked me to bring to his attention. I had briefly met with General Eisenhower on the afternoon of 6 August, and had given him a brief report on the situation in Vietnam.

On 9 August I began the discussion by reporting the activity within the government relating to his recommendation to examine the possibility of "trading" a cessation of bombing of North Vietnam (or the northern part thereof) for a cessation by the USSR of in-shipments of military material to the North Vietnamese. I drew upon the CIA assessment of a postulated agreement between the US and USSR on this matter, noting in particular the conclusion that the Soviets would be unlikely to agree without the prior agreement of the North Vietnamese and that the North Vietnamese would be likely to refuse to agree. I told him that the matter has been receiving consideration by an interdepartmental group at undersecretary level, and that Secretary Rusk is pondering the matter as stated to me by Mr. Rostow. I also reported that the US has put to the Soviets the following question: You say that if the US stops its bombing of the North, there would be talks; you also say that you can't get Hanoi to make a compensatory escalation; we would like to know what you, the Russians, would be willing to do as a compensatory action. I told him Mr. Rostow had informed me that the US is still waiting to see what the Russians give as an answer, and that we have jugged them once or twice for an answer.

I added that the current governmental thinking is that the proposition advanced by General Eisenhower would only work if the North Vietnamese want to end the war. In such case, it would have some face-saving value for them. At the same time it would meet the requirements stated by the President for some de-escalation from the other side. I further reported Mr. Rostow's feeling that


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this proposition may well prove to be worth a trial. We do, however, have to think out where the US would find itself if the Soviets were to accept, and then cheat on the agreement. Specifically, how could the President go about justifying resumption of bombing in such a case? Finally, as suggested by Mr. Rostow, I told General Eisenhower that there had been no decision in the matter, that the government is working hard on it, that it fits very well into other actions (such as the question posed to the Russians) and that there is great interest in it. I told General Eisenhower that if he had any further thoughts, now or later, the government would be interested in hearing them. He indicated he had nothing further to suggest at this time. He found particularly interesting the information in the CIA report that only a very small part of the material being utilized by the communists in South Vietnam is of Russian origin, and that the bulk (small arms, mortars and ammunition, as well as radios) comes from China. This would suggest that even if Russian supplies were halted (and bombing of the North stopped) the combat in the South could continue, including the battle with US forces. Some reduction of flow could, of course, be accomplished by continuing the air attack against the North Vietnamese panhandle.

I next took up the status of the Middle East desalinization proposal. Here too the government is pushing ahead. They now have the memo by Admiral Strauss and are studying it. In addition, they are working with the World Bank. Ambassador Woodward of State is heading up activity in the government on "water for peace". The World Bank is actively studying the matter, and George Woods is looking into three possibilities -- the Jordan Valley; the Tigris-Euphrates; and Libya. I told General Eisenhower that the government sees this as a 10 to 12-year project. He commented that it would of course proceed by phases, with early installations operating well before that time, and I told him that this is the way government officials see the matter too. I added that no one can now foresee a use for all the power that would be generated, and he said this observation agreed with his own understanding. I told him Mr. Rostow had referred to the possibility of using power to produce chemical fertilizers and aluminum, and General Eisenhower said this was his understanding of the possibilities together with light manufactures as well. Finally I told him Mr. Rostow had said that diplomacy is moving slowly since great care and patience must be exercised with the Arabs, but that in the meantime a lot of quiet staff work is going on. General Eisenhower said it was his understanding that there is a good possibility that this whole proposition could be financially self-supporting within a relatively short time.

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I then took up the third point raised by Mr. Rostow -- the "stalemate" theme that is beginning to appear in connection with the war in Vietnam. I told him that I felt that this is not a valid or useful concept and that, as Mr. Rostow had stated to me, although progress is painfully slow, the situation is moving favorably. I used the main points of General Momyer's briefing of 8 July together with a series of charts given me by Mr. Rostow. I went through the Momyer briefing in some detail, covering the new flak suppression weapon, the introduction of a countermeasure Pod, the new tactics it has been possible to utilize, and the resulting reduction in attrition rates. I also noted the destruction, for practical purposes, of the North Vietnam Air Force at this time, and the readiness to destroy it again. General Eisenhower was keenly interested. He was especially interested in the mutually reinforcing effects of reduction of anti-air effectiveness, greater weight of effort against military and transportation targets reducing availability of ammunition, resulting further reduction of anti-air defenses, and further increase in destructive impact on lines of communication. He recalled from his own experience the appearance of such mutually reinforcing effects in Europe when the tempo and systems coverage of the bombing campaign were brought to the proper level. He indicated that this thought underlies much of his concern about a policy of "gradualism". On Mr. Rostow's charts he was interested in the level-off of VC/NVA strength since mid-'66, the generally rising ratio of VC/NVA KIA to friendly forces KIA, the generally rising trend of Chieu Hoi defectors and the sharply rising trend since 1965 of VC/NVA weapons lost to ARVN weapons lost. I also told him there is evidence -- for example in the defection and testimony of a VC colonel -- that the VC are encountering great manpower difficulties in trying to keep up the strength of their units. General Eisenhower said he agreed that the term "stalemate" is not a valid one to cover the present trend and situation of the war.


A. J. GOODPASTER
Lieutenant General, U. S. Army

3

~~SECRET~~

WWR
Profile
7

Thursday, August 10, 1967 -- 4 PM

Mr. President:

At Tab A, for your signature, is a draft reply to your last letter from General Ankrah of Ghana. Ankrah's letter (Tab B) had no particular purpose. He just wants to maintain a pen-pal relationship with you.

The draft reply comments briefly on each of Ankrah's major points. But its main message is as in the next to the last paragraph, which is an invitation to Ankrah to call on you in October. He will be coming to New York to address the General Assembly and then visit Expo. He has already asked to pay an informal call on you.

All of your advisers would urge you to see Ankrah. He is probably the most pro-American leader in Africa, and Ghana is important, as African countries go. It would be something of a personal blow to him if you decline.

On the other hand, you should know that there will be other major African figures descending upon us this Fall who will want to see you. We know, for example, that Tanzanian President Nyerere will also be here, probably in October, and that President Ahidjo of Cameroon will be coming about then to accept an honorary degree. State will undoubtedly recommend that you see both of them. And it will be somewhat more embarrassing to turn them down if you agree to see Ankrah.

On balance, I would suggest you approve an invitation to Ankrah if your schedule permits. (We can work out the exact dates with Jim Jones. We would hold the visit to the Expo formula -- one meeting and a lunch.) It is true that this ^{him} prejudices the case on Nyerere, but I doubt that you will want to refuse in any case. Ahidjo is not quite in the same category, but there will also be a strong State recommendation for you to see him as well, quite apart from what you do with Ankrah. Thus, I doubt that you would be gaining anything by turning the General down. And you could lose some of the enormous good will he now feels for you and for the United States.

W. W. Rostow

I have signed the letter; go ahead with detailed planning of the visit ✓

I can't commit myself now; take the invitation language out of the letter _____

Speak to me _____

w w R
na

DECLASSIFIED
E.O. 12356, Sec. 3.4
NLJ 94-190
By CB, NARA, Date 4-3-95

August 11, 1967

Dear Mr. Chairman:

I was very pleased to receive your recent letter. Under Secretary Katzenbach has given me a full account of his extensive conversations with you and your associates during his visit to Accra. Your letter and his report confirm my impression that Ghana is pressing forward with the critical business of progress for her people.

I want you to know that I appreciate how difficult many of these steps are for you. The courageous decision to devalue your currency is a particular case in point. I am told that this step, together with the other measures in your economic stabilization program, have already resulted in growing interest in Ghana on the part of foreign investors. I very much hope this trend will continue.

General Conway has also reported to me on his conversation with you. I understand that he discussed with you the rigorous legal and budgetary limitations on our military and related assistance programs. Ambassador Williams will be in touch with you on this matter in the near future.

Your remarks about regional cooperation were particularly welcome. We too were greatly heartened by formation of the West African Economic Community. I think all of Africa's friends in the world were also encouraged by your response to President Mobutu's request for aid in the current difficulties in the Congo. Ghana's action is bound to strengthen the sense of mutual alliance among African nations. We in the United States could not wish for any more constructive evolution in African affairs.

Your interest in international affairs beyond Africa's borders has also been most constructive. I was pleased to note that our two UN delegations were in harmony during the Special Session of the General Assembly on the Middle East crisis. I also note with appreciation your interest in our efforts to bring a just

peace to Vietnam. We continue to make every effort to move the conflict from the battlefield to the negotiating table. So far, despite our very best efforts, we have received no response whatever. Like you, I deeply hope and trust that we can make progress in this area in the months ahead.

I understand that Americans are to have the pleasure of your company in October. If your schedule permits a stop in Washington, I would very much like to see you and to discuss the many vital matters with which we are both concerned. Ambassador Williams will be in touch with your office to work out the details. Mrs. Johnson and I look forward to the pleasure of meeting you.

With warm personal regards.

Sincerely,

LBJ Lyndon B. Johnson

His Excellency
Lieutenant General J. A. Ankrah, O.O.V., M. C.
Chairman, National Liberation Council of
The Republic of Ghana
Accra

LBJ/EKH/vmr

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DECLASSIFIED
E.O. 12356, Sec. 3.4
NIJ 94-190

76

NLC/1053/DO/CH

By cb, NARA, Date 4-3-95

27th June, 1967.

HON. LYNDON B. JOHNSON,
President of the United States of America,
The White House,
WASHINGTON D.C.

Dear President Johnson,

I am delighted to be able to resume our personal correspondence on which I place a great store and to be able to inform you about developments on Ghana.

After the traumatic shock caused by the brutal and sudden death of Lieutenant-General E.K. KOTOKA, GSO, and the three other Service Men on 17th April, 1967, the National Liberation Council has very quickly restored equanimity among the Ghana population and has raised the morale of the country which sunk very low as a result of the unfortunate incident. As I explained to Under Secretary of State, Mr. NICHOLAS KATZENBACH and to General CONWAY, Commander of U.S. Strike Force, the abortive coup was the work of a small group of officers supported by a few disgruntled ex-party diehards of Kwame Nkrumah. The situation is now completely under control.

As you may have already heard, the trial of the 3 officers - the ring leaders - involved in the unfortunate incident by the Military Tribunal was held in public and lasted over three weeks. I have taken the trouble to go into a little detail about the trial in order to allay any doubts. Two of the accused officers were shot in public only to serve as a deterrent. I am sure that the lesson has gone down well. You may have also heard that I commuted to imprisonment the death penalty imposed by another Military Tribunal recently for subversion. My colleagues of the National Liberation Council and I do not seek vengeance. Our aim is to establish a dependable and safe country for all the citizens of Ghana. Moreover, we do fully appreciate that stability and dependability are conditions for investments from friendly countries such as yours. It was for this reason that, to avoid civil disturbances and the break-down of law and order following incensed feelings occasioned by the abortive coup, some people, mostly ex-C.P.P. members who came out openly for the abortive coup have been placed under protective custody.

Steps towards civilian rule and the re-establishment of institutions essential to democratic Government are being taken according to plan. A Centre for Civic Education under my patronage has been launched. Dr. BUSIA, an eminent citizen, has been chosen by the National Liberation Council to be Chairman of the Board which also has two members of the Council on it. It is the hope of my colleagues that this centre, by its education, will inculcate in the Ghanaian citizens, a sense of individual responsibility in an established democracy. The Constitutional Commission and the Electoral Commission are progressing steadily with their tasks. I hope that as from the 1st July an Executive Committee would take over the day-to-day work of the Ministries from the National Liberation Council. Civilian Commissioners will form the majority of the Executive Committee.

.... /2.

This step would enable us to concentrate on our prime task - that of defence and internal security.

In addition to my duties as Chairman of the National Liberation Council I have assumed direct control of the Ghana Armed Forces. All the officers involved in the last abortive coup have been removed and will be brought to trial. Those whose loyalty or conduct we are not sure of have been replaced and given other assignments. The morale of the men and officers is high, but to improve our preparedness for any eventuality, be it external subversion or natural disasters, I discussed with General CONWAY certain requirements which I hope your Government would consider favourably as you have always done.

May I at this juncture take the opportunity to thank you personally and through you the Members of your Government and Embassy in ACCRA for the additional PL-480 food commodity assistance and the \$20m programme assistance loan signed on 19th June, 1967. Such concrete expression of support and friendship goes a long way to bolster up our economy.

We believe in regional co-operation as offering a chance of mutually beneficial rate of economic growth, particularly to developing countries. As our economy resuscitates with the assistance of friendly countries such as yours, we shall be encouraged to seek more of such regional co-operation with our neighbours. A significant move in that direction was made last month when all the West African States (except Guinea) including Mali initialled the West African Economic Community agreement in ACCRA. We have provided a small Secretariat here to service the community.

Turning to External Affairs my Government continues to maintain close relations with its neighbours while taking keen interest in world affairs in general. With regard to Vietnam, we support any action which promises to restore peace in that strife-torn area and have followed your efforts in this direction with keen interest.

In the Middle East, Ghana believes that peace could be established if the Israelies and the Arabs could be persuaded to sit at a round table to settle their own affairs without outside pressure or interference. In this connection, your 5 point plan which you broadcast to the American nation on Monday, 19th June, 1967 are not dissimilar to Ghana Government's views on the issue.

It will be a great pleasure indeed for me to meet you in October this year. I really look forward to my visit. I have no doubt that our meeting will go a long way to strengthening further the cordial relations which already exist between our two countries.

Please accept, Mr. President, the assurances of the highest consideration and esteem.

Yours very sincerely,

(SGD) LT-GENERAL J.A. ANKRAH OOV, MC

Thursday, August 10, 1967
3:20 p. m.

Mr. President:

Herewith Under Sec. Katzenbach raises question of your attending the reception to commemorate the sixth anniversary of the Alliance for Progress.

I raised same issue yesterday; but this is fuller account.

W. W. Rostow

WWRostow:rln

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Pres file

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THE UNDER SECRETARY OF STATE
WASHINGTON

August 10, 1967

MEMORANDUM FOR THE PRESIDENT

Subject: Invitation to Attend Reception
on August 17, 1967 at the Pan
American Union

Recommendation:

That you attend an evening reception and give brief remarks on August 17 at the Pan American Union to commemorate the sixth anniversary of the Alliance for Progress.

Approve _____ Disapprove _____

Discussion:


The heads of the Inter-American agencies in Washington participating in the Alliance for Progress plan to hold a reception on August 17 from 7:00-9:00 p.m. at the Pan American Union to commemorate the sixth anniversary of the Alliance for Progress. These agency heads are Jose Mora, Secretary General of the OAS, Felipe Herrera, President of the Inter-American Bank, and Carlos Sanz, Chairman of CIAP. At the reception they plan to make awards to Latin American students who won national essay contests on the Alliance for Progress. They have expressed the strong desire that you attend and make appropriate remarks.

It is very desirable that you participate in this ceremony to reiterate publicly your support for the Alliance. Your appearance will continue the highly favorable impact you made at Punta del Este. It will

reassure the Latins that despite the pressures of requirements both at home and in Vietnam, the commitment to Latin American development you showed at the summit conference remains firm. Your attendance and remarks will receive good media coverage throughout the hemisphere.

We have considered a ceremony sponsored by the United States at which you would speak. We also considered the possibility of recommending a White House reception. However, I believe a reception sponsored by the Latin Americans in which you are a participant is more in keeping with your emphasis on encouraging Latin leadership and self-help under the Alliance.

If you approve this recommendation we will work out the details, including brief remarks for your consideration. You would need to be present for about one hour.


Nicholas deB. Katzenbach

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Thursday, August 10, 1967
2:00 p. m.

Mr. President:

Herewith a supplementary memorandum from Bill Gaud and Gene Rostow putting their case for having developed \$237 million worth of matching additional aid.

Pres file

W. W. Rostow

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WWRostow:rlh

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By rlh, NARA, Date 7-23-91

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DEPARTMENT OF STATE
WASHINGTON

August 8, 1967

SUPPLEMENTAL MEMORANDUM FOR THE PRESIDENT

India Food Aid Program

In light of Saturday's meeting we thought you might find useful the following elaboration of certain basic issues.

1. In our India Food Message of February 3, you set three major goals for our India food program.

--"Meeting the food needs of India during this emergency should be accepted as an international responsibility which each nation should share;

--"Emergency food and food-related aid should be coordinated through the World Bank Consortium;

--"This aid should not diminish the flow of resources for other development programs. It should be in addition to the targets for each country suggested by the World Bank."

With a view to achieving these objectives, you recommended allocation of three million tons of food grain (valued at \$190 million), "provided it is appropriately matched." In the legislative hearings on the Congressional Joint Resolution to support your program, it was made clear that you and the drafters of the resolution meant by the words "appropriately matched" that we would seek contributions from others to match our three million ton offer either in food or in a

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By plw NARA. Date 3/25/94

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form which would free India's resources to buy enough food in commercial markets to enable India to meet its 10 million ton import requirement without reducing the resources available to India for other urgent import needs.

2. These goals have been substantially achieved.

-- At our insistence the Consortium has accepted the principle that food aid is an integral part of the Consortium's work and an ultimate goal for concerted international action in which each nation should do its part.

-- And as a result of our efforts, the response of the international community to India's present food emergency was greater -- much greater than it otherwise would have been.

-- Both the Government of India and the IBRD have concluded that the US offer of \$190 million in grain has been more than matched by aid offers by others.

The target of "full matching" for us, in the sense of the Joint Resolution, is \$190 million for the calendar year 1967. Against that figure, without counting pipeline acceleration, we list a total of \$218.9 million in matching in the form of Cash or Food (\$72.2), Food Production Resources (\$39.8), and debt relief (\$106.9) which has been or is expected to be made available to India to help meet its food import needs. You will recall that at the time of our first PL-480 agreement in May, \$96.7 million had already been pledged. Since that time debt relief offers have been made by the UK (\$33.6 million), West Germany (\$14.5 million) and the World Bank (\$50 million). Together with other food or food production contributions and an expected food-grains grant from Australia of \$9.8 million, this adds up to \$122.2 million more in matching contributions. (See attached table, Tab A.)

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With the help of these contributions by others freeing India's resources to buy food, India believes it can afford to purchase the balance between the food aid she will receive and total imports of 9.5 million tons for the calendar year or only 500,000 tons less than our initial objective of 10 million tons.

-- Despite the fact that India is purchasing for cash import a record 1,452,000 tons of grain, nearly 50% more than the cash import total of last year, she has been able to maintain her policy of trade and investment liberalization. In other words, matching contributions from others freed enough of India's resources to buy food to enable India to meet its food import needs without reducing the resources required by India for other urgent import needs.

-- Looked at in this way, the exercise has been successful in achieving all three of our initial objectives.

3. Despite this fact, there still remains the further question of the extent to which matching contributions by others are "additional" in the formal sense, i.e., that our \$190 million in food is matched by food aid contributions which are "in addition to the targets for each country suggested by the World Bank."

In the nature of the Consortium process, it is too soon to be able to test every contribution against this criterion. A more complete assessment will probably be possible after the October Consortium meeting, when we will have firmer figures on India's total program needs and total individual country Consortium contributions for this year.

But from evidence already in hand, we can say with confidence that contributions from others including pipeline acceleration will be "additional" in amounts approximating our objective of \$190 million.

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As you can see from the attached Table, Tab B, we have evidence in the form of firm pledges, Aide Memoires, Consortium statements, and reporting cables to verify that at least \$144.7 million of the matching contributions will be additional. Action at the October Consortium meeting may verify the additionality of still other contributions already in hand.

There is no question that the World Bank's contribution of \$50 million to the \$144.7 million total is additional. This contribution is in the form of a deposit of \$50 million which the Bank is making with the Reserve Bank of India. This deposit will be freely usable by the Reserve Bank of India as part of its foreign currency balances and will remain in that account for a period ending not later than March 31, 1968. Arrangements are presently underway for the long-term rescheduling of India debt and it is expected that this deposit will at a later date in the year become absorbed in the long term debt accommodation, thereby extending the term of the repayment of this \$50 million for a period of years.

In addition, as a direct result of our food matching exercise, Italy, France, the Netherlands and the UK have made arrangements for India's utilization of certain prior loans to India -- loans which the Indians have been unable to use in the past -- thereby accelerating and increasing the pipeline and freeing foreign exchange. (In the case of Italy, unused fiscal '65-'66 pledges of \$40 million which the Indians considered unusable are being made available for the construction of two new Indian fertilizer plants, as well as an unused \$32 million of non-project assistance from Italy's 1966-67 loan pledge which will release a corresponding amount of foreign exchange for food purchases. France (\$17 million) and the Netherlands (\$3-4 million) have also pledged their efforts toward increased pipeline acceleration as contributions in addition to their regular Consortium figures for this year, although we do not have firm

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figures yet on the end-products of these efforts. This pipeline acceleration, if substantially realized, would add real resources to help the Indians meet their import needs, which when added to \$144.7 million of clearly additional contributions, would put us well over our \$190 million objective. Although this pipeline acceleration will not count against Consortium totals, we consistently took the position in our negotiations that our concern was with the flow of resources during the year and the maintenance of trade and investment liberalization policies, not solely the record of budget allocations for the year.

4. Your Food Message, the language of the Congressional Joint Resolution, and its legislative history made it entirely clear that we were in no sense bound, politically or morally, by the 50-50 matching principle. Indeed, although it was clear that we could do more even if others did less, our commitment was "to share fully in the international effort" and to allocate the full 3 million tons to India "provided it is appropriately matched by other countries."

The legislative hearings made it clear that the 50-50 matching idea was a goal, especially this first year, and not a barrier to action that needed to be taken if Indians were starving and other countries fell short.

As Congressman Dole put it:

"One contingency we were concerned about was that even despite every effort to get other countries to match, if there should be a failure from other countries then the choice is starvation on the one hand or, at least, hunger; and supplying more food.

"I feel there should be enough of an option so that additional food could be supplied. It was the intent of the drafters that it read just as it does with this one exception, that if other countries cannot do it are we going to turn your (sic) back on the people of India? We say 'no'."

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Conversely, our offer was acted upon by others, including India, in reliance upon our stated commitment to release the full 3 million tons if others would fully match our efforts.

AUG 8 1967

William S. Gaud
Eugene V. Rostow

William S. Gaud
Eugene V. Rostow

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FOOD AID OFFERS
((\$1 Million))

Tab A

	<u>Cash or Food</u>	<u>Food Production Resources</u>	<u>Debt Relief</u>	<u>Total</u>
<u>I. First Step Matching</u>				
Austria	0.3	-	0.4	0.7
Canada	52.0	10.0	1.9	63.9
France	4.1	-	-	4.1
Japan	-	7.0	6.2	13.2
Germany	-	10.0	-	10.0
Scandinavia	-	4.8	-	4.8
Total	<u>56.4</u>	<u>31.8</u>	<u>8.5</u>	<u>96.7</u>
<u>II. Second Step Matching</u>				
Australia	9.8	-	-	9.8
Belgium	1.2	-	-	1.2
France	-	8.0	-	8.0
Germany	-	-	14.8	14.8
U.K.	4.8	-	33.6	38.4
IBRD	-	-	50.0	50.0
Total	<u>15.8</u>	<u>8.0</u>	<u>98.4</u>	<u>122.2</u>
<u>III. Total First and Second Step Matching</u>				
Total I and II	<u>72.2</u>	<u>39.8</u>	<u>106.9</u>	<u>218.9</u>

Food Matching target (value of our 3 million tons) \$190.

In addition Austria, Italy, Japan, and the Netherlands have indicated that they will probably offer India fertilizers but amounts are not yet determined. In addition, both Italy and the UK have agreed to alter the criteria for utilization of prior loans to India so as to permit their more rapid utilization and thereby free foreign exchange needed for foodgrain purchases. Italy agreed to a new list of eligible projects and commodities in order to facilitate rapid draw down of a \$72 million balance remaining from prior year loan pledges. The UK has agreed to reallocate \$4.76 million originally earmarked for capital projects for general purposes. France (\$17 million) and the Netherlands (\$3 million) have also pledged their efforts toward increased pipeline acceleration, although we do not yet have firm figures on the end-products of these efforts.

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Authority State Sec 5/25/78
 Date 3/25/94

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MATCHING AID WHICH IS CLEARLY ADDITIONAL NOW

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	<u>Cash or Food</u>	<u>Food Prod Resources</u>	<u>Debt Relief</u>	<u>Total</u>
<u>AUSTRALIA</u>	9.8 Canberra 228- 150,000 ton wheat gift July 25			9.8
<u>AUSTRIA</u>	.3 (IBRD letter to NESA 7/18/67)			.3
<u>CANADA</u>	52.0 Ottawa A-61, 7/19 IBRD Memo 5/51/67		1.9	53.9
<u>FRANCE</u>	4.1 Paris 15383			4.1
<u>GERMANY</u>	10.0 Bonn 11789			10.0
<u>JAPAN</u>	7.0 Tokyo 7699			7.0
<u>SCANDINAVIA</u>	Copenhagen 970 Stockholm 956 Oslo A-487, March 5	4.8		4.8
<u>IBRD</u>	India Aide Memoire 7/7/67		50.0	50.0
<u>UK</u>	UK Min Overseas Development Statement	4.8		4.8
				<u>144.7</u>
<u>PIPELINE ACCELERATION PLEDGES</u>				
<u>FRANCE</u>	April Consortium Meeting			17.0
<u>NETHERLANDS</u>	April Consortium Meeting			3.0
<u>ITALY</u>	Italy Aide Memoire (may not all be realized)			72.0
				<u>92.0</u>
<u>TOTAL</u>				<u>236.7</u>

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Authority State Hr 5/25/78
by [Signature] NARA, Date 3/25/94

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Thursday, Aug. 10, 1967
9:45 a. m.

Pres file

MR. PRESIDENT:

Herewith Bill Gaud presents the development loan figures for FY 1967 and FY 1968, underlining that the FY 1968 figures are highly theoretical given the Congressional gauntlet still to be run.

W. W. R.

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~~CONFIDENTIAL~~

10a

DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON

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August 9, 1967

OFFICE OF
THE ADMINISTRATOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Development Loan Program for FY 67 and FY 68

At today's meeting on Indonesia I gave you a country-by-country breakdown of our Development Loan program for FY 1967 and FY 1968. I did not have the figures before me, and was off on one or two of them. This memorandum will give you the right figures.

For FY 1968 we are asking that \$774 million be appropriated for the Development Loan fund. Loan repayments, refunds and deobligations during the year are estimated at \$88 million. This means we would have a total of \$862 million available if the Congress gave us the full amount of our appropriation request.

For FY 1967 the Congress appropriated \$500 million for Development Loan funds. Loan repayments, carry-over, refunds and deobligations totaled \$169 million that year. Thus the total program figure was \$669 million.

The totals for the two years break down as follows:

	<u>FY 1967</u>	<u>FY 1968</u>
	(in millions of dollars)	
India	203	400
Pakistan	130	165
Turkey	135	100
Africa	98	90
Korea	61	50
Indonesia	0*	20
Others	<u>22</u>	<u>37</u>
	669	862

*The \$30 million which went to Indonesia in FY 1967 came from Supporting Assistance funds. No such funds are programmed for Indonesia in FY 1968.

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E.O. 12356, Sec. 3.4

NJ 93-316

By *[Signature]* NARA, Date 3/25/94

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As I said at the meeting this morning, the \$669 million figure for FY 67 does not tell the whole story. Due to the suspension of aid to India and Pakistan following the outbreak of war in the fall of 1965, \$320 million of FY 1966 Development Loan funds were obligated for loans to India and Pakistan late that fiscal year - largely to meet FY 1967 requirements. \$250 million of this went to India and \$70 million went to Pakistan.

It is hard to say exactly what part of the \$250 million for India - and of the \$70 million for Pakistan - should be attributed to FY 67 rather - than FY 66. However, for several years prior to the war our consortium pledge to India was \$385 million a year, and to Pakistan \$187 million a year.

One further comment which is all too obvious. While both the Senate Foreign Relations Committee and the House Foreign Affairs Committee have reported out bills which would permit an FY 1968 program as large as that shown above, we still have to run the gauntlet of floor action in both Houses on the authorization bill and - more important - we have the appropriation process ahead of us. The country figures shown above for FY 1968 therefore do not belong to the real world.



William S. Gaud

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~~SECRET/NODIS~~

Thursday, August 10, 1967
9:30 a.m.

11
Pass file

Mr. President:

Herewith Amb. Bunker's latest weekly. It is mainly devoted to politics; but pages 8-10 include a passage on which, I believe, we ought to generate a column from Bill White or some other friendly journalist.

W. W. Rostow

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WWRostow:rlm

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E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By rg, NARA, Date 7-23-91

~~SECRET/NODIS~~

11a

Wednesday, August 9, 1967

FOR THE PRESIDENT FROM BUNKER (Saigon, 2686)

Herewith my fifteenth weekly telegram:

A. General

Ever since the formal opening of the campaign last Thursday, August 3, political activity has occupied the center of the stage. The campaign got off to a good start and the initial press conferences, TV, and radio appearances of the candidates went off very well.

On August 3, the first day of the campaign, both Suu and Huong held press conferences to announce their platforms. All eleven Presidential slates appeared on television that same evening. During the first three days of the campaign each Presidential slate also appeared on the national radio, one evening. Thieu and Ky held a press conference last night. An Embassy Officer who was present at the part of the conference attended by the foreign press reported that Thieu handled almost all of the questions and did so with very considerable skill, turning in a quite impressive performance. Yesterday morning a pro-Government all Vietnam Bloc opened a two-day convention in Saigon. Saigon itself is covered with campaign signs, almost every wall and tree bearing a poster of one or more of the candidates.

This good start was somewhat marred when the campaign, due to a combination of bad weather and some lack of planning and ingenuity, hit a snag on the first joint visit of the candidates to the provinces. High winds forced the plane carrying most of the candidates (but not Thieu-Ky) to Quang Tri on August 6 to land at Dong Ha, a Marine airstrip 15 miles north of Quang Tri. When they disembarked there was no one to greet them. Taking

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Authority RAC 11127 (#11a) and NLS 94-191
By id, NARA, Date 8-15-06

note of the fact that neither Thieu nor Ky was with them, some of the candidates at once jumped to the conclusion that the Government was trying to humiliate them. Although the Quang Tri Province Chief dispatched a convoy to Dong Ha to pick up the candidates as soon as he learned of their whereabouts, by the time the convoy arrived they had already flown to Danang in a high state of indignation. There they were unable to get in contact with the First Corps Commander General Lam and unaware that any plans had been made to greet them in Quang Tri, they decided that Lam was deliberately avoiding them. As their frustration increased, they decided to fly back to Saigon. I shall report on this incident and its aftermath in more detail in the Political section.

As a result of this -- and my conclusion is that it was largely bad luck and not any premeditated action of the part of the Government of Vietnam -- on both August 7 and yesterday we urged the candidates and various Government officials to get together to work out some mutually agreeable means of improving campaign cooperation and coordination and counseled against further public recriminations. I think these efforts had some effect and I am planning to see Thieu and Ky within the next few days. Although a few of the candidates are still taking a hard public line on this issue, none of them is talking about abandoning the campaign. Given our efforts, Thieu's placating remarks, and the fact that the candidates probably feel they have gotten all the political mileage they can out of this issue, I anticipate they will make new plans and be back on the campaign trail in a few days.

I have noted that some of the American press has taken a critical and sometimes highly skeptical view of the campaign here. This, of course, reflects the views in part of a segment of their representatives here. In my opinion, much of this criticism has been unfair and based on an erroneous understanding of the facts. It is based also in part on the assumption that this country, engaged in a bitter war for survival, while at the same time and with great courage trying to establish a functioning, Constitutional Government should be able to achieve standards not attained anywhere else. To me, this seems a highly theoretical abstraction.

What applies to the press attitude toward the political situation applies also in considerable measure to their attitude toward the Vietnamese Armed Forces. There is a great tendency to pick out isolated incidents and generalize from them. For example, in the current issue of Time magazine (August 4, 1967) there is an article on the ARVN which gives the impression that the Vietnamese Armed Forces are accomplishing little. The actual fact is that there has been marked improvement in the performance of the Vietnamese forces and I shall comment on this later in the message.

B. Political

I have mentioned the mix-up at Quang Tri, the abandonment of the candidates of their plans to hold a meeting there, and their return to Saigon on August 6. The next day they met with the Central Election Campaign Committee, the press being admitted to the meeting. The facts of the mix-up were by this time known to all but some of the candidates, notably Tran Van Huong, insisted that it was a Government plot to humiliate them and questioned the good faith of the Government.

In a closed meeting later the same day, the candidates decided to issue a three point communique and also to send a letter to General Thieu about the incident. The communique blames the Government for the "Dong Ha incident," protests Government failure to carry out its campaign obligations, and threatened to take "an appropriate attitude" if the Government does not meet its campaign responsibilities in the future. The letter is reportedly a strongly-worded protest which demands assurances that henceforth the campaign arrangements will be satisfactory.

General Thieu was asked about the incident in his press conference last night, and he twice stated his willingness to meet with the other candidates to work out arrangements to avoid such incidents in the future. He said, "We are men of good will, and we will try to do the right thing." He also commented that if there were errors he would accept the blame. Ky was quoted by Vietnam press on August 7 as saying that he is prepared to travel

with the other candidates; this would be a gesture that should go far to mollify them. They are now considering a reduced schedule of provincial appearances and some of the older candidates are said to welcome a less strenuous itinerary.

As they begin to emerge in the candidates' platforms and public statements, the main campaign issues appear to be peace and the need for widespread Government and social reform. The problem of negotiations and peace was treated extensively and forthrightly by both Suu and Huong in their August 3 press conferences. Huong made it clear that he believes the future Government should not negotiate with the National Liberation Front, that the principal parties to future negotiations should be North and South Vietnam, and that South Vietnam must clean up its Government and society in order to be able to negotiate an acceptable peace. The Huong platform says "to search for a political solution does not mean to advocate peace at any price. It means that the Communists must first abandon their plan of conquest of South Vietnam ... that all peace solutions must respect the independence, the territorial integrity, the essential interests of South Vietnam, and must carry effective guarantees both internal and international."

Suu is also opposed to "formal negotiations" with the National Liberation Front, but he apparently does not want to foreclose the possibility of lower-level contact and "talks" with the Front. Suu also said he would "open the door" for the return of nationalist elements in the National Liberation Front. Suu's platform calls for an "endeavor to bring about a mutual and simultaneous de-escalation of the war in order to move toward a ceasefire."

In their press conference last night, Thieu and Ky were questioned closely about their attitude toward negotiations and peace. Thieu said that, if elected, one of his first acts might be to invite Hanoi to open talks, in the hope that the Communist leaders would be willing to negotiate with a popularly elected Government. He said flatly that he would not negotiate with the National Liberation Front. Asked about the National Liberation Front participation in the future political life of the nation, Thieu

said only that National Liberation Front members can take part as individuals. In answer to a question about halting the bombing of North Vietnam, Thieu said that if he thought it would help to bring peace, he would ask the U.S. to stop bombing the North, but it is now too early to judge the effect of such a halt.

He Thuc Ky has presented a ten-point program, the first point being "bring about a ceasefire." He has not yet spelled out his peace proposal in public, however. Truong Dinh Dzu, one of the minor candidates with an eye for foreign press attention, is running almost entirely on the peace issue. Dzu proposes a ceasefire, immediate talks with Hanoi, an end to the bombing of North Vietnam, reconvening of the 1954 Geneva Conference, and United Nations membership for both North and South Vietnam.

The other major campaign issue is the corrupt state of Vietnamese Government and society. Huong in particular sees this as the central problem before the nation, and he refers constantly to the "crisis of confidence" which has come from widespread corruption. I think none of the candidates has failed to mention the corruption issue, some more and some less directly. It is also true however, that none of the candidates seem to have any concrete plans for eliminating corruption in the Government and the society.

Suu has also stressed the need for economic improvements and reform. He calls for limiting land holding to 50 hectares, a rent moratorium during the war, the opening up of new lands, plus a number of other measures related to land reform. This program, however, has received little attention from the urban Vietnamese press.

A third important issue, dramatized by the Quang Tri incident, could turn out to be the question of the conduct of the elections. Several candidates and a number of political groups, including some youth and student circles, still feel that Thieu and Ky should resign from the Government during the campaign period in order to guarantee a fair election. Huong made this

point in a telling fashion in his press conference when he reminded his audience of an old Vietnamese saying: "When you walk through a cucumber patch, don't bend down to tie your shoe, and when you walk through an orchard, don't reach up to touch your hat." He meant that while there is no legal requirement for Thieu and Ky to resign from the Government, people are very suspicious that they will use their Government powers to rig the election.

The American presence has so far not bulked large as a campaign issue. Asked about the American role in Vietnam, at his press conference, Huong said that the Americans are in Vietnam to help defend the freedom of the country. He noted that it is a "delicate" question, but went on to say that "we would not be sitting here today" if the Americans had not come to the assistance of South Vietnam.

The Thieu-Ky campaign organization does not seem to be moving ahead very well. We have several CIA reports which indicate continued difficulties in achieving the necessary cooperation between Thieu's supporters and Ky's campaign managers. There also appears to be a considerable problem in finding funds to finance the effort.

These behind-the-scenes difficulties in the Thieu-Ky camp may be reflected in the delayed launching of the Toan Viet Bloc on August 8. CIA reports and other indications had led us to believe that this would be the public front organization for support of the Thieu-Ky ticket. However, the Bloc has turned out initially to be less than impressive as a broad national organization pulling together a large number of political groups. It seems to be composed primarily of one faction of the Hoa Hao, together with some VNQDD and Cao Dai groups, plus a small splinter of organized youth.

Press reports also indicate that the Bloc nearly foundered in its initial sessions because of disagreements between the Hoa Hao and the VNQDD members. The Hoa Hao faction evidently saw the Bloc primarily as a means of supporting its three Senate slates, while VNQDD members had another conception of the Bloc's purpose.

The quarrel between militant and moderate Buddhist factions has again flared into the open, with a possibility that the An Quang clique may try once more to organize anti-government demonstrations. Just prior to the opening of the formal election campaign, it was reported in the local press that the government had approved the long-stalled Tam Chau Charter for the United Buddhist Association. This in effect rejects the militant claim to be the legitimate and legal leaders of the United Buddhist Association. It also paves the way for Tam Chau to legally eliminate their claim to any organizational status.

The An Quang group responded to the government action with a public attack on General Thieu (who signed the new Charter) charging that the move is illegal and that Thieu is trying to destroy Buddhism. The militants also accused Thieu of again taking revenge on Buddhists who participated in the "struggle" of last year. Phan Khac Suu got into the act by publicly supporting the An Quang claim that the government action is illegal. We have some reports that Suu is angling for Buddhist support, and this seems to confirm it. We also have unconfirmed reports that the militants will try to organize an anti-government demonstration August 15. I anticipate that if such a demonstration should take place, it will not seriously threaten either the government or the election campaign.

In the early part of the week, the Vietnamese police arrested five journalists for pro-Viet Cong activities. Although the police seem to have a solid case against them, I am somewhat concerned by possible political repercussions. Some of those arrested are prominent journalists, including the Secretary-General of the Vietnamese Journalists Union, Tran Ngoc Binh, and the well-known publisher of the Daily Dan Chu, Vu Ngoc Cac. Binh has apparently admitted being a Viet Cong cadre. He reportedly also said that the draft press law which he submitted to the National Assembly on behalf of the Journalists Union had the advance approval of the Viet Cong command. The police also announced that the Viet Cong are known to be trying to buy into influential newspapers. The fact that this story broke shortly after the lifting of press censorship, at a time when editorial comment has been growing bolder in its new freedom, may be interpreted by many here as a move to intimidate the press. We will be watching these developments closely, particularly as they are related to the election campaign.

C. Military

I referred earlier to what seemed to me misrepresentations and unjustified criticisms of the state of the Vietnamese Armed Forces. Some of these go to the extent of intimating that they are not only ineffective, but are unwilling to engage the enemy. The facts seem to me to be just the opposite. The record will show an increasing number of important engagements in which the Vietnamese forces have performed effectively. General Westmoreland's comments on this are to the point. In a memorandum to me yesterday, he said:

"In my view the recent improvement of Republic of Vietnam Armed Forces combat effectiveness can be measured in terms of their willingness to carry the fight to the enemy, and to close with and destroy him in sharp, violent contact. They have demonstrated the well-disciplined attributes of professional soldiers, and a vastly improved ability to use their supporting arms and combat support. They have maneuvered with notable success and closed with the enemy. They have participated successfully with U. S. forces in multi-battalion operations."

The following are some instances of recent engagements which show the improved performance of the Republic of Vietnam Armed Forces:

A) An example of ARVN willingness to close with and destroy the enemy took place in Quang Tri province 12 kilometers east of Dong Ha near the Demilitarized Zone the second week of July when the ARVN 2/1 Infantry Battalion attacked an estimated enemy battalion, killing 146 enemy. The 2/1 Infantry Battalion suffered 10 killed and 80 wounded.

B) Another example took place in the Fourth Corps Tactical Zone, four kilometers northwest of My Tho where the 7th ARVN Division conducted a search and destroy operation from July 26 to August 4, 1967. The 7th ARVN Division suffered 16 killed and 93 wounded in this action while the enemy lost 234 killed, 217 detained, 30 weapons and 35,000 rounds of small arms ammunition.

C) Civilian Irregular Defense Groups (CIDG) are standing and fighting major engagements. The latest was in Binh Long province, 14 kilometers southwest of An Loc where, on August 7 at 12:35 a.m., the Tong Le Chon Special Forces CIDG Camp was attacked by approximately two battalions of the 165th North Vietnamese Army Regiment. The Infantry attack was preceded by an estimated two hundred rounds of mortar fire and supported by automatic weapons. A C-47 aircraft and tactical air supported the friendly elements. The enemy succeeded in penetrating the outer perimeter but was forced to withdraw. They lost 115 killed and a considerable quantity of weapons and equipment. Friendly forces suffered 21 CIDG killed and 70 wounded, four of which were US Special Forces personnel.

D) The determination and skill of the ARVN also is exemplified by a recent action of the ARVN 2nd Battalion, 9th Infantry in Binh Long province, ten kilometers east of An Loc. At 2:15 a.m., July 11, the 2nd Battalion, 141 North Vietnamese Army mounted a coordinated attack against the ARVN 2nd Battalion, 9th Infantry, using small arms, automatic weapons, mortars and grenade launchers. Concurrently, five bridges were blown and

secondary attacks were launched by enemy forces against the U. S. 1/26th Infantry and a Regional Force compound south of An Loc. The enemy attempted to isolate and destroy the ARVN 2/9 Infantry. Violent attacks by the North Vietnamese Army battalion were repulsed by the ARVN defenders using small arms, artillery, flare and gunship support, and tactical air support. By 3:30 a. m. the battered enemy had to break contact to regroup. The enemy's final attack came at 5:00 a. m. Bitter hand-to-hand combat took place. At first light, 112 North Vietnamese Army dead were counted within the camp and in the wire barrier around the compound. The North Vietnamese Army Battalion Executive Officer was among the five prisoners taken. The ARVN 2/9 Infantry suffered 14 killed and 48 wounded.

E) On July 25, an ARVN battalion and company supported by artillery and tactical air strikes killed 34 enemy soldiers 24 kilometers northwest of Hue. Three ARVN soldiers were wounded. Elements of another ARVN battalion supported by another company, also supported by tactical air and artillery, engaged an unknown size enemy force on the same day 26 kilometers northwest of Hue. Three ARVN soldiers were wounded and 204 enemy soldiers were killed.

F) At midnight August 3, Operation CORONADO II terminated in Dinh Tuong province in the Fourth Corps after a week of joint deployment by US Infantry, ARVN, and US Navy units. Results were: friendly, 50 killed (8 US), 165 wounded (33 US); enemy, 235 killed, 647 detainees, and 17 weapons captured.

G) The 9-day-old ARVN search and destroy operation in Dinh Tuong province, Operation CUU LONG, terminated on August 4. Results were: friendly, 15 killed, 93 wounded; enemy, 47 killed, 128 detainees, and 8 B-40 rockets captured.

This is only a partial list and there are setbacks of course. But as General Westmoreland has said, the results of many battles in recent months demonstrate a marked and unmistakable improvement in Republic of Vietnam Armed Forces combat effectiveness and a growing pride in their ability to cope with the North Vietnamese Army and Viet Cong.

D. Chieu Hoi

Returnees during the reporting period totaled 504. This may be compared with 261 during the same period last year. The total number of returnees this year now stands at 20,009. Last year at this time the total was 11,116. The overall total for 1966 was 20,242.

E. Vietnamese Killed

During the week ending July 29, the enemy killed 68 Vietnamese civilians, wounded 82 and kidnapped 75. The dead included two Revolutionary Development workers, two Village Chiefs, one Chieu Hoi returnee, one Hamlet Chief, and 5 policemen. Since January 1, 1967, the Viet Cong have killed a total of 1,796 Vietnamese civilians, wounded 3,283, and kidnapped 2,272.

F. Economic

Prices moved up once more this week, the Saigon Retail Price Index going from 293 to 297. This is five percent above the level of last month and 30.5 percent above the level at the beginning of the year. Rice prices were stable, but Viet Cong harassment of Route 4 again caused prices of fish and shrimp to rise. Pork was steady despite the trouble on Route 4, but only because of sales of frozen pork stocks. The Imported Commodity Index also moved up this week, from 209 to 213.

DECLASSIFIED
E.O. 12356, Sec. 3.4
NIJ 94-190
By CB, NARA, Date 4-3-95

Thursday, August 10, 1967

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~~SECRET~~

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Call by Senator Symington

You agreed to receive Senator Symington at 11:15 a. m. today.

I assume his main interest will be Viet-Nam, specifically the role of air power and hitting the North harder.

Some of the questions he asked Admiral Sharp yesterday on the Hill reflect his thinking:

- (1) Why not hit Fukien (a province in China)?
- (2) Is it worth an F-4 to hit a few trucks?
- (3) Wouldn't more bombing mean a need for fewer troops?
- (4) How many troops did General Westmoreland ask for compared with what he got?
- (5) What percentage of the North Vietnamese Army is fighting in the South?
- (6) Should the VC be allowed a sanctuary in Cambodia?

In response, I would note the following:

(1) This would mean war with Red China -- and the Soviets would almost certainly have to support them. Fukien is not a major base for operations against us, though we know the North Vietnamese have been using some airfields for repair and refitting.

(2) F-4's and other aircraft are hitting a lot more than trucks.

(3) We have limited the flow of men and supplies by bombing. But you pass a point where all the bombing in the world cannot stop small groups of men from moving down jungle trails.

~~SECRET~~

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(4) He didn't ask for numbers of men but for units -- about two and a half divisions. That is about what he is getting.

(5) Roughly 20 per cent -- and they are taking heavy casualties.

(6) A tough political and military question. Would it help to hit a few VC units in Cambodia -- and turn the entire Cambodian nation against us and force them into outright cooperation with the North and the VC?

The Senator may also follow up on the line launched by Congressman Ford. Attached is a point-by-point rebuttal of the Ford contentions. It shows how far from the mark were his many allegations. The basic answer to the Ford argument is that we are now doing just about what he advocates -- with the exception of hitting the dikes and mining Haiphong.

W. W. Rostow

Att.

~~SECRET~~

*1. [unclear]
2. Pres file*

~~SECRET~~

August 10, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Statutory Determination for FY 1968 on the Production and Transfer of Special Nuclear Materials

In the attached letter, Glenn Seaborg requests that you approve the production by the AEC in FY 1968 of specific quantities of special nuclear materials and the transfer by the AEC to the DOD of certain quantities of special nuclear materials and non-nuclear components of atomic weapons. This is an annual statutory determination which is required under Sections 41 and 91 of the Atomic Energy Act of 1954. This action simply confirms activities which have already been approved in connection with the FY 1968 budget. The Bureau of the Budget has reviewed the request and agrees that it does not raise any new issues.

I recommend that you sign the attached memorandum approving the AEC request.

W. W. Rostow

Approve _____

Disapprove _____

See me _____

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E.O. 12356, Sec. 3.4
NIJ 94-190
By CB, NARA, Date 4-3-95

~~SECRET~~

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~~SECRET~~

August 11, 1967

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

**SUBJECT: FY 1968 Production of Special Nuclear
Materials for Atomic Weapons**

The recommendations of the Atomic Energy Commission contained in your letter dated June 23, 1967, are approved; the Atomic Energy Commission is hereby directed to take the actions necessary to implement the recommendations.

15/ Lyndon B. Johnson

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E.O. 12356, Sec. 3.4
NIJ 94-190
By CG, NARA, Date 4-3-95

LBJ:CEJ:feg

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DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-190
By cb, NARA, Date 4-3-85

14
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2. Pres file

~~CONFIDENTIAL~~

August 10, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: The Strauss-Eisenhower Desalting Idea

On the basis of a preliminary look at Strauss' idea for big desalting plants to solve the Middle East's refugee and political problems, State concludes that Strauss' paper is more an idea than a serious plan at this stage. Some of the little arithmetic he uses is inaccurate. While State does not reject Strauss' idea out of hand, we need a lot more systematic study before anyone could turn this approach into a workable plan.

As you well know, we are already engaged in the kind of broad-gauge planning needed. Our work on the proposed Israeli desalting plant is sound and imaginative, and we are updating our engineering data in a study that will be finished by the end of August. More generally, we are supporting the World Bank in a full-scale study of regional water potential in the countries most immediately affected by the Mid-East war. Your new Water for Peace Office is now beginning work to promote development of regional water centers. And Mac Bundy has Dave Bell quietly at work on some basic work which might complement World Bank planning.

Despite the fact that you don't have to apologize to anyone for our attention to water as an element in a Mid-East settlement, the Strauss idea is getting a lot of publicity. US News has quoted from Strauss' paper extensively, and I understand Readers Digest and one or two other magazines are picking it up.

I don't think we want to take Strauss on publicly. But because we may well want Eisenhower's backing on some other aspect of a Mid-East settlement, such as U. S. support for a refugee plan, I think we should try to persuade him that water alone is not a cure-all for the Mid-East's problems. Therefore, I'm wondering whether it wouldn't be wise to send someone when he is back on his feet to brief him on the full range of our activities and the interrelationship among them. Gene or Luke Battle could take Bob Woodward up and combine a political briefing with a thorough review of our water planning.*

+ tell him Strauss already has Senate up in arms
W. W. Rostow

Lay on a briefing

Let's lie low _____

**This is Hal Saunders' suggestion. I think it can wait a bit in view of Andy's briefing. But a good idea at right time*
w.

~~CONFIDENTIAL~~

Thursday, August 10, 1967

15

Mr. President:

Bill Foster called to say that the Russians have informed him that they are prepared to table the NPT jointly with us with a blank Article III.

Per file

There are two Soviet proposed amendments to work out; but they look to Foster manageable.

He will inform the Gore sub-committee tomorrow morning; testify before the Appropriations sub-committee tomorrow afternoon; return to Geneva, leaving Dulles at 8:00 p.m. Saturday.

Now the game will move ^{to} the non-nuclear powers; and some months of negotiations lie ahead. ¹ But it is something of an event.

He is, of course, available if you wish to see him.

W. W. Rostow

WWR:jah

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-190
By eb, NARA, Date 4-3-95

~~CONFIDENTIAL~~

Wednesday, August 9, 1967
6:35 p.m.

Mr. President:

This is an interesting editorial.

The Economist understands pretty well what Hollybush was about.

W. W. Rostow

July 15, 1967
"The Fifty-Year Itch"

Pres file

The Fifty-Year Itch

Leonid Brezhnev is a man with the fifty-year itch. When Russia celebrates the fiftieth anniversary of its revolution this November it will be Mr Brezhnev, as general secretary of the communist party, who greets the guests and clinks the glasses. His job as party boss gives him the central position of power in Russia; but it is power of a special kind. He does not run the machinery of government. Mr Kosygin does that. Nor is Mr Brezhnev the think-man who throws up bright new ideas to keep his colleagues on the ball. New ideas in Russia, when they come at all, have to fight their way through the staid hierarchy of party apparatchiks over whom Mr Brezhnev presides. The power Mr Brezhnev wields is the power of saying yea or nay. No decision of importance is taken in Russia unless it has the approval of the party politburo. No change of policy, or of communist doctrine, is possible unless Mr Brezhnev gives it his *nihil obstat*. He is the keeper of Russia's communist conscience. And it is in this capacity that he now has to make a very important decision indeed. Mr Brezhnev has to decide what Russia's main interest in life is fifty years after its revolution. Is it to shove on with the attempt to extend the frontiers of communist power, even at the risk of war? Or is it to concentrate on modernising Russia itself, and come to an arrangement with the Americans for keeping the peace while this goes on? This is Mr Brezhnev's fifty-year itch. His choice is between staying faithful to the old revolutionary passion, or trying something new.

On the face of it Mr Brezhnev has not moved an inch closer to a decision since Mr Kosygin got home from Glassboro a fortnight ago. The Russians are still piling arms into Egypt and North Vietnam. They still refuse to admit that they can influence the use to which these countries put these arms against their neighbours. It looks as if that pause for reflection after the Middle East war has done nothing for them at all. Yet behind the scenes the balance of power inside Moscow, which determines Russian policy, is quietly being changed. When Mr Shelepin was appointed on Tuesday to supervise Russia's trade unions he was being demoted; and Mr Shelepin (see page 209) is a real tough-liner on foreign policy. It is rather like Mr Walt Rostow being put in charge of America's national parks. Mr Shelepin's demotion follows the dismissal of Mr Semichastny from the command of the security services in May, and of Mr Yegorychev from the command of the Moscow party in June. All three are men who, given the choice between an expansionist foreign policy

and real coexistence with the West, would damn the risk and plump for expansion. Their removal from the levers of power does not necessarily mean that Mr Brezhnev and Mr Kosygin have chosen coexistence. They may be trying to go on avoiding a choice, as they have avoided it since they came to power in 1964; the removal of Mr Shelepin and Mr Semichastny and Mr Yegorychev may just have been a preventive move to stop the hard-liners from pushing the decision the other way. Yet it is at least equally likely that what we are seeing is a clearing of the decks in preparation for an attempt to reach some further understanding with the United States.

The hard fact is that a policy of indecision is getting the Russians nowhere. It is dangerous: it nearly landed them in a fight with the Americans last month in the Middle East, and could yet land them in one in Vietnam. It is embarrassing: the Russians are abused for backing their friends up to the brink of war and then abandoning them. It is unproductive: Russia's friends and allies have scored no major victory, and occupied no new territory, for several years. Indeed, General de Gaulle has lately been telling his cabinet ministers that the Russians have suffered so many defeats at the Americans' hands in the last five years that they cannot be expected to put up with any more. This is the general's little joke. He knows that the events he is talking about—the Cuba missile crisis, the Dominican intervention, the wars in Vietnam and the Middle East—were Russian defeats only in the sense that the Russians and their friends have been prevented from changing the status quo to their advantage. The Americans have made no move against communist-held territory since the stupidity at the Bay of Pigs in 1961. General de Gaulle can see the difference between failing to win something you didn't have and actually losing something you did have. He is twisting the facts for his own obscure tactical purposes; see page 198. Yet the kernel of truth remains. Russia's attempt to mix oil and water—to have a revolutionary foreign policy and yet hope for a peaceful relationship with the western world—isn't working. It has brought the Russians no gains, and it has twice given the world heart failure.

What we have seen in the last five years is the Russians being caught out in a piece of intellectual dishonesty. Their interest in coexistence is perfectly genuine; they don't want to spend, on a cold-war arms race, money that they would much rather spend on modernising their economy. But they

have fiddled the definition of coexistence outrageously. They have tried to say that it applies only to the area covered by the two original postwar alliances, Nato and the Warsaw pact, and not to the rest of the world. Long live the status quo in Europe; long live the revolutionary struggle elsewhere. It is not just that this comes precious close to saying that coexistence is for whites only. It also amounts to an attempt to write the rules of east-west relations in a way that would let the communists expand their way steadily into the non-communist part of the world. It was a bit too obvious to get away with. Mr Khrushchev, to his credit, eventually saw that it was. For a brief period, between the test ban treaty in 1963 and his overthrow in 1964, he recognised that coexistence would have to apply everywhere or it would soon apply nowhere at all. This is why he washed his hands of the Vietnam problem during his last months in office. He was telling the North Vietnamese, in effect, that he could not underwrite their attempt to expand the communist-held sector of south-east Asia. But his successors lacked his moral courage: Mr Brezhnev and Mr Kosygin, with the Chinese bawling them out for betraying the faith, went back to the old attempt to have it both ways. The result was that they had it neither way.

This is why Mr Brezhnev's position as keeper of Russia's communist conscience has suddenly become so important. If he wants to, he can scrub coexistence. But it doesn't look as if this is the way things are going, to judge from what has happened to Mr Shelepin and Mr Semichastny and Mr Yegorychev. It is more likely that Mr Brezhnev is thinking very carefully indeed about the ideas that Mr Kosygin brought back from President Johnson at Glassboro. What Mr Brezhnev has to say yea or nay to is a broader Russian-American understanding that would regulate the competition between the super-powers not only in Europe but in other parts of the world as well.

How this attempt at regulation would take shape is something for the great men to argue about. But it is a fair guess that it would not take the shape that Mr Lippmann and some other people have been suggesting. Mr Lippmann believes that large parts of the world are past being brought under any sort of regulation at all. He foresees, for the small countries of the ex-colonial world, a period of anarchy like the disorders of the Middle Ages. The only sensible course for the bigger powers, he says, is to keep out of the mess. It is a dark view of the world: darker even than this summer's series of wars and half-wars can justify. It is true that the power of the great nations to regulate the affairs of Africa and Asia is limited. The Americans, for all their vast military

strength, have not been able to make one lot of Vietnamese give up the attempt to take over another lot of Vietnamese. The Russians, for all the arms they poured into Arab hands, were unable to hold their Arab friends back from an adventure in which this Russian armoury got smashed to bits. But the power of the great nations to control problems like these is limited precisely because they are in competition with each other. They can do less than they want to stop wars happening, or to keep them under control when they do happen, so long as they are working at cross-purposes.

So how can they avoid working at cross-purposes? The idea that they could steer clear of the whole mess by proclaiming a policy of mutual non-intervention is glittering but superficial. It is superficial because it would mean both Russia and the United States abandoning their deeply held belief that they have responsibilities to their friends and allies around the world. They are not going to do that. The Americans are not going to sign a non-intervention agreement that might oblige them to stand by and twiddle their thumbs while a rejuvenated Arab army over-ran Israel. The Russians would feel exactly the same about a rebellion that looked like taking Poland or Hungary or east Germany out of their control. Even if the super-powers were to deny themselves, it would mean letting each part of the world fall under the domination of the strongest local power: eastern Asia under the domination of China, central Europe under the domination of Germany, much of Africa under the domination of Dr Vorster. Not the best formula for peace or stability.

But if Russia and America are not going to retire from the world, they will have to do the opposite. They will have to make sure they have a real grip on things. This means, at the very least, agreeing that there are certain parts of the world which are too important to both of them to be allowed to fall wholly under the control of either, or of anybody else. It means a pretty precise definition of their essential spheres of influence in these areas, and an agreement to make these spheres stick. It has already been done in Europe. It needs to be done in south-east Asia and the Middle East too. It will not be easy, or quick. But it is the only alternative to an anarchic dog-fight that the great powers will one day inevitably get drawn into. What it amounts to is the beginning of a loose, informal and indirect condominium over certain specified regions. Put it another way: it amounts to the beginning of a rudimentary form of international government. This is the proposition that Mr Brezhnev is now mulling over. A lot depends on which seems more important to him: the drum-beat of communist evangelism, or a world with some claim to peace and order.

The Tory Prospectus

Mr Heath's Carshalton speech confirmed some of his failings — and his merits

Mr Heath delivered his first major speech on Conservative economic policy since the last general election at Carshalton on Saturday. It deserves to be studied closely: both for the light it throws on the Tories' probable themes of opposition between now and 1970, and for the thinking that may eventually be carried over into government if Mr Heath succeeds in becoming prime minister after that.

It looks as if there are to be two main themes in opposition. The more dangerous can almost be summarised as "this silly Labour government is always wrong in all its forecasts, and

which achieves a 3 per cent growth rate next year is more likely to run a balance of payments deficit of £200 million, rather than fulfil Mr Callaghan's promise of

3 per cent growth with a surplus of about £200 million. His [Mr Callaghan's] policies thus have to be powerful enough to improve our balance of payments performance by no less than £400 million in one year without the aid of domestic stagnation. This is a feat which all postwar governments have consistently failed to achieve.

Economically, this and some other passages of Mr Heath's

17

~~CONFIDENTIAL~~

Pres file

Wednesday, August 9, 1967 -- 6:45 p.m.

Mr. President:

Andy Goodpaster called to report "a very fine meeting" with Gen. Eisenhower on the three points you defined. He will send us a full report.

Gen. Eisenhower was particularly interested in the Momyer briefing on bombing and indicated his interest and satisfaction at the evidence of the "accumulating effect" of transport bombing in the northern part of North Viet Nam; that is, the effect on antiaircraft and SAMs, of the attack on transport targets; and the greater effectiveness of the bombing -- and reduced losses -- due to reduced antiaircraft fire.

I will, of course, file Andy's report with you when it arrives.

W. W. Rostow

WWRostow:rlh

DECLASSIFIED
Authority per declassification 7 F 46
By kg/dch, NARA, Date 8-20-91

~~CONFIDENTIAL~~

~~SECRET~~

Wednesday, August 9, 1967, 6:00 p.m.

Pres file

MEMORANDUM TO THE PRESIDENT

SUBJECT: Handling of Delay in Signing Panama Canal Treaties

Bob Anderson agrees with Under Secretary Katzenbach that we should inform appropriate members of Congress at once of our expectation that the signing of the Canal Treaties with Panama will be delayed probably until mid-September .

Anderson also agrees with Katzenbach's recommendation that you authorize public release of the original proposed draft treaties after we obtain Panamanian agreement to do so.

As I reported to you yesterday, Robles says he will sign the treaties but believes that he can obtain wider support for them if he takes the additional time necessary to complete his consultations in Panama.

If the Panamanians agree, we will be sending to you a statement to be made at the time the official draft texts are released simultaneously here and in Panama.

In view of the circumstances I believe you should authorize the State Department to take the actions recommended.

W. W. Rostow

Approve _____

See Me _____

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-190
By cb, NARA, Date 4-3-95

WWR:BKS:amc

~~SECRET~~



Department of State

18a
TELEGRAM

AUG 9 9 26 AM '67

FILE COPY

- ~~BATON~~
- ~~BEVLER~~
- ~~BUSSET~~
- ~~DAVIS~~
- ~~GINGBURGH~~
- ~~HAMILTON~~
- ~~JESSUP~~
- ~~JOHNSON~~
- ~~JONES~~
- ~~KEENE~~
- ~~KOMER~~
- ~~MAYER~~
- ~~TAYLOR~~
- ~~WIGGINS~~

~~SECRET~~

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8
ACTION ARA 19

INFO EA 19, GPM 03, SC 01, RSC 01, USIA 12, H 02, NSC 10, NSA 02, L 03, INR 0
P 04, CIA 04, DOD 01, SP 02, SS 35, RSR 01, SSO 00, NSCE 00, CCO 00,
USIE 00, /126 W.

O 090333Z AUG 67
FM AMEMBASSY TOKYO
TO SECSTATE WASHDC IMMEDIATE 5837
INFO AMEMBASSY PANAMA IMMEDIATE 04

~~SECRET~~ TOKYO 794

REF: STATE 17832

FROM. AMBASSADOR ANDERSON

1. MY SUGGESTIONS ARE AS FOLLOWS:

A. THERE SHOULD BE NO DELAY IN RELEASING OFFICIALLY PROPOSED TREATY DRAFTS.

B. APPROPRIATE MEMBERS OF CONGRESS SHOULD BE INFORMED REGARDING DELAY IN SIGNATURE OF TREATIES WITH RECOMMENDATION THAT HEARINGS NOT BE HELD IN

PAGE 2 RUALOT 794D ~~SECRET~~
U.S. UNTIL SIGNATURE.

C. WE SHOULD TRY BY APPROPRIATE MEANS TO MAKE IT KNOWN THAT PANAMANIAN ARE SEEKING CHANGES IN DRAFT TREATIES SO AS NOT RPT NOT TO LEAVE IMPRESSION THAT DELAY IS ONLY PROBLEM BETWEEN US.

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-191
By LS, NARA, Date 9-12-94



Department of State

TELEGRAM

~~SECRET~~

PAGE 02 TOKYO 00794 090401Z

D. PANAMANIAN SHOULD BE ADVISED THAT ANY SUB-
STANTIVE CHANGES WOULD WEAKEN OUR POSITION IN
SECURING RATIFICATION.

2. I WILL BE IN NEW YORK THIS WEEKEND AND WILL TELEPHONE
DEPARTMENT.

GP-3. JOHNSON

~~SECRET~~



DEPARTMENT OF STATE
WASHINGTON

August 8, 1967

~~SECRET~~

3036
10-8
DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-191
By , NARA, Date 9-13-94

MEMORANDUM FOR THE PRESIDENT

Subject: Status of Panama Treaties

Recommendations:

1. That authorization be given to inform appropriate Members of Congress of the anticipated delay in the signing of the treaties with Panama and the reasons therefor.

Approve _____ Disapprove _____

2. That you authorize official public release of the original proposed draft treaties after appropriate consultation and agreement with the Government of Panama.

Approve _____ Disapprove _____

Discussion:

Ambassador Charles Adair has reported that, because of internal problems encountered by President Robles in his consultations with his advisors on the proposed treaty drafts, it now seems clear that there will be substantial delay in his obtaining approval of the treaties leading to treaty signature. President Robles has told Ambassador Adair he still hopes and intends to sign the treaties. However, further internal consultations are scheduled for at least two more weeks and a substantial list of proposed changes flowing from these consultations is anticipated. Even if agreement can be reached on the basis of the proposed changes, it is considered probable that signature could not be achieved before the middle or end of September.

~~SECRET~~
GROUP 3

Downgraded at 12-year intervals;
not automatically declassified

~~SECRET~~

- 2 -

Because of this delay President Robles has told Ambassador Adair that it will not be possible to call a special session of the National Assembly to consider the treaties, which was his original intention. Although President Robles states that it may still be possible to submit the treaties to the regular session of the National Assembly which opens October 1, Ambassador Adair considers it likely that submission to the National Assembly will be delayed until after the May 1968 elections. We believe Ambassador Adair's assessment to be correct.

We believe Ambassador Anderson would concur in the recommendations set forth above. We are, nevertheless, cabling him in Tokyo to seek his concurrence.



Under Secretary

~~SECRET~~

19

Pres file

Wednesday, August 9, 1967 -- 5:45 p. m.

MEMORANDUM FOR THE PRESIDENT:

SUBJECT: News Media Contacts

In Boyd France's absence, I briefed Bruce Agnew, BUSINESS WEEK, at great length on Viet Nam. They are doing a story. I gave him all the ammunition I could on the no-stalemate thesis.

Jack Anderson. At George Christian's request, I gave Jack Anderson a rather full briefing on the staff work we have been doing in recent years and months on the water problem in the Middle East, emphasizing particularly the Bunker studies and the work now going forward.

In telling Marvin Kalb, CBS News, that it will be impossible for me to appear on his show, I gave him, on an off-the-record basis, a broad picture of our Middle East policy and how things are evolving there. (Incidentally, Sec. Rusk strongly recommended that no member of the Government appear on the Kalb show.)

Jack Leacacos, The Plain Dealer (Cleveland), came in to discuss certain aspects of his book on the State Department. We talked particularly about the State Department role in interdepartmental coordination. I indicated that SIG is now working quite vigorously and that I am hopeful things will move forward.

W. W. Rostow

WWRostow:rln

Wednesday, August 9, 1967
5:45 p. m.

~~SECRET~~

Pres file

MR. PRESIDENT:

Here is an evaluation of flexibility noises from North Vietnamese at the Stockholm conference.

The most interesting is the post-conference noise in the last paragraph (marked).

An important phase may develop after the South Vietnamese election, if the new government can appeal to the VC to turn to politics and make the offer to enter political life as a party -- if they accept the constitution.

But to be safe, that requires a big consolidated non-Communist party.

The meaning of the marked sentence may be that some thoughts in Hanoi may be turning in this direction and to this timing.

W. W. R.

~~SECRET~~ attachment

(State Intelligence Note ~~648~~ 649 8/8/67)

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-190
By Cb, NARA, Date 4-3-85

U.S. DEPARTMENT OF STATE
DIRECTOR OF INTELLIGENCE AND RESEARCH
DECAPTIONED

Intelligence
Note - 649 5 20a.
August 8, 1967

→ *Rostow*
~~*[Signature]*~~ *1.3.67*

To : The Secretary
Through: S/S
From : INR - Thomas L. Hughes *TLH*

Subject: North Vietnamese Statements in Stockholm: Variations on Standard Theme

Reportage on the circumstances and lines taken at the July 6-9 Conference on Vietnam at Stockholm now appears complete. It indicates that the North Vietnamese participants did not change Hanoi's line on settlement but that, in private conversations, they did introduce some new ideas on the opening of negotiations.

Initiation of Negotiations. The most radical departure from the DRV line on opening talks was made by two North Vietnamese delegates on July 11, two days after the close of the conference. Two of the delegates, Oanh and Vy, told that cessation of the bombing need not be unconditional and that negotiations could begin "very soon" after a bombing "pause."

Oanh and Vy had not gone this far in public or private during the conference. In a July 7 conversation, Vy took the standard line that cessation of the bombing is an absolute precondition for talks. Two days later, Oanh made an unprecedented and curious statement concerning a "signal." Told by a non-communist politician that Hanoi should give a signal that it was ready to negotiate, Oanh stated that Hanoi had already done so in statements by Mai Van Bo and in the Trinh-Burchett interview. The Americans, said Oanh, "should also give a signal," adding, "We would accept de-escalation of the bombing as a signal," or "if (the US) refrains from bombing the dikes, we would accept even that as a signal." Oanh suggested that, even though the US cannot announce the cessation of bombing, it could

This report was produced by the Bureau of Intelligence and Research. Aside from normal substantive exchange with other agencies at the working level, it has not been coordinated elsewhere.

~~SECRET/EDIS~~

GROUP 1
Excluded from automatic
downgrading and
declassification

SANTIZED
Authority *NLT 019-020-2-1*
By *[Signature]*, NARA, Date *12/17/01*

gradually de-escalate the bombing to show Hanoi it intends to stop. He did not elaborate on whether this would produce a reciprocal signal in terms of military action from Hanoi, whether Hanoi would negotiate as soon as the US made the requested signal, or whether Hanoi simply was requesting "reciprocity" for its "signal" issued in the public statements of Trinh and Bo.

Participation in Talks. Oanh and Vy did not touch upon the question of NLF participation in their post-conference discussion [REDACTED] During the conference itself, however, Oanh told a non-communist participant that questions such as that of a coalition government must be discussed with the NLF; "therefore, the US must recognize the NPLSV." According to a less reliable report, Oanh said that recognition was a precondition to talks. (The report did not specify whether he meant DRV-US talks or NLF-US talks). This same report stated that the NLF representative said that any decision of Ho Chi Minh regarding the commencement of talks would be acceptable to the NLF. A more reliable report by a western journalist of the NLF delegate's views made no mention of any statement on recognition. According to this report, the NLF delegate said that conditions for "talks had been expressed clearly in Trinh's statement." He added, "But don't think that the Front would talk if only the bombing of North Vietnam is stopped and the US were to send more troops to South Vietnam."

1.3
(aX5)

Points Left Unclear. Thus the various statements on talks have left foggy several issues: (1) Is "recognition" of the NLF a precondition for any NVN or NLF talks with the US? (2) If so, would recognition have to consist of a formal declaration of recognition of the NLF as the "sole genuine representative of the SVN people;" or as "the legal representative of communist forces in SVN?"*

* [REDACTED]

1.3
(aX5)

(3) Would North Vietnam discuss issues pertaining to South Vietnam?

Settlement. Although DRV representative in Paris Tran Ngoc Kha hinted at a willingness to be more flexible on settlement in his statement that there were many alternatives other than victory or withdrawal, Vietnamese delegates to the conference did not indicate any flexibility on the settlement issue. There was, however, one departure from the standard Hanoi line on settlement after the conference: Hanoi has twice--15 and 22 July--chosen to quote the text of the conference "appeal" which mentions settlement without either demanding recognition of the NLF or characterizing the NLF as "sole genuine representative."

~~SECRET~~

Wednesday, August 9, 1967
5:30 p.m.

C 21

Partial Release

Pres file

Mr. President:

Herewith another scrap of evidence that the transport and electricity attacks impose a burden in the North.

25X1A

W. W. Rostow

 9 August 1967

1.3(a)(4)

SECRET

WWRostow:rlh

SANITIZED
Authority NLI 019-020-d-2
By SP, NARA, Date 12-17-01

Wednesday, Aug. 9, 1967
4:30 p. m.

22

~~Handwritten~~
2. Pres. file

MR. PRESIDENT:

If you wish a small example of why I have faith that if we stay the course the world is going to get more moderate and sensible -- glance through this report on the underlying mood and situation in Algeria.

I have marked the more relevant passages.

W. W. R.

~~SECRET~~ attachment (A-306 7/31/67)

ORIGIN/ACTION

DEPARTMENT OF STATE

AIRGRAM

POL 1 ALG 22a
XR POL 15 ALG
FOR RM USE ONLY

RM/R	REP	AF
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A-036

~~SECRET~~

XR E 2 ALG

HANDLING INDICATOR

TO : Department of State RECEIVED
DEPARTMENT OF STATE

Info : PARIS, RABAT, TRIPOLI, TEL AVIV, AMMAN
AUG 5 2 07 PM 1967

RS/AN
ANALYSIS BRANCH

FROM : Amembassy ALGIERS DATE: July 31, 1967

SUBJECT : The Mood of the Algerian People and the Staying Power of the Boumediene Regime

REF :

In an earlier airgram (A-013 of July 17), we examined what we considered to be the main reasons for the hard Algerian line during and after the war in the Middle East. These reasons included (1) survival -- the need to protect the Algerian regime and its revolutionary drive; (2) Boumediene's assumption of radical Arab leadership by default; (3) an attention-diverting device from the lack of internal progress; (4) economic self-interest; (5) French material and moral support of Algeria; (6) militancy as a means of pressure on the Soviet Union and Algeria's neighbors; and (7) the Algerians' parochialism -- their inexperience in modern classical warfare.

In this report we try to assess the mood of the Algerian people and its impact on the staying power of the Boumediene government.

The Mood of the Algerian People

The Middle East War of June 5 and its propaganda exploitation by the Algerian regime had on the Algerian people an effect of "instant Arabization". In a clever, well-orchestrated campaign, the radio, press and television whipped up the consciousness of the Algerians as Arabs,

FORM 4-62 DS-323

~~SECRET~~

FOR DEPT. USE ONLY

In Out

Drafted by:

POL:FJGalanto:ais 7/28/67

Contents and Classification Approved by:

Charge: LHoffacker

Clearances:

DECLASSIFIED

REF ID: A66334

94-191

DATE 9-12-94

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1967 AUG 6 PM 3 24

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2

in a way which had never been done since independence in 1962. All western newspapers, and particularly the French press like "Le Monde", "Express" and others on which the Algerian elite depends to keep itself informed, disappeared from the newstands. Mail subscriptions were stopped. (This ban on the western press still prevails.) Western music disappeared from Radio Algiers, replaced with military marches and Arab patriotic songs, mostly from Egypt. Slogans on Arab unity, Algerian and Arab determination to continue the fight, the US-UK-Zionist threat to Algeria were pounded day and night into the Algerian people. Western movies vanished from the local cinemas, replaced by films from the socialist and Arab countries. This reporting officer had the impression that Middle East events had compressed into one week an Arabization process which in normal times might have taken five years.

Now, however, the inevitable morning-after reaction seems to have set in. The Algerian people are finding themselves committed to a course of action which not only leads them into a cul-de-sac but which forces them to put off indefinitely whatever aspirations they have held for better living standards. In order to finance the war effort, the regime has imposed a variety of new taxes -- a 5 percent extra levy on incomes; a special imposition of 50 dinars (\$10) on every automobile; heavy pressure on the population, particularly merchants and professional people to buy non-repayable war-bonds; an emergency tax on local wine and beer, and all imported liquors (a bottle of cognac now costs over \$15 on the local market) and overall, an intensified, stepped-up tax collection effort which is apparently being applied with harsh zeal even at the lower levels of the population. We have heard that some fellah have even had their bicycles seized because they did not pay their taxes. In other cases, taxes are arbitrarily doubled by tax examiners.

The effects of instant Arabization already seem to be wearing off and the grumbling is growing. The old Algerian war-weariness stemming from the bloody seven and one-half year struggle with the French is reasserting itself. People are again asking the old questions -- why should we sacrifice ourselves for a cause over three thousand kilometers away from Algeria. The Algerian gaze is again turning inwards.

~~SECRET~~

A# 36
Algiers

to the home front, to the quest for work and jobs, to Algeria's position as a country of the Maghreb and, among the elite, longingly to Europe, to which they can no longer travel because of the ban on vacations abroad imposed by the regime.

Even the mobilization of some 5,000 lyc e and university students appears to be going sour. Revolutionary Council Member and Boumediene confidant Major Slimane Hoffman announced this mobilization with great fanfare on July 13: a 45-day training program for the elite of Algerian youth, designed to give them the rudiments of military training and arms familiarity and to use skills the students had already acquired -- medical students to the Army medical corps, etc. From a civic action viewpoint and as a device for instilling some needed patriotism and spirit of service in a pampered and cynical student body, the student mobilization plan could have been a winner. We have several reports, however, that the mobilization is working out badly because of poor organization, lack of leadership, and the inability to prepare an imaginative program which would catch the imagination of the students. Some 150 Algerian girls are reportedly quartered in the Hopital Maillot in Algiers, receive three scant hours of instruction daily in first aid, and must spend the rest of their time idle, but confined to the Hospital. They are reportedly on the verge of rebellion. (Despite the regime's well publicized assurances that the girls will be placed under the most careful surveillance, the induction of several hundred young Algerian women into the mobilization program has sparked some bitterly critical reaction in this still essentially -- as far as women go -- conservative Moslem environment.)

The Elite in Trauma

For the Algerian elite, government officials, businessmen, doctors, lawyers and others who feel their identity as Arabs, despite their fluency in French and exposure to French ways, the swift and brutal defeat of the Arabs by the Israelis has produced a state of traumatic shock.

A#36
Algiers

~~SECRET~~

4

Some of the encounters which Embassy officers had with these people in the first weeks after the Arab debacle were rugged. On the Algerian side, two to three hours of harsh arguments, calumnies and accusations against the United States, and only after the relief of grief through words, the reemergence in thin, tentative, probing form of the traditional friendliness which so many Algerians held for Americans before June 5, despite the year-in, year-out official barrage of anti-US propaganda.

The Algerian elite felt it had been betrayed from all sides. By the US, through its one-sided favoritism to Israel. By the USSR because it did not intervene effectively on the Arab side in the same way the Algerians "knew" the US would have intervened to help Israel if the situation had been reversed. By the Egyptians because their military intelligence and battle performance smirched the honor of all Arabs. By the French, because despite what De Gaulle said, the Algerian elite quickly learned of the massive pro-Israel anti-Arab ground swell among the French people. Apologetically, Algerians kept repeating that the war would have turned out differently if only sizeable units of the ANP had been at the front. By inference, however, many of them admitted that the Algerians, just like the Egyptians, were still incapable of meeting a modern war machine. Realizing this, the "we must continue the war" line of the Boumediene regime has struck them as cynical and unrealistic.

The traumatic shock of the Algerian elite is now wearing off and giving way to a wave of questioning and criticism of where the regime is leading Algeria. Algerians are wondering how much longer the man-in-the-street as well as the elite will have to put up with the Boumediene Government.

The Staying Power of the Boumediene Regime

This is the ultimate question and is not an easy one to answer. It is our impression that during and immediately after the actual fighting in the Middle East, the Algerian

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people responded with fervor and genuine support to the regime's militant posture. When Boumediene made a ringing "we must continue the struggle" speech at the Algiers forum on June 19, he was oft interrupted by spontaneous applause -- a rare occurrence. Furthermore, the Algerian people seemed flattered at the way Boumediene and Algeria stepped in to fill the leadership gap left by the prostrate Nasser and Egypt.

Now, a month and one-half after the war, old habits are reasserting themselves. The Algerians admit they do not want to go to war again. They are dubious about the value of Egypt as a military ally. And, starting from an already troublesome economic situation, they are being asked to make even more sacrifices in the name of a goal, the crushing of Israel and the liberation of Palestine, which appears obscure and unattainable with Algeria's means.

The logical western mind wonders why, if certain policies lead to dead-ends and disasters, the government does not change its course or its leaders such as Britain did after Suez in 1956. We have heard that some voices in the regime have been raised in this direction, but that the general consensus is that if the GOA began to move down a more moderate path, the response would be so overwhelming that the present regime would be hard put to remain in power. Hence the Algerian government continues to follow the Murphy's Law of revolutionary regimes -- if you get in a bind, turn more radical, not less.

Under the impact of recent developments, the Algerian power structure seems to have become tighter and more concentrated. Full-scale meetings of the 24-member Revolutionary Council are seldom heard of. As for the Council of Ministers, we have the impression that when it meets it considers primarily technical matters -- budget, economic planning, communal reform, re-organization of the government Radio-TV corporation, etc.

The essentials of policy-making now appear to rest with the small, loyal coterie closest to Boumediene when he ousted Ben Bella on June 19, 1965: Foreign Minister Bouteflika, FLN Party Chief Cherif Belkacem, Secretary-

~~SECRET~~

6

a # 36
algiers

General in the Ministry of Defense Abdelkader Chabou, and Minister of the Interior Ahmed Medeghri. Chief of Staff Tahar Zbiri and others of the wilayist faction seem to be both neutral and neutralized. Their close identification and personal ties with the now-disgraced Egyptian military leadership has probably not helped them.

The technocrats in the regime, headed by Industry Minister Belaid Abdesselam, seem to be holding their own, although they do not seem to be deeply involved in key political issues such as Algeria's current initiatives in the Arab world. The feud between Abdesselam on the one side and Labor Minister Zerdani-UGTA on the other has evolved into open warfare. The UGTA's journal "Revolution et Travail" in its last issue took the Minister of Industry under violent attack for refusing to allow organized labor any role in SONATRACH, the Algerian national oil and gas company. (In fact UGTA-affiliated employees of SONATRACH have been booted out altogether.) Abdesselam has replied by sending a stinging letter (couched in the most vituperative language according to Embassy officers who have seen it) to Labor Minister Zerdani, accusing him of undermining the foundations of the Algerian economy. Abdesselam's letter has been given widespread distribution within the Algerian government, and at last report some sort of crackdown on the UGTA has been rumored.

A number of Algerians have told Americans to hang on, to wait for a change in the government, perhaps in September or October. The example of Indonesia seems to come easily to people's lips these days. The Algerian people's feeling of alienation and disaffection seems stronger now than at any other time since Boumediene took power.

Yet we find ourselves almost reluctant to draw what would seem to be an obvious conclusion -- that the present regime will be overthrown. Despite all the indices of discontent described above, we find it hard to perceive over the horizon any faction able to muster the arms, the

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a # 36
Algiers

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7

organization and the cohesive political support necessary to bring about a change in government. An assassin's bullet (the target Boumediene) or a split in the Army - and there are no signs of even a confrontation of Army groups - could change the whole situation and lead to a new pattern of government. But given present factors, including Boumediene's apparent desire to stay on, we see no real threat to the regime.

HOFFACKER

[Handwritten signature]

~~SECRET~~

PRESERVATION COPY

23

Pres file

Wednesday, August 9, 1967
4:30 p.m.

Mr. President:

Herewith a report of Ted
Sorensen's remarks in Moscow.

W. W. Rostow

LIMITED OFFICIAL USE

23a

Wednesday, August 9, 1967

TEXT OF CABLE FROM AMBASSADOR THOMPSON, (Moscow, 480)

Theodore Sorensen spoke this morning at Friendship House in English (without interpreter) to about 40 Soviets including Ministry of Foreign Affairs officers and Soviet press. Embassy officer also attended as did Associated Press correspondent. No efforts to exclude those desiring attendance. Sorensen spoke on "Legacy of the Late President John F. Kennedy." He asserted that on basis Kennedy's "strategy of peace worked out with the Soviet Union." Legacy contains three propositions:

- a. US and USSR share common goal of world peace; this more important than differences.
- b. US and USSR obligated to work jointly and separately for world peace.
- c. most important question is not how future generation will live but whether it will live.

In response to questions about "Johnson Crowd", Sorensen pointed out present administration, largely composed of men who worked for Kennedy (e. g., Secretaries of State and Defense), pursues same objectives as Kennedy. Methods changed somewhat because President Johnson is different man faced with different circumstances.

Asked about Vietnam by Agence France Press reporter who was interested in whether Kennedy's policy would have differed from Johnson's, Sorensen said Kennedy in 1963 hoped for an end to conflict and US involvement. In fact, he rejected National Security Council's recommendation to send US combat troops. But there were more

LIMITED OFFICIAL USE

North Vietnamese troops in South Vietnam and scale of fighting had increased. President Johnson feels he faces war not insurrection, but he would like to end the war. He cannot end it tomorrow without action from other side. Kennedy never intended abandon South Vietnam.

In reply to the question, how Kennedy would have handled the Middle East Crisis, Sorensen said such guessing games were difficult and purposeless, but then he went on to endorse the present administration policy.

As for the assassination, Sorensen asserted that Oswald acted alone. To the questioner who asked why "Garrison being pressured", Sorensen said any pressure against Garrison would be result of action by those who do not like to see Garrison parade innocent men and spread allegations in effort to obtain personal publicity.

Sorensen was asked about Vice President Humphrey's alleged abandoning of liberal causes, Sorensen said that a Vice President has only one constituent, the President, and while in office does not speak for any other constituency.

As for differences between Meany and Reuther, Sorensen said they have more in common than separates them but reviewed with candor differences--industrial and trade unions and two men.

Sorensen disavowed a new left and said supporters of Senator Kennedy provide better examples of constructive effort for liberal programs. He dodged questions on his own and Robert Kennedy's future. He added, however, that if he decided to run for office, he would ask this Moscow audience to help him by denouncing him.

Soviet Media may by selection or distortion find some useful material in Sorensen presentation:

a. references to desire by some in military to escalate conflicts.

b. efforts by some US Congressmen block Fiat-USSR deal.
However, the overall central messages of speech and question period:

a. necessary for both sides to work to avoid worsening relations; and,

b. President Johnson, present administration, and existing US proposals on nuclear control, ABM's, limiting area and level of crises, etc. Is Kennedy a legacy. Sorensen, however, emphasized strongly that he was not an officer of the government and was not speaking for the administration.

Wednesday, August 9, 1967
4:20 p.m.

Mr. President:

Herewith, as requested, a
letter for your signature, in response
to Evron's nice one to you.

W. W. Rostow

WWRostow:rlh

THE WHITE HOUSE

WASHINGTON

August 9, 1967

24a

Dear Minister Evron:

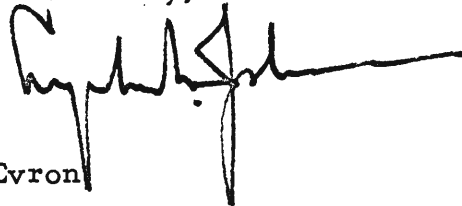
Your note on the signing of the PL 480 agreement warmed my heart.

As we work our way through this difficult and dangerous crisis towards stable peace, we all must not forget that men and women and children live in the Middle East who deserve -- and must have -- their daily bread.

That is why I was happy to know we had completed the agricultural agreement with Israel; and I await the day eagerly when the situation will permit us all to work together for the welfare of the people of the region.

It was good of you to pause in the midst of your complex tasks -- with your boss out of town -- to write to me.

Sincerely,



The Honorable Ephraim Evron
Minister
Embassy of Israel
Washington, D. C. 20008

Wednesday, Aug. 9, 1967
3 p.m.

~~SECRET~~

MR. PRESIDENT:

Goaded on by intelligence like the attached, State is preparing to deal with various things de Gaulle might do or say at his press conference tomorrow (10 August).

Pres file

The key is: de Gaulle realizes "he must now start creating irreversible situations."

State thinks it probable that he will announce withdrawal from SEATO; possibly he will definitively veto U. K. entrance into the Common Market; unlikely but not impossible he will announce intent to withdraw completely from NATO.

W. W. R.

~~SECRET~~ attachment (Paris 1725 Nodis Maria One)

DECLASSIFIED
Authority 7149 86-15
By Lj/ijp, NARA, Date 8-30-91

25a

Copy of PARIS 1725

Aug. 2, 1967

SUBJECT: De Gaulle will take France out of Atlantic Alliance in 1968

In first call on source since my arrival and his return from vacation, he expressed strong conviction that de Gaulle would take France out of the North Atlantic Treaty in 1968, using interpretation of Article 13, which he said was confirmed by Quai jurists, that notification must be made only a year in advance of 20-year period, "otherwise Article 13 would have been drafted otherwise." He saw the lesson to be drawn from all the General's recent initiatives as the compulsive need the latter increasingly felt to accelerate the rhythm of his policies so as to see accomplished the broad lines of his grand design before it was too late. The Canadian episode was a good example of this, he felt, but the ordinance on profit sharing an even better one. He stated flatly that this was the single brain-child of the General and that it had been forced down the throats of his ministers over their unanimous opposition and against the advice of the French civil service, the first time, certainly in recent French history, that a broad initiative in the socio-economic field had been carried out in disregard of all political and technical advice.

According to source, de Gaulle realized that he must now start creating irreversible situations. He has already decided to pull France out of SEATO, and ways and means of doing this are now under study at Quai. As to NATO, the General had been talking up until March of remaining in the Alliance, but there had been silence on the subject since then, and source was receiving indications that the General was planning to break France's ties with NATO completely.

I asked him if this sense of acceleration might not bring the General to announce his intention earlier, possibly in his August 10 speech, but he did not believe so, for two reasons: firstly, the treaty did not permit him to do so before next April, and, secondly, the "Germans were not ready." In source's opinion, the General is convinced that he can gradually bring the present German government around to his view of the necessity of eliminating U. S. influence in Europe and causing the withdrawal of American forces, but this will take time.

Wallner

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DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-191
By ip, NARA, Date 9-12-94

~~SECRET~~

Wednesday, August 9, 1967
2:45 p. m.

26

Pres. file

MR. PRESIDENT:

Herewith a CIA paper I asked to be prepared on North Vietnamese losses during infiltration.

They calculate that:

- losses increased from 1965 to 1966;
- losses averaged 20% in 1966;
- although sickness and defection were the major direct causes, bombing had a big indirect effect by lengthening routes, increasing time en route, etc.
- in my notes on Senator Mansfield I said: "Several prisoners report that bombing results in the loss of more than half those whom they try to infiltrate."

Although I would now use the average CIA figure, here are some of the reports which underlay that sentence:

1. North Vietnamese soldier detained on June 16, 1967, stated that of group of 300 men infiltrating, there were only 30 on arrival.
2. Desertion rate of North Vietnamese coming into Laos mounting daily, had reached 40% as compared to 5% in past years; but figure as high as 80% for Montagnards recruited into North Vietnamese forces.
3. A member of the 324th Division reported that 15 men out of his 170-man group deserted; another soldier reported that 26 out of his 52-man group deserted.

Without bombing of infiltration trails -- with all their direct and indirect effects -- these desertions, disease rates, etc., would not be occurring.

Moreover, if we weren't bombing, the total level of attempted infiltration would be much, much higher than it is.

With the greatest possible respect, I don't back away from my difference with Bob McNamara on this.

W. W. R.

~~SECRET~~ attachment

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By SLY, NARA, Date 7-23-91

26a

SECRET

Wednesday, August 9, 1967

INTELLIGENCE MEMORANDUM

North Vietnamese Losses During Infiltration

Summary

The limited evidence available for 1966 indicates that a substantial number--perhaps as many as 20 percent--of the North Vietnamese who began infiltration to South Vietnam through Laos were lost en route. The total number lost was nearly 10,000 men if the 53,000 accepted total of infiltrators is used as a base or about 15,000 men if the 81,000 total of accepted and possible infiltrators is used. The loss rate for those who came through the Demilitarized Zone appears to have been somewhat lower, probably because of the lower incidence of illness during the shorter journey.

Evidence for 1967 is still too limited to permit comparison. It is clear, however, that en route losses during infiltration are continuing at a significant rate. As further information becomes available it should be possible to be more certain both of the total loss figure during infiltration and the percentages lost through various causes.

The 1966 Infiltration Losses and Their Causes

Three fourths of the losses of infiltrators via Laos in 1966 resulted from death or permanent incapacitation because of illness, mainly malaria. About 10 percent were killed by air attacks and 5 percent were permanently lost through desertion.

The 1966 loss rate appears to have increased several times over the 1965 rate. Evidence on losses in 1965 is very limited. There appears, however, to have been an increased incidence of serious sickness in 1966. In addition, available reports for 1965 attributed no losses directly to air strikes although undoubtedly some infiltrators were killed or seriously wounded in this manner.

Perhaps as many as half of all infiltrating troops suffer to some degree from malaria en route to South Vietnam. As a result

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Authority NLS/CBS I
By ics, NARA, Date 5-7-84

of malaria and other health problems, it is possible that nearly 20 percent of those who arrive in the South are not immediately fit for combat. Most of these men, however, probably recover sufficiently for combat.

Although air strikes apparently do not directly cause many casualties, they have had other significant effects on the loss rate. One of the most important has been to force infiltrating units to change their mode of movement in North Vietnam from truck to travel on foot, thus increasing the time needed to infiltrate. This, in turn, results in a higher rate of sickness.

Methodology

Some 53,000 North Vietnamese are accepted as having infiltrated into South Vietnam during 1966. About 75 percent of these--39,750 came through Laos--the rest through the Demilitarized Zone. Since the evidence shows that about 20 percent of those starting the trek never reached South Vietnam, this would indicate that some 49,687 left the North via Laos in 1966 and 9,937 were lost en route. A similar computation using the total of 81,000 infiltrators which includes both "accepted" and "possible" categories would indicate that about 15,000 may have been lost in 1966 en route through Laos.

Figures on infiltration through the Demilitarized Zone are inadequate to make a meaningful comparison. Reports on three units totaling 740 men have been received which mention losses en route. The loss rate for these three units runs at about ten percent.

Table I summarizes the data used for the estimates in this report. Evidence on about 7,000 infiltrators in 11 units varying in size from company to regiment made up the data base for the Laos route. Four units with a total of 1,777 men infiltrated during the last half of 1965 and seven units with a total of 5,390 men infiltrated throughout 1966. The information on losses was derived from those interrogations of captured infiltrators which are immediately available. Poor interrogation methods caused gaps in information and, as a result, the data base for estimating each of the four categories of causes is considerably less than the total number of infiltrators. To produce estimates of permanent losses it is assumed on the basis of limited evidence that half of all deserters eventually are returned to duty and that two thirds of the men who drop out of their units during infiltration are eventually returned to duty.

TABLE I

	<u>Arriving in SVN during last half of 1965</u>	<u>Arriving in SVN during 1966</u>
(1) Deserters	14 of 1,277 = 1%	60 of 2,890 = 2%
(2) Killed by Air Attack	0 of 200 = 0%	94 of 4,270 = 2%
(3) Died from Sickness	23 of 1,407 = 2%	79 of 1,270 = 6%
(4) Dropped out of Unit*	42 of 1,277 = 3%	117 of 390 = 30%

Thus, the loss rate for 1965 would be: 1/2 of (1) plus 1/3 of (4) plus (2) and (3) = 3.5 percent

The loss rate for 1966 would be: 1/2 of (1) plus 1/3 of (4) plus (2) and (3) = 19 percent, rounded off to 20 percent.

*Although some portion of this sharp increase may result from the inadequate data base used, there are reasons to believe that there has been a steady increase in sickness. Troops that begin their march within North Vietnam are in a weakened condition when they reach Laos.

Pres file

Wednesday, August 9, 1967 -- 2:40 p.m.

Mr. President:

Vietnamese Rice decision.

Bill Leonhart and the people in Saigon are rather anxious to go ahead with PL 480 rice and exchange rate negotiation because they would like to try to get a decision before the election. They fear delay as the new government forms up. It would be helpful, therefore, to have your view at the earliest convenient moment.

The Indonesian PL 480 rice decision would also be helpful although it is not quite as urgent.

W. W. Rostow

WWRostow:rln

Wednesday, Aug. 9, 1967
12:00 noon

28

MR. PRESIDENT:

Although your clearance may not be technically necessary, I thought you should read this draft letter to Gov. Reagan who cancelled California-Chile program.

Pres file

W. W. R.

Attachment



13504

DEPARTMENT OF STATE

Washington, D.C. 20520

August 8, 1967

LIMITED OFFICIAL USEMEMORANDUM FOR MR. WALT W. ROSTOW
THE WHITE HOUSESubject: Draft Reply to Governor Reagan's Office on
Chile-California Program

Enclosed for White House clearance is the draft reply to the August 1 letter from Governor Reagan's office to Secretary Rusk, terminating U. S. Government (AID) financing for the Chile-California Program. Since the Governor's office made public the letter to the Secretary before it was received here, we have assumed that the proposed reply will be published also, and it was drafted with this in mind. It has been agreed by both State Department and AID that the reply to Mr. Clark should be signed by the Acting Country Director of the Office of Bolivian-Chilean Affairs in the Latin American Bureau. Previous correspondence with Mr. Clark has been handled at this level.

Benjamin H. Read
Executive Secretary

Enclosures:

1. Suggested reply.
2. Letter from William P. Clark, Jr.,
dated August 1, 1967
3. Summary of the Chile-California Program

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DEPARTMENT OF STATE

Washington, D.C. 20520

Suggested Reply

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Mr. William P. Clark, Jr.
Cabinet Secretary
State of California
Governor's Office
Sacramento, California 95814

Dear Mr. Clark:

This is in reply to your letter of August 1 to the Secretary of State on the State of California's decision to terminate its relationship with AID in the Chile-California Program. We very much regret that the State of California has made this decision and announced it publicly prior to our receipt of your letter--particularly since the decision appears to have been based upon considerable misunderstanding of the role of the Department of State and AID in recent Program developments.

As you know, we have been waiting for an answer from the Chilean Government on the new directions for the Program which have been proposed by the State of California. Until the Government of Chile accepted these proposals and the precise nature of the Program was known, it was obviously impossible for AID to determine the upcoming Program budget. Our original proposals to reduce the overhead costs of the Program, including adoption of standard AID procedures for travel of personnel under the Program, were, we believe, consistent with principles of sound fiscal administration. These proposals were especially important since the administrative support costs for the Program have amounted to nearly forty percent of total project expenditures through June 30, 1966.

Your candidate for the position of Program Director has not been rejected by the Department of State or AID. We have simply raised with you the advisability of employing a man

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without previous foreign experience, no Spanish fluency, and no background in the agro-business field--a field which the State of California wished to emphasize in the Program.

The Department of State and AID have had a deep and long-standing interest in assisting the economic development efforts of the Government of Chile. We have viewed the Chile-California Program as an integral part of this development effort, and we would not, on our part, have proposed termination of the United States Government's relationship with this Program. We accept reluctantly, however, your decision to end United States Government financing for the Program. Nonetheless, it is my hope that the traditional friendly relations between the peoples of Chile and California will continue and that California will be able to make appropriate contributions to the further strengthening of these historic ties.

As you know, there are certain projects under the Program, in which U.S. technicians are working, in the fields of agriculture, transportation and industry in Chile which are being supported with AID financing. We would be pleased to discuss with you appropriate means for phasing out the present arrangements for these projects now that the State of California has decided that no further federal participation or assistance is desired.

Sincerely yours,

William D. Broderick
Acting Country Director
Office of Bolivian-Chilean Affairs

RONALD REAGAN
GOVERNOR

State of California
GOVERNOR'S OFFICE
SACRAMENTO 95814



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1 August 1967

13504

The Honorable Dean Rusk
Secretary of State
Department of State
2201 C Street
Washington, D. C. 20520

Dear Mr. Rusk:

Since Governor Reagan's endorsement of the Chile-California Program in December, 1966, the State of California has been prepared to perform its agreement with AID. However, after numerous meetings in Washington and in Santiago, we must conclude that the Department of State does not wish to continue its participation in the Chile-California Program. This is evidenced by your inaction and rejection of California's proposals, in spite of the Chilean Administration's acceptance thereof.

California has been prepared to proceed in a non-partisan manner consistent with the concept expressed by President Kennedy at the program's inception. California's expertise in agricultural production and water development has been pledged to the needs and desires of Chile; our new Director has stood prepared to leave for Santiago. However, the indecision of your office relative to the proposed budget, the unwarranted restrictions upon travel by California employees, the belated rejection of the new Director, and, finally, the bureaucratic obstacles created by the Department of State, makes the program meaningless. Accordingly, the State of California must proceed without further federal participation or assistance in the Chile-California Program. This is disappointing; the administrations of both Chile and California have

AID (ZIS) Chile

William P. Clark

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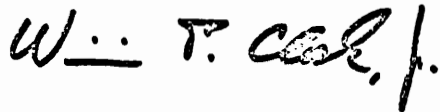
The Honorable Dean Rusk
Page 2
1 August 1967

prepared themselves for an energetic continuation of the program.

Chile and California have enjoyed commercial, social, and mutual aid relations since early in the 19th Century. Governor Reagan wishes to reassure our friends in Chile that our historic ties, both governmental and private, such as the sister-city programs, Farm Bureau student exchange, and tourism will continue. In addition, the Governor has requested a meeting in October, under the direction of the State Department of Agriculture, to chart the future course of the Chile-California Program in the absence of federal assistance.

It is our hope that the original expectations of the Chile-California Program might be realized through the joint efforts of Chilean and Californian agriculture, industry, and government.

Sincerely

Handwritten signature of William P. Clark, Jr. in cursive script.

William P. Clark, Jr.
Cabinet Secretary

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Chile-California Program

The Chile-California Program, which began operation in December 1963, was a device by which the State of California, with AID financing, would furnish and administer technical assistance to Chile, principally in the fields of agriculture, transportation and industry. It was jointly administered by the State of California and the Government of Chile, which provided a share of its local costs. The program is considered moderately successful. However, its overhead costs have been high and its administration complicated, both relative to normal AID technical assistance procedures.

In March of this year the Reagan administration abruptly and unilaterally fired the Director and Deputy Director of the Program without consulting the Chileans. It also proposed to the Chileans certain changes in the Program aimed at giving a greater role to the private agricultural sector, at a time when the Chilean Government is undertaking a major agrarian reform effort. The Chilean Government has been concerned about these two developments, to the point that, as of the date of the letter to Secretary Rusk, it had not replied to the California proposals--made in June--for modifying the Program.

AID was prepared to continue with the Program provided mutual agreement between California and Chile had been reached, and with some reduction of overhead costs. Now that California has taken the initiative in terminating the arrangement, AID is prepared, if the Chilean Government so requests, to continue to provide technical assistance through other administrative means, for the sectors in question.

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Pres file

~~SECRET/EXDIS~~

Wednesday, August 9, 1967 -- 10:55 a.m.

Mr. President:

Herewith an able State Department analysis of Kissinger's report of conversations with the two Frenchmen who went to Hanoi, plus the report itself.

I conclude the conversations fit the pattern of recent months in which various North Vietnamese are talking with third parties:

- to suggest a marginal increase in flexibility;
- to smoke out U. S. positions and intentions.

If and when they are ready to settle, we will -- in my judgment -- hear much more directly and without all this ambiguity.

Nevertheless, a file worth reading.

W. W. Rostow

DECLASSIFIED
 E.O. 12356, Sec. 3.4
 NJ 94-190
 By CB, NARA, Date 4-3-95

WWRostow:rln

~~SECRET/EXDIS~~

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~~SECRET/EXDIS~~

August 3, 1967

S/AH - Mr. Chester L. Cooper

INR/REA - Fred Greene

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-191
By ig, NARA, Date 9-12-94

Dr. Kissinger's Report on Conversations in Hanoi, July 24, and 25, 1967

Much of what Pham Van Dong and Ho Chi Minh said to Marcovitch and Aubrac is already part of the established Hanoi position. Dong reiterated the four points and the Trinh interview; he recited the customary Hanoi version of recent South Vietnamese history; he also reaffirmed that unconditional and permanent cessation of the bombing as well as a US withdrawal were part of a final settlement, but that there was no hurry about reunification and that the NLF would be ready to participate in a coalition government including members of recent South Vietnamese governments. Ho demanded condemnation of the US as an aggressor. All this is standard.

Beyond that, however, the interview confirmed earlier indications that Hanoi has moved somewhat from the terms of the original January 28 Trinh interview (as further explained by Mai Van Bo and others) to a position somewhat more accurately expressed in Trinh's July 2 interview with Volkestimme. Dong indicated (without spelling out) a Hanoi readiness to negotiate fairly soon after the bombing is stopped; he indicated that the bombing stop need not be permanent; he also said that there need not be any formal declaration that we are stopping the bombing; a "de facto" stop will do.

Dong's remarks also contained two potentially interesting statements which could indicate Hanoi willingness in time to move on two other issues:

- 1) Dong said that the NLF would have to be "present" when South Vietnamese matters are discussed -- but did not say that we would have to deal exclusively with the NLF on those matters or recognize the NLF as sole genuine spokesman for the South Vietnamese people. This statement may indicate that Hanoi might be prepared someday (but not now) to move closer to our position on NLF participation in talks.
- 2) Dong recognized that US troops would "have to stay" until the end of a political settlement in South Vietnam. Hanoi has never clearly indicated its position on the timing of a US troop withdrawal, but Dong's remarks at least suggest that they would not insist on such a withdrawal prior to South Vietnamese elections.

However, Dong's remarks also contained some very hard elements. He did not hint at any possible change in Hanoi's position on reciprocity; in fact, his demand for an unconditional bombing halt suggests that Hanoi is still not

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prepared to offer a military concession for a bombing halt. He did not even hint that the Kissinger formula might be acceptable, although he must have recognized (as Thach did) that it represented a significant departure from the established American position. Dong also appeared highly negative on the control question. He rejected a suggestion for aerial surveillance of the North Vietnamese infiltration routes, and his general attitude on the control issue (he had been "wondering when that issue would be raised") did not reveal any enthusiasm for the subject or any desire to come up with new ideas. He also said nothing about withdrawal of Northern troops from South Vietnam. But this had not been raised.

Thus, in summary, the conversations do not take us any further than some of the other material which has been available out of Hanoi and elsewhere, but they do offer potentially useful lines for further consideration and possible exploration. Pham's firm bombing half-negotiations link and ambiguity on the NLF consolidate positions taken by others earlier in July.

Miscellaneous

Beyond the substance of the North Vietnamese remarks, some other elements in the Kissinger report are also worth considering:

1) Pham Van Dong's Position and Authority: This is not the first time that Phan Van Dong has met with Westerners and, while maintaining a generally hard position, has managed to convey an impression of sincere desire for peace. Also not the first time that he has appeared to open new possibilities for settlement. In the past, however, he has on occasion been whistled back, and we therefore do not really know how authoritative and final his remarks to Marcovich and Aubrac can be considered. They may not represent a Politburo consensus. It is noteworthy that, despite Ho Chi Minh's remarks concerning Dong's power to handle negotiations, Dong did not have any sort of reply to make on the Kissinger proposal for maintenance of infiltration at an even level during a bombing halt. He did not even indicate that Hanoi would study it.

2) Ho Chi Minh's Health and Modus Operandi. The description of Ho matches that revealed in Felix Greene's recent films of North Vietnam. Ho is obviously in poor physical shape, but his eyes are still very clear and he does not appear to have lost his mental faculties. We would not assume that he must be senile because he turns over the burden of negotiations to Dong. He has done this sort of thing in the past, giving one of his lieutenants a responsibility while retaining power to overrule him or dissociate himself if expedient. He thus retains his traditional freedom of movement.

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-3-

3) Possible Hanoi Confusion. Pham Van Dong's expostulation "que veulent les Americains" (what do the Americans want) and his statement that negotiations should be conducted by persons "authorized by both parties" may reflect some genuine Hanoi confusion as to US goals and intentions. This confusion is not alleviated by the despatch of "unofficial" emissaries who confine their description of US demands to some general remarks about our desire for an honorable settlement and who are completely ignorant about such things as the January 28 interview. Dong's performance during the second meeting reflected some confusion as to whether he was expected to present a negotiations brief or engage in an informal chat. Though Hanoi is largely responsible for this situation by its insistence that it will not talk to us while the bombing continues, Hanoi might still be receptive to some highly secret approach which could be intended to give the North Vietnamese a clearer idea as to exactly what we want. They will not like some parts of it, of course, and may initially react in a very negative manner, but at least they will know what they are up against and can start serious re-thinking.

4) Who is Watching Whom? There is some interesting if inconclusive room for speculation about why Marcovich and Aubrac were given a false schedule of activities.

5) Hanoi Concern about Greater US Effort. Dong's remarks about the dikes and about fighting on North Vietnamese soil reinforce our earlier impression that Hanoi really expects us to bomb the dikes during the summer high water on the Red River, and also may expect a land invasion.

6) Were Hard-Line Nhan Dan Articles Related to Visit? By July 19 and 20, when Aubrac and Marcovich were in Phnom Panh, Hanoi must have realized that they had come to talk about a possible settlement. The tough July 20 and particularly July 21 Nhan Dan editorials may have been intended for their ears. It would not be the first time that Hanoi had accompanied secret talks with public reiteration of harsh demands. In this case, however, we think the editorials were probably more likely related to Economics Minister Le Thanh Nghi's visit to Peking.

~~SECRET/EXDIS~~

*Wait for you on eyes only.
be sure following up on this lead.
I will keep you informed of developments.
Dowell*

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DEPARTMENT OF STATE
Office of
AMBASSADOR AT LARGE

~~SECRET/EXDIS~~

August 2, 1967

MEMORANDUM FOR THE NEGOTIATIONS COMMITTEE
EYES ONLY PARTICIPANTS

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-191
By ijg, NARA, Date 9-12-94

FROM: S/AH - Chester L. Cooper
SUBJECT: Visit to Hanoi by Two Unofficial
French Representatives

Early in June a small group of Pugwash participants met in Paris to discuss the situation in the Middle East and Vietnam. Representatives of the group came from the Soviet Union, the UK, France and the US. The American participants were Kissinger, Doty (Harvard), and Feld (MIT). As an outgrowth of this discussion, one of the French participants, Marcovich of the Pasteur Institute, and Kissinger (with the knowledge and endorsement of the Soviet participant) agreed that it would be useful for Marcovich to proceed to Hanoi for the purpose of sounding out the North Vietnamese on their views toward negotiations, and to present unofficially the Phase A - Phase B formula which had been discussed in general terms at the Pugwash session. Marcovich was to be joined by a M. Aubrac, an official of FAO who knew Ho Chi Minh personally (Ho had stayed in Aubrac's home during the 1946 negotiations with the French). De Gaulle was made aware of the trip and interposed no objection on the condition that the two Frenchmen were acting "unofficially".

Marcovich and Aubrac arrived in Hanoi by way of Phnom Penh on July 21. They left Hanoi on July 26 and returned to Paris via Phnom Penh. Kissinger saw them "within hours of their return to Paris".

During their stay in Hanoi Marcovich and Aubrac had two conversations with Pham Van Dong and one with Ho Chi Minh. They were also shown a hospital, some damaged dikes and other evidence of American "aggression". They were given a bamboo surgical kit (which they said was developed to meet the

~~SECRET/EXDIS~~

Kissinger
Paris

JJ (21
26)

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shortage of steel surgical instruments), a propaganda film on American bombing and some pellets from "anit-personnel bombs". (Arrangements are being made to get these to us.)

Attached are Kissinger's notes describing the sessions between the two Frenchmen and the Vietnamese officials. The material preceding the notes of the conversations (pages 1 - 11 of Kissinger's notes) is a lengthy background discussion and a chronology of the trip.

Several interesting points emerge from the conversation with Pham Van Dong.

1. Dong's reiteration of the offer to negotiate soon after a bombing cessation and, in particular, his statement that the cessation need only be a "de facto" one. (pp 12 and 16)
2. Dong's statement to the effect that they would be prepared to negotiate secretly with the U.S. on matters directly affecting North Vietnam and that the NLF need not be present. (p 17). In subsequent sessions in which the political problems of South Vietnam were to be discussed the NLF would have to be present. (p.13).
3. Dong's recognition that, "some U.S. forces would have to stay until the end of the process of political settlement". (p. 16).
4. Dong's statement that the NLF envisaged a "broad coalition government" which would include members of the present GVN. (p. 17)
5. Dong's statement that Hanoi would not "push things toward unification" until after there was a political settlement. (p. 17)
6. Dong's sense of optimism about the eventual outcome. (p.15)

The conversation with Ho is more interesting in terms of color and mood than in terms of substance.

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An analysis of these conversations and some possible follow-up actions will be the principal matter for discussion on Thursday, August 3, in Governor Harriman's office. It is hoped that participants will have an opportunity to read the attached before the meeting.

CS
Chester L. Cooper

ATTACHMENT: As stated

cc: Mr. Rostow
Gov. Harriman
Mr. Sisco
Mr. Warnke *h*
Mr. Habib
Mr. Read

~~SECRET/EXDIS~~

III. CONVERSATIONS WITH PHAM VAN DONG AND HO

- A. Meeting with Pham Van Dong, July 24, 9 a.m.
- B. Meeting with President Ho, Afternoon, July 24.
- C. Second Meeting with Pham Van Dong.

NOTE: These conversations are drawn from reports by Aubrac and Marcovich within hours of their return to Paris. Quotations are direct quotes as they appeared in Aubrac's notes made during the meeting. The conversations are reported in the order in which they occurred.

- A. Meeting with Pham Van Dong, July 24, 9 a.m. Present Aubrac, Marcovich, Pham Van Dong, Tach (Minister of Health), note-taker.

Pham Van Dong opened the meeting by saying that he was happy to see Aubrac and Marcovich. The visas had been given on the basis of Aubrac's reputation, therefore, it was up to Aubrac to present his ideas. Aubrac then described the background of the trip to Hanoi as sketched in Part I. He said that he would report to me and I would report to the U.S. government. Marcovich continued by outlining as a private idea the two-part proposal: 1) an end to U.S. bombing, 2) coupled with an assurance by North Vietnam that "le taux des approvisionnement ne serait pas accru a la faveur de cette arrête." Aubrac interrupted to say that the control problem would have to be solved and Hanoi should make proposals. Pham Van Dong replied that he had been wondering when that issue would be raised. Marcovich said that part of the control might be through overflights for reconnaissance purposes. Pham Van Dong said: "This is our country. We cannot discuss the problem in this manner." Pham Van Dong added: "We want an unconditional end of bombing and if that happens, there will be no further obstacle to negotiations." Aubrac asked what he meant by unconditional. Pham Van Dong replied that North Vietnam could not negotiate while being bombed. Aubrac asked whether Pham Van Dong wanted an official declaration that the bombing had stopped, or would he be satisfied with a de facto end of bombing. Pham Van Dong replied that a de facto cessation would be acceptable. Aubrac asked whether there should be some delay between the end of bombing and the beginning of negotiations.

* "the rate of supplies will not be increased to anyone's advantage during the stoppage". ~~SECRET - EX DIS~~

Pham Van Dong replied: "This is not a problem." Aubrac asked what channels should be used. Pham Van Dong replied: "This is not a problem but it should be someone authorized by both parties." He then went on to say initial negotiations could be on those matters affecting the U.S. and North Vietnam as principals. When issues affecting South Vietnam were raised, the NLF would have to be present. /Aubrac and Marcovich had the impression that the scenario envisaged by Pham Van Dong involved an end of U.S. bombing to be followed within a matter of days by the opening of negotiations under acceptable auspices./

Pham Van Dong then said that he thought that the next escalatory step would be a bombing of the dikes. All preparations had been made to mitigate the consequences, but the human suffering would be severe. He asked Marcovich and Aubrac to help influence world opinion against such a step. Aubrac replied that their usefulness depended on not joining any propaganda effort. However, they might talk to the papal mission in Paris about the problem.

Pham Van Dong then closed the meeting with a little speech: "You see, dear friends, that the problem is very complicated. You may think your travels are useless. In fact you have given us much to think about. I will see you again and we will talk again."

Aubrac and Marcovich were struck by Pham Van Dong's insistence on the complexity of the problem, as well as by the fact that in neither conversation did he mention Communist China.

Tach remained behind. He joined Aubrac and Marcovich at lunch and told them that the two-step bombing proposal should be discussed officially rather than informally.

B. Meeting with President Ho, Afternoon, July 24.
Present: Ho, Aubrac, Pham Van Dong, Tach and note-taker.

Aubrac said that what struck him immediately was how old Ho had become. He was dressed in a Chinese gown and walked with the aid of a cane. However, his intelligence was unimpaired; his eyes still had their

old sparkle. He seemed to enjoy playing the role of a grandfather-figure, not concerned with details. Aubrac had brought as a gift a little colored stone egg. Ho gave three presents in return: silk for Aubrac's daughter, some books and a ring made of metal from the 2000th U.S. plane claimed to have been shot down over Vietnam. He remembered the first names of all of Aubrac's three children. After speaking about Aubrac's family for about 15 minutes, Aubrac said: "Mr. President do you know why I have come?" Ho answered "Yes." Aubrac asked whether he had any comments. Ho replied by saying that he did not like the phrase "peace in Vietnam." It gave an impression of moral equivalence between the United States and North Vietnam; in fact the U.S. is the aggressor and must be condemned. Ho praised De Gaulle for understanding this distinction. Moreover the details of negotiations were in the hands of Pham Van Dong. Ho then added: "Remember, many people have tried to fool me and have failed. I know you don't want to fool me." He then turned the conversation back to family matters. He expressed regret that Aubrac had sold the house where he had stayed twenty-one years ago. "Where shall I live when I next come to Paris?" He then asked whether he would be welcome in Paris, but avoided the question of whether he wanted an invitation.

He terminated the conversation after fifty minutes and was escorted from the room by Tach. Pham Van Dong walked with Aubrac to his car. He said that "we try to spare President Ho as many details as we can. He is an old man; we want him to live to see his country unified." He told Aubrac that he was thinking about their conversation of the morning. He moved up the next day's appointment by an hour to allow more time before Aubrac's and Marcovich's departure in the evening.

C. Second Meeting with Pham Van Dong. Present: Aubrac, Marcovich, Pham Van Dong, Tach, note-taker.

The meeting consisted of a talk by Pham Van Dong speaking from notes. Aubrac reported that the talk went something like this: "Dear friends. Our conversation yesterday was very useful. If you want to understand the problem in Vietnam, I advise you to read the book by Morris West called The Ambassador. Neither Aubrac

nor Marcovich knew of the existence of this book. We are facing a problem which is at the same time very simple, very complex and of great importance for the world. It is simple because it concerns the freedom of a people. It is complex because many considerations are involved. It is of great importance because it has involved so many peoples. We have come to the opinion that the U.S. government is trying to solve the problem within its present limits. Aubrac and Marcovich took this to mean that Pham Van Dong was convinced that the U.S. was not in Vietnam as a prelude to an attack on China. We also think that the U.S. government is trying to get a clear picture of the present position. Our view is this: U.S. power is enormous and the U.S. government wants to win the war. President Johnson is suffering from a pain and this pain is called South Vietnam. We agree that the situation on the battlefield is decisive; the game is being played in South Vietnam. From the newspapers we see that some people want to confine the war to the South. However, the White House and Pentagon seem determined to continue the war against the North. Therefore we think that attacks on the North are likely to increase. We have made provisions for attacks on our dikes; we are ready to accept war on our soil. Our military potential is growing because of aid from the USSR and other Socialist countries. Aubrac and Marcovich pointed out that this was the only time a Communist country was mentioned by name in the two conversations extending over five hours. Aubrac and Marcovich also felt that Pham Van Dong was eager to give the impression that the situation was under control.

As for the situation on the battlefield, it is improving all the time. The dry season was good and the wet season will be better. The Marines are in difficulty. The United States is forced to replace its well-trained troops by ever-younger soldiers. We fight only when we choose; we economize on our resources; we fight only for political purposes.

For example, news from Saigon suggests that Ky is considering moving his capital because it is no longer safe. This is true. We could easily step up our actions inside the city. But we take only those actions which have political meaning and which economize human lives.

"Now I shall talk to you about negotiations and solutions. We have been fighting for our independence for four thousand years. We have defeated the Mongols three times. The United States Army, strong as it is, is not as terrifying as Genghis Khan. We fight to have peace at home; we have no wider aims. We have made clear our position in our four points and in the interview of January 28, 1967. [Pham Van Dong did not explain what this interview was; Aubrac and Marcovich did not know, nor do I.] We are ready to talk at any time provided that actions against the North are unconditionally ended. I want to repeat what I said yesterday: we are willing to settle for a de facto stoppage." Marcovich interrupted to ask whether he correctly understood that no public acknowledgment of an end of bombing was needed. Pham Van Dong replied that he would prefer a public statement, but would settle for a de facto cessation. [There was disagreement between Aubrac and Marcovich about the meaning of de facto cessation. Aubrac thought that a bombing pause could be followed within a few days by an invitation to negotiate; Marcovich was of the view that Hanoi might want a more formal--though secret--assurance.]

Pham Van Dong resumed. "Ending the war for us has two meanings: 1) An end of bombing which is permanent and unconditional; 2) A withdrawal of United States forces. We like the formula of President de Gaulle." Marcovich interrupted to say that it was not realistic. Pham Van Dong agreed and said that he realized that some U.S. troops would have to stay until the end of the process of political settlement. He added: "We do not want to humiliate the U.S. Lenin did not like war but fought when necessary. As Lenin we are Communists."

"Now let me speak of U.S. policy and the NLF. We should have had unification in 1956. The period 1956-59 was a political fight. It saw the mutual assistance pact between the U.S. and Saigon and the introduction of U.S. staffs. This led to the formation of the NLF. The second period, 1960-64, saw a disintegration of the U.S. position to which the U.S. responded by 'special' war. [I suppose he meant "special forces" war.] In 1965, the United States started a 'limited' war which lasts until today. At the same time the NLF has expanded its activities from the country into the cities and from inside Vietnam to the outside. Our position is: North

Vietnam is socialist and wants to remain so. As for the South, our goals are national independence, democracy, peace and neutrality. Some people think we want to impose Socialism on the South. We are convinced that the NLF will not make such an error. The NLF envisages a broad coalition government, including all significant groups and religions without consideration of past activities including members du gouvernement fantoche et cadres d'armée fantoche. [He repeated the underlined words.] The essential thing is to forget the past.

"As for unification, we recognize that the important first step is a political settlement of the South. We agree not to push things toward unification. Once the war in the South is settled, we shall discuss with the South and find the best means. Our people are magnificent.

"Peace would have been easy for the U.S. three years ago. But with every year the political situation worsens. We do not like secret negotiations, but we recognize their necessity in this situation. As long as the issues do not concern South Vietnam, the NLF need not participate. However, we do not believe that the United States is ready for a settlement." Then turning to Aubrac he asked: "Que veulent les Americains?"

Aubrac answered that he had been convinced by me that the U.S. wanted an honorable settlement and that an end to bombing could be envisaged provided it was not used as a breathing space to step up the war in the South. This led to a discussion of the meaning of the term reinforcement. Pham Van Dong again stressed that an end of bombing would lead to negotiations. Marcovich said that if negotiations go on any length of time, the problem of reinforcement is serious. Pham Van Dong replied: "If the Americans stop bombing and we understand that they are willing to talk there is no question of delay."

Pham Van Dong then told Aubrac and Marcovich that they could communicate with him through Bo or Sung in Paris. Aubrac and Marcovich said that they would inform him of the U.S. reaction.

30

Wednesday, August 9, 1967
10:30 a. m.

~~SECRET~~

Pres file

MR. PRESIDENT:

I believe you will wish to read at least the summary at the beginning of this estimate.

The situation it describes is not alarming; but I suspect it will be exploited as a political issue in 1968.

The Soviets are increasing the number of their hardened ICBM's while we are increasing the number of our warheads.

Therefore, it will be argued they are "closing our nuclear superiority gap."

The argument will be buttressed by evidence, from the statistical war games that are played each year, that:

- the number of Soviet targets is increasing faster than our megatonnage on targets;
- a nuclear exchange would result in increasing U. S. fatalities and industrial damage, decreasing Soviet fatalities and Soviet damage;
- we now have to take the Chinese Communist threat more seriously.

Again, no one thinks we are moving to a position where a Soviet first strike is likely to become rational in the foreseeable future. But the numbers will be moving unfavorably over the coming year; and you may wish to begin to work out with Bob McNamara how we deal with the political problem which may arise.

W. W. R.

SECRET attachment (cy 1 of NIE 11-4-67 20 Jul 67 "Main Trends in Soviet Military Policy")

~~DECLASSIFIED
E.O. 12356, Sec. 3.4
NLJ
By _____, NARA, Date _____~~

DECLASSIFIED
Authority NLJ.019.020.002/4
By jc, NARA, Date 12-9-09

Wednesday, August 9, 1967
9:45 a. m.

MR. PRESIDENT:

Here are the essential numbers for the NSC meeting this morning.

Present PL-480 set-aside from 1967 U. S. rice crop: 670,000 tons

150,000 tons to be delivered to Vietnam in fourth quarter 1967

400,000 tons to be delivered to Vietnam first and second
quarters 1968

100,000 tons for Indonesia

650,000 tons

But calendar 1968 Vietnam rice requirements could run as high as 800-950,000 tons of imports. The above figures provide only 400,000 tons through PL-480. If Vietnam reserves hold up, we would hope to finance most or all of the rest through cash sales. But if they are strapped and we have to provide more through PL-480, where could the balance of 400-550,000 tons come from?

Thailand-Taiwan 100,000

From 1968 rice crop to be
delivered to Vietnam in last
quarter 1968 200,000

300,000 tons

Possible deficit: 100-250,000 tons

Deficit could be met by:

- bigger than now estimated 1967 U. S. rice harvest (with normal PL-480 set-aside)
- normal crop, but enlarged PL-480 set-aside in November
- Vietnamese dollar purchases to draw down reserves.

W. W. R.

Wednesday, August 9, 1967
9:15 a. m.

~~CONFIDENTIAL~~

Pres file

MR. PRESIDENT:

I am told General Wheeler feels his hand could be strengthened in dealing with the Congressional hearings on bombing policy if he could state flatly that he has been fully and personally consulted on all the major decisions made.

I am told this is not in any way an expression of personal dissatisfaction with his access to you; but a desire to head off the argument that bombing decisions have been made by civilians without the benefit of JCS recommendations and discussion.

I am personally convinced that General Wheeler wishes to defend our bombing policy on the Hill and not add to the evident political pressures now being generated.

I therefore recommend that you consider in the days ahead -- before he goes up for his hearings -- a roundup session in which we:

- review all the targets now available for attack;
- isolate the targets not now available for attack and clarify our reasons for their being off the list; and
- generally get our ducks in a row for the Congressional hearings on the subject.

W. W. R.

DECLASSIFIED
 E.O. 12356, Sec. 3.4(b)
 White House Guidelines, Feb. 24, 1983
 By kg, NARA, Date 7-23-91

W.W.R. 33
2. Pres file

MEMORANDUM FOR THE PRESIDENT

August 9, 1967

SUBJECT: Italian President Saragat's Visit to Washington, September 19

You have already approved a September 19 one-day visit (welcoming ceremony, meeting and White House dinner) for Saragat.

The Italian Ambassador has now come in with two requests:

- that you have two meetings with Saragat;
- that the welcoming ceremony be moved from the morning of September 19 (Tuesday) to late afternoon September 18 (Monday).

Italian pride and sensitivity are behind this; they are anxious for the same treatment that the British and Germans get. Since Wilson saw you twice and Kiesinger will, they are worried that anything less for Saragat would be misunderstood by the Italian press and public. They also would like Saragat welcomed as soon as he gets in (on the 18th) rather than wait until the next morning.

There is merit to the idea of two meetings, and I understand your schedule is clear. The Italians are important to us, and there is a good deal you could usefully discuss. There is less to be said for moving up the welcoming ceremony. It is common practice for visitors to arrive one day and be greeted the next (i. e., Kiesinger), so no invidious comparisons could be made.

Unless you want to go out of your way to be nice to them (with a welcoming ceremony and first meeting on the 18th), I would recommend we agree to two meetings on the 19th, or a meeting and a working lunch, but that we not shift the welcoming ceremony to the 18th.

Francis M. Bator

Two meetings on September 19 _____

Morning meeting and working lunch on September 19 _____

Welcoming ceremony and one meeting on the 18th;
second meeting on the 19th (Italian proposal)

Leave schedule as is _____

Speak to me _____

34
—

Wednesday, August 9, 1967

MEMORANDUM FOR THE PRESIDENT

Pres file

Mr. President:

Attached is the daily situation
report on Vietnamese politics.

W. W. Rostow

Attachment

~~SECRET Attachment~~

34a

~~SECRET~~

Viet-Nam Political Situation Report

August 9, 1967

DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 94-191

By , NARA, Date 9-12-94

Thieu-Ky Agreement

According to a Ky confidant, a second, "somewhat broader" signed agreement between Thieu and Ky has been signed. It further defines post-election responsibilities of the two men and stipulates that Ky will be charged with selecting the Prime Minister and cabinet if their ticket is elected. We are doubtful that terms of any such agreement are as explicit as Ky's followers maintain.

Pro-GVN Political Bloc Meets

The "All Viet-Nam Bloc", reportedly comprising several major pro-GVN (initially pro-Ky) political groups, convened publicly yesterday for the first time. The Bloc will openly back three senatorial slates and, while publicly non-committal so far, will undoubtedly wind up endorsing the Thieu-Ky ticket. The Embassy comments that the Bloc is not particularly impressive in its attempt to present itself as a broad political organization.

Campaign Incident at Quang Tri

Thieu stated at his press conference yesterday that he would accept blame if GVN errors were responsible for the miscarriage of the candidates' first joint campaign appearance Sunday in Quang Tri. This should help ease tensions on this issue, which is still holding up resumption of the other candidates' campaigns.

~~SECRET~~

35

sup

Wednesday, August 9, 1967

MEMORANDUM FOR THE PRESIDENT

Pres file

SUBJECT: Speech to Orientalists Congress

I sent up last week a draft speech for possible delivery to the International Congress of Orientalists in Ann Arbor. The proposed dates were August 13 or 14.

If you have decided against a speech on this occasion, should we encourage the Vice President to react favorably to the invitation of the Congress sponsors to make an address?

As you know, the sponsors were anxious you either receive the 700 members (40 countries) of the Congress who will come to Washington after the Ann Arbor sessions (August 21) or that you accept their invitation to attend a reception in their honor at the Smithsonian (August 22).

W. W. Rostow

- Will make speech _____
- Suggest Vice President go _____
- Approve White House reception _____
- Will attend Smithsonian reception _____
- See me _____

36
Profile

Wednesday, August 9, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Speech to Orientalists Congress

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W. W. Rostow

Will make speech _____
Suggest Vice President go _____
Approve White House
reception _____
Will attend Smithsonian
reception _____
See me _____

31

Wednesday, August 9, 1967

Profile

Mr. President:

This year the Latin Americans are organizing an evening reception on Thursday, August 17, 7:00 - 9:00 p.m., to mark the sixth anniversary of the Alliance for Progress. The large facilities of the Pan American Union will be used for the occasion. The winners of the hemisphere-wide Alliance for Progress essay contest will be announced. USIA will unveil a new, impressive travelling display it has made on the Alliance.

The hosts want very much for you and Mrs. Johnson to attend. Covey Oliver strongly recommends that you do so -- for 15-30 minutes.

I am glad to see the Latin Americans take the initiative and add my strong recommendation that you plan to go.

W. W. Rostow

Will attend reception _____

No _____

See me _____

38

*Pres file
Mr. Braden*

~~SECRET~~

Tuesday, August 8, 1967, 7:00 p. m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Robles Delays Signing of Panama Canal Treaties

Panamanian President Robles has assured Ambassador Adair that the Panama Canal Treaties will be signed but not without further delay.

Robles hopes to be able to sign before the end of August but the State Department believes a more realistic date would be the middle or end of September.

In the attached copy of a cable from Panama, Adair reports that Robles says he needs additional time for discussions with Panamanian leaders. He believes, and Adair agrees, that the delay in signing is working in favor of eventual approval. Adair believes Robles will not press for ratification of the treaty before his 1968 elections.

State officials agree with Adair that we should not pressure Robles into an early signing.

Secretary Rusk will be making recommendations shortly. He is expected to suggest ^{that} key members of Congress be informed of the current situation at an early date. Consideration is also being given to releasing to the press the texts of the treaties accompanied by an explanation of the delay in signing.

W. W. Rostow

Attachment: Panama 368
WWR:BKS:amc

DECLASSIFIED

E.O. 12356, Sec. 3.4

NJ 94-190

By CG, NARA, Date 4-3-95

~~SECRET~~

Copy of PANAMA 0368 Aug. 8, 1967

1. I called on Pres. Robles this morning to tell him the U. S. was ready to sign treaties now, and that delays in signing were posing domestic problems. At the same time, I assured him the U. S. Government appreciates internal problems re early signature which confront him, and I told him I was sure the U. S. Government was prepared to respect such a problem.

2. The President said he was glad to have this opportunity to explain his situation, as follows:

3. While the President is not obliged by law to consult or obtain approval of the Foreign Affairs Advisory Council and ex-Presidents, it has been the practice in the past in Panama to consult and he feels it prudent for him to do so in this case. New treaties are important to both U. S. and Panama, but more so to Panama because of emotional reactions to sovereignty, etc. It is important in his mind that there be adequate time for discussion and he must judge general climate for the treaties as it develops.

4. Foreign Minister Eleta, on the other hand, the President pointed out, is trying to terminate Council consideration too quickly, which Robles feels would be counter-productive. The President was very complimentary in referring to Eleta as a fine man, brilliant, and a true patriot, but young, perhaps too eager to push.

5. Although stressing the need for adequate time for discussion, the President recognized that the final responsibility was his and indicated he was trying to terminate the discussion in the next fortnight or so and sign before the end of August. The President said several times during our conversation that he was going to sign. When I asked him to estimate when, he said it was not certain he would sign before the end of the month, but this was his hope. I referred to ~~proposed~~ changes in treaty drafts which were emanating from his advisers and told him Washington preferred not to deal with these piecemeal but to take them up only when the list of proposed changes was complete. He expressed complete agreement with this procedure and confirmed Eleta's earlier comment that all but a very few proposals were solely questions of interpretation.

6. In response to a query re ratification, President Robles said there simply was not time now to call a special session of the National Assembly and he would have to handle the matter in regular session which begins October 1. When I inquired more specifically whether he thought ratification could be dealt with in this regular session, the President replied he would have to wait and see what the climate was at that time.

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-191
By WJG, NARA, Date 9-12-94

7. So far as the general situation re treaties is concerned, the President is optimistic. He claims that opposition to treaties has declined very considerably and that delay in signing is working in favor of treaty approval.

8. The Embassy has noted some slackening of anti-treaty statements in press and some moderation in comment attributable to opposition. Statements cautioning against early signing by Panama are still much in evidence, but probably fewer than during the weeks immediately following the announcement that negotiators had agreed on drafts. I believe Pres. Robles' comment on decline in opposition referred more especially to sentiment among his advisers (Advisory Council on Foreign Affairs, ex-Presidents, etc.)

9. It is my opinion we should not pressure the Government of Panama into early signing. There is a good chance that some further delay in signing may win support or more enthusiastic support from key politicians, especially those piqued at Eleta for not consulting them more in the past. Having spoken recently with both Robles and Eleta, I am inclined to believe Robles will not press for ratification before the 1968 elections. I think it probable that Robles will sign before middle September if the changes which Panama proposes to make in the treaty texts are not substantive, and can be worked out with us by that time.

10. If Robles signs before October but it seems likely at the time of signature that ratification will be postponed until after the elections, then I believe some statement to this effect, probably joint, may well be advisable at the time of or shortly after signing.

Adair

###

~~SECRET~~

~~SECRET~~

Tuesday, August 8, 1967

5:45 PM

39

Mr. President:

There is one alternative you may want to consider in the message to Tito. If you wanted to make this more personal, we could substitute "the President" for "the USG" in the first two sentences. We did not draft it this way because we have not cast this as a message from you. However, it would be a nice touch if you wanted to underline your personal interest.

Pres file

W. W. Rostow

Leave it as drafted _____

Substitute "the President" ✓

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-90
By CB, NARA, Date 4-3-95

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NLJ 94-190
By CG, NARA, Date 4-3-95

39a

~~SECRET~~

(Aug. 8, 1967)

TO: AmEmbassy BELGRADE

Please deliver following message to appropriate level Foreign Office for conveyance to President Tito. Make presentation orally but leave copy for convenience Foreign Office.

BEGIN QUOTE

The USG appreciates the willingness of President Tito at this time to take responsibility for trying to contribute to a peaceful solution to the crisis, and wishes him success in his mission to the Middle East. It also wishes to assure President Tito that within the context of President Johnson's statement of principles on June 19, it will use its best efforts to cooperate in every effort to find a just and lasting solution of the Middle East crisis.

The United States agrees with President Tito that a Middle Eastern settlement now should be realistic and long-term. The world cannot accept an indefinite continuation of the risks of the precarious armistice which exploded on June 5th. The United States agrees also that the settlement should not humiliate the Arab states, or require them to give up any rights or interests they may legitimately claim. President Tito may be assured that in approaching the problem of a

PRESERVATION COPY

~~SECRET~~

-2-

settlement the United States will take fully into account the rights and interests of the Arab states, along with those of Israel and of other nations with interests in the Middle East.

The United States has long standing ties of friendship and interest in the Middle East. It wishes to have friendly and cooperative relations with all the nations of the region. Its concern for these fundamental factors in the situation, and its respect for the true long-term interests of the Arab states, led the United States from the outbreak of hostilities on June 5th to adopt the policy of seeking not another armistice, but a solution of peace.

In our view, the dispute over Israel's right to exist is the root of the trouble in the Middle East. The United States agrees with President Tito's comment that most of the countries represented at the United Nations accepted the legitimacy of the existence of Israel in the course of the recent session of the Assembly. This fact, as he rightly remarked, should now have its impact on the Arabs themselves.

While the United States agrees that the Arab States should not be humiliated, the United States does not feel that it can be regarded as unreasonable for one member of the United Nations to acknowledge the

PRESERVATION COPY

existence of another, or to state that it is not engaged in a war to destroy that state, or that it is not free to resume hostilities against that state at will. The continuance of the dream of destroying Israel has become a burden to world peace, and a threat to the interests of the Arab states as well. The Arab states can hardly claim rights of belligerency for themselves, and object if Israel exercises the same claims reciprocally.

The United States hopes that the Government of Yugoslavia agrees that the time has come for every member of the United Nations in the area to acknowledge that each enjoys the right to maintain an independent national state of its own, and to live in peace and security, and that all claims and acts inconsistent with this should be renounced.

There has been some misunderstanding of what the United States means by belligerent rights. In the view of the American Government, an abandonment of claims of belligerency would not require the United Arab Republic, for example, to extend recognition to Israel or to establish diplomatic relations with it, normal and desirable as both our governments regard this to be. It would, however, among other things, assure the right of all nations to use the Strait of Tiran and the Suez Canal, and eliminate any claim of a right to threaten or to use armed force on the

part of one Middle Eastern state against another.

There are many ways in which a movement towards peace can begin. In the view of the United States, one simple first step would be for the United Arab Republic to accept the Draft Resolution upon which the Soviet Union and the United States reached agreement during the final days of the General Assembly. This Resolution would have broad support in the Security Council. It could become the basis for a general settlement which deals constructively with all the other elements of the problem mentioned by President Johnson in his speech of June 19: the tragedy of the refugees, the protection of international rights in Jerusalem, and the withdrawal of Israeli forces to agreed and secure national boundaries.

In this process, there can be no substitute for the responsibility of the states of the region. Others can help. But these problems cannot be solved unless they take responsibility for dealing with them directly and realistically.

The Yugoslav delegation to the United Nations has discussed with American representatives the possible appointment by the Secretary General of a prominent individual who could undertake the important process of mediation between the parties, within the framework of the principles mentioned above. The United States hopes President Tito will explore this possibility in the course of his trip since the United States believes the appointment of a mediator could be a constructive next step towards a durable and stable peace in the Near East.

The United States notes the concern of President Tito about any attempt

on the part of Israel to extend the territories it now occupies. In this connection, the United States considers it essential that the ceasefire be respected by both sides and that every member of the United Nations support General Bull's efforts to this end until such time as conditions of peace are established that permit a permanent withdrawal.

The United States Government is giving careful study to President Tito's thought that the great powers of the Security Council undertake direct responsibility for guaranteeing the agreements reached by way of settlement, including a possible guarantee of Israel against future attack.

President Tito's suggestion is worthy of most serious consideration. In the first instance, however, it would be necessary to consult the parties directly concerned, and, subsequently, other parties in interest. The United States Government knows that President Tito appreciates that for any security arrangements and guarantees to be effective, they must not only reflect undertakings by both Israel and the Arabs, but must be in the context of durable and stable peace in lieu of the state of war which has existed in the past.

The United States Government is not in accord with a statement about arms shipments made by President Tito in his talk with Ambassador Elbrick; the United States Government does regard Soviet arms deliveries in the Middle East with concern. These arms deliveries since 1955 have been on an excessive and revocative scale. While it is true,

as President Tito remarked, QUOTE arms do not fight by themselves UNQUOTE, there are many Arab leaders who say they wish to resume hostilities in one form or another. Therefore, the risk remains. The United States considers an effective practical agreement on arms limitation in the area as an important aspect of any plan for durable peace in the region.

The United States notes with approval and agreement President Tito's determination to make every effort to help the Arab countries economically. The United States deplores the state of affairs whereby economic gains labored for by Arab leaders are being dissipated. With the state of belligerency removed and a permanent peace established, the United States would foresee economic progress quickly resuming in those countries. Since the end of the second World War, successive United States administrations have pledged their support for economic progress and for the political independence and territorial integrity of all states in the Middle East. This position has not changed. The United States will do its part in any such effort.

The United States Government wishes to emphasize the importance it attaches to mutual understanding between the United States and Yugoslavia, and its appreciation for President Tito's initiative in behalf of peace.

END QUOTE

END

PRESERVATION COPY

40

~~SECRET~~

Tuesday, August 8, 1967
5:20 p. m.

Pres file

Mr. President:

Dick Helms wishes you to read this report on the origins and character of the Bolivian guerrilla movement.

W. W. Rostow

~~SECRET~~

8 August 1967
No. 1374/67
Copy 1
Intelligence Memorandum
The Bolivian Guerrilla Movement: An Interim Assessment

DECLASSIFIED
Authority NWJ.019.020.002/5
By pc, NARA, Date 12-9-09

~~SECRET~~

Tuesday, August 8, 1967
5:15 p.m.

Mr. President:

Herewith a copy of the Barbour telegram which State is so anxious to get out.

W. W. Rostow

~~SECRET~~

WWRostow:rln

41
~~1. [unclear]~~
2. Pres file

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By rlg, NARA, Date 7-23-91

4/a

~~SECRET~~

1. sup
2. Pres file

Wednesday, August 2, 1967
1:50 p. m.

Mr. President:

I agree with Mac's judgment that we should take this position. It does not, however, address what I perceive as the two key problems which are related:

-- Hussein fears being the first to enter negotiations with Israel and is trying to build a base to make it safe for him;

-- he feels he cannot enter direct negotiations unless he is sure he will end up with a Jerusalem settlement with which he can live safely.

Therefore, in my judgment we shall have to find a way not merely to get a reasonable Jerusalem position out of the Israelis but also a way of letting Hussein know such a position exists, before he will put his stack into a negotiation.

But this point can await later discussion with the Israelis.

W. W. Rostow

~~SECRET~~

DECLASSIFIED
E.O. 13292, Sec. 3.5
NLJ/RAC 08-77 (#35c)
By isl, NARA, Date 10-7-08

WWRostow:rln

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

412

August 1, 1967

MEMORANDUM FOR THE PRESIDENT:

Through: Mr. Walt W. Rostow

The Secretary asks if you will look at this additional telegram of instructions to Barbour. It is designed to accomplish on a private wire something of what I had hoped we might do with the public statement we put aside today -- namely, to keep the attention of the Israelis on the need not to freeze the status quo either in fact or in their bargaining positions. The telegram is the product of group drafting, and not all of it is stated just the way any one of us would do it himself, but I think it has more substance than the earlier instruction and will help Barbour in his effort to educate the Israelis. As you know, I am not an optimist about their response to a sermon of this sort, but at the worst it can do no harm.

I have asked Walt to add any opinions he may have as this goes through him.

McG
McG. B.

DECLASSIFIED
E.O. 12356, Sec. 3.4
NIJ 94-190
By cb, NARA, Date 4-3-95

41c

SANDSTORM/NODIS

SECRET

Draft Telegram for Ambassador Barbour

On reviewing the first talks between King Hussein and Ambassador Burns, we are sending this message to supplement State 14236 as guidance for you during the next stage of the negotiations between Israel and Jordan.

1. While we are not repeat not at this point pressing King Hussein to move forward into a negotiating position, our posture vis-a-vis GOI is not repeat not symmetrical. We wish GOI to be under no doubt that we regard successful negotiations between Israel and Jordan as greatly in their interest and in ours. Peaceful arrangements between Israel and Jordan could have positive and far-reaching effects on the entire situation in the Middle East. Tactically, such a step could stimulate others in the same direction. Strategically, it would give the parties and others a chance which is not repeat not now really available to make progress on the refugee problem and on Jerusalem, and to help lift the curse of the Palestine issue from the soul of the Arab world. Although we know the chances of success are not great, the opportunity is so important and so transitory that we believe we should try to persuade the Israelis to see their own true interest here.

The political advantages of an understanding between Israel and Jordan are highlighted by considering the probable consequences of not

SECRET

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By JK, NARA, Date 9-23-02

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 02-288
By SL, NARA, Date 5-2-03

~~SECRET~~

- 2 -

having such an accord: the possible partition of Jordan; a radical, highly armed state on Israel's Eastern frontier; a status for Jerusalem which would permanently affront large parts of the Muslim world; and continued agitation to liberate the Palestinians throughout the Middle East.

We are aware of the revival of interest among some Israelis, Jordanian West Bankers, and Saudis in the idea of a semi-autonomous Palestinian state on the West Bank, possibly with Gaza. On the whole we rate its chance for success as much less than that of a Jordanian-Israeli agreement. We prefer trying latter course first in any event.

2. We do not agree with the view often expressed here by representatives of GOI that time and immobility will produce results favorable to peace. The influence of the Soviet Union in the Middle East is far greater today than in 1956-57, both through Egypt and more directly. Weak countries like Libya and Jordan could succumb, thus imperiling several other governments. The level of arms in the Middle East is an autonomous threat to peace.

To counter Soviet efforts, to strengthen Arab moderates -- and in simple interest of peace itself, we therefore seek a succession of steps toward peace at this time, small or large, agreed or unilateral. We believe that such a process could favor such chances of progress as there may be in our talks on the Middle East with the Soviet Union.

~~SECRET~~

3. You should stress to GOI that our central commitment is to support the territorial integrity and political independence of all repeat all the states of the Middle East. It is as much in the interest of GOI as it is in our interest to maintain the credibility of that support. As applied to Jordan, as King Hussein understands, the issue of territorial integrity raises problems not present in the case of Syria or Egypt. The Jordanian and Israeli boundaries include armistice lines, which have a legal status somewhat different from that of definitive international frontiers. While King Hussein has remarked that the armistice lines quote make no sense unquote and will require revision, it is in our view nonetheless highly probably that no peace settlement between Israel and Jordan would be accepted by the world community unless it gives Jordan some special position in the old city of Jerusalem. We assume that Jordan would receive the bulk of the West Bank, which is equally regarded as quote Jordanian territory unquote.

Against this background, it is a matter of high importance that a settlement between Israel and Jordan respect our commitment to support the territorial integrity of all the states of the area. If in the end negotiations between Israel and Jordan fail for any reason, and we face an indefinite continuation of the status quo, it is necessary that both we and GOI be in a position to show that every reasonable effort towards an agreement has been made, and made in good time

and good faith.

4. We understand the strength of the Israeli attachment to Jerusalem. Other peoples also have strong feelings with regard to the Holy Places of Jerusalem, equally rooted in history.

Taking the political stakes into account, we cannot conclude at this early point that it will be impossible to find a formula for the Old City and its environs which could satisfy (a) the Israeli interest in an open city under unified administration; (b) the Jordanian and Muslim interest in an acknowledgment of Jordanian sovereignty for a section of the city; and (c) the Christian interest in the status of the Holy Places.

We could probably accept any solution on which GOI and Hussein could agree. We continue to believe that the issue will not be faced realistically except in the context of actual negotiations.

5. Your course therefore should be to advise a realistic preparation by GOI for a beginning of negotiations, bearing in mind that the possibility of such negotiations depends to major degree on this review. Before negotiations could have any chance of success, GOI must be ready to face issue of Jerusalem with far more flexibility than they have yet displayed. We recognize that they will not at once agree to this view, but we should keep pressing it upon them privately.

42

Tuesday, August 8, 1967 -- 4:25 p.m.

Pres file

Mr. President:

This is a long letter to ask you to read; but I think you will be glad when you've finished.

It's the clearest account you're likely to get of what one of Bob Komer's corps deputies does for a living.

Cottrell is a tough, dedicated Foreign Service Officer.

W. W. Rostow

WWRostow:rln

(Copy of letter from Sterling Cottrell to John Steeves)

42a

Office of Civil Operations CORDS/IV Corps

Can Tho
17 July 1967

The Honorable John Steeves
Director General of the Foreign Service
Department of State
Washington, D. C.

Dear John:

Now that I know a bit about what we are doing in Vietnam, I'm brooding about the fact that there aren't more FSOs around here. I think the reason is that they just don't realize how important the problem is, what it involves, and how much we need the finest talent we can get. If they did, I think we would have more volunteers than we could handle from the upper as well as the lower ranks of the Foreign Service.

Personally, in my ignorance and because I had a soft job in Caracas, I would never have volunteered. I came without objections only because I'm proud to be an FSO. Also, I was told that Ambassador Bunker wanted me, and, as you know, any FSO who ever associated with him would follow him to any part of the world.

Knowing what I do now, I'm sorry I didn't volunteer a year or two ago because this is the most important foreign problem the U. S. has; the reputation of the U. S. is at stake; we must solve this problem or lose face, reputation, and respect all over the world; and failure will mean we will just have to fight the same problem in some other place in the near future. Foreign Service Officers are dedicated to serve their country where the need is greatest; so where should every Foreign Service Officer want to be? A year or two of hardship to their families by their absence is really something that, as good Americans, families can understand and put up with in the national interest. Who should protect the U. S. ? Someone else ?

I see a crying need here for generalists from the Foreign Service of all ranks to mix with the specialists from AID, USIA, CIA, Defense, etc. In IV Corps (the Delta), we have 16 Provinces and only two FSOs as Senior Provincial Advisors. They are excellent officers and I am sure I will be able to point to them as shining examples of what FSOs can do here. Both of them are new but they're off and running; i. e. , Nick Thorne slept in a hamlet the first night he arrived in his Province. He is able, dedicated, and has guts.

John, I think many FSO jobs are going by default to the military and to AID. If we in the Foreign Service regard ourselves as an elite corps -- and we do -- then we damn well have to prove it when the going gets tough, or step down. The Army and AID are carrying the flag here in IV Corps, and in a way that fills me with nothing but admiration. Those guys are down at village level doing every conceivable civilian job, as well as helping repel the Viet Cong.

I ran into one Captain yesterday in a miserable village who was voluntarily teaching English classes at night, without even knowing Vietnamese. He did it by sign language. He drew a picture of a pig and yelled "pig"! at the class. They yelled back, "pig"! A week ago, I lunched with six guys in a province town. A sergeant excused himself early. Said he had a date to pull the intestines out of the scrotum of a big boar and stuff them back into his belly where they belonged. I asked him how he liked his work and he said, "Never had a better job"! He was acting as an Agriculture Advisor in uniform. Aren't there enough patriotic boys coming out of Agricultural colleges who are willing to help us? We need them badly. FSO ought to be in Vietnam in much greater numbers and there are excellent reasons why they themselves should want to be here for career reasons, as follows: as Deputy for CORDS in IV Corps (I am one of two Deputies to General Desobry, Senior Advisor IV Corps), I have on my "payroll"; 437 civilian Americans, 321 military advisors, 178 third country nationals and 978 Vietnamese. I have a wider variety of functions than most embassies. My staff divisions are: Administration, Plans and Programs, New Life Development, Refugees, PsyOps, Public Safety, Chieu Hoi, and Revolutionary Development workers. My branches are: Public Health, Education, Agriculture, Public Works, Public Administration, Logistics, Cultural, and Political Reporting. In my headquarters at Can Tho, there are 84 Americans, including seven American girls.

I am responsible for everything American in the 16 provinces, which have 87 districts. The provinces' advisory effort is headed by a Senior Provincial Advisor and a Deputy Provincial Advisor (my Ambassadors and Minister Counselors). Three hundred and fifty-three Americans, plus TCNs and Vietnamese comprise their staffs. They are a mixture of AID, USIA, CIA, State, Special Forces, Army, Navy, Air Force and Marines. Most of them are specialists in their respective fields. The total number of U.S. personnel varies in each province but it ranges from 20 to 50. There are all kinds of jobs in the provinces that could or should be filled by FSOs who can apply their generalist experience.

The jobs of Senior and Deputy Provincial Advisor are held by the equivalents of FSO-3 and 4. Of my Senior Provincial Advisors, 8 are Army, 2 Special Forces, 2 FSOs, 2 AID, and 2 USIA. The Deputies follow the same general pattern. Here is where the crying need is for FSOs, with no reflection on the splendid job now being done by the officers from other agencies. These jobs are nation-building in the midst of a war, and call for executive talents which we have among FSOs. This is the finest crucible I know for training FSOs, who should be lining up begging for these jobs in their own career interest as well as in the national interest. In fact, I believe you should seriously consider getting the Promotion Panels to agree to promote almost automatically to the next higher class any FSO who serves a term in Vietnam and who receives a decent efficiency report. The experience is worth two or three tours at normal posts. This is true of men from all the other services. I am sure they go out of here much, much better officers than when they arrived. And furthermore,

they deserve a promotion for the sacrifices they make and danger to which they are constantly exposed. How about it?

At the present time we only have two civilians (AID) at the district level, among the 567 military advisors, who are doing civilian type jobs on the side, voluntarily (each province has 5 or 6 districts). The whole machinery from Washington to Saigon to Corps Headquarters to provincial level has to get results at the district level, where you finally meet the 14,000,000 Vietnamese people on the ground, in hamlets, villages and district towns. This is where most of the Vietnamese programs are carried out -- in the mud along the banks of the canals. Our Public Works program, for example, is expressed in helping to build small foot bridges across the canals so that villagers can get their pigs to market, or building schoolhouses in the mud with AID cement and rebar. This is where the Public Health Program translates into a tin roof over a 3-room shack, with a Medical Advisor, dispensary and a few cots. This is where the Agricultural Program, designed in Washington, finally filters down to a pair of pigs in a cement sty designed by the Agriculture Advisor to keep them alive until they have piglets, which are distributed to other villagers, etc. etc. This is where the Communist infrastructure in a hamlet and in a village is laboriously rooted out by one Army Intelligence Lieutenant with a card file, assisting the Vietnamese at village level. This is where the Public Safety Program helps train a few ragged villagers to maintain law and order, and here is where the battle for the Delta will be won or lost, and here is where FSOs should be.

Day before yesterday, I took Nick Katzenbach down to hamlet level. We slogged through the mud and Nick almost fell into a canal two or three times. When he saw these programs translated into real life, we put a cherry on the parfait by introducing him to a Chieu Hoi who had defected from the Viet Cong two days previous. Three days previous he had been zapping the villagers. Now he wanted to go straight. The day after Nick left, a Viet Cong battalion hit this village at 3:00 a. m. Those ragged little villagers, whom we had helped train into a Popular Forces unit, repelled the attack, called for help, got a quick reaction from U. S. Spooky aircraft and VNAF A-1s. Between them, they clobbered the Viet Cong, killing 51 and losing only three! This is what the war in Vietnam is all about. Helping people who are willing to fight and die to remain free and build themselves a better life; i. e. , three pigs, a dispensary, a school room. Is there any better cause? What represents any better the principles we Americans say we stand for? Liberty, justice, etc?

I admit that almost everyone over here gets emotionally involved -- I am no exception. A 15-year-old Vietnamese girl works as a maid next door. She fled to Can Tho from a small hamlet nearby, after she watched her mother and her father being disemboweled by the Viet Cong in the hamlet square. This brings out every protective instinct you have, including a rage that makes you want to tear those bastard VC apart with your bare hands!

But coldly and objectively, we've taken on a good cause and a big job. It's tough and expensive, but should Americans back down for those reasons? No one out here that I know thinks so, except a few newsmen who write sob stories for the fainthearted at home.

Oh, oh! There go the windows of my prefab unit rattling again from bomb blasts a mile or so away. This happens every other night. The reason is that, in the Can Tho area within a radius of five miles, we have the Headquarters of the Vietnamese IV Corps, a Vietnamese Air Force airfield, a U.S. airfield, a commercial airport, a Vietnamese Navy base, and a U.S. Patrol Boat River base (PBR). It's a juicy target area for the Viet Cong and they keep skulking around at night with small mortar crews, and let fly. To oppose this, we have a system of mobile ground patrols, and a gunship (armed helicopter) overhead all night long. When the mortar fire is spotted, they attack and call for help. We then hit with artillery and fighters. This causes the windows to rattle! Simple, isn't it? Last week we caught an entire battalion of Viet Cong on one of these forays about five miles from here, and we killed 215. One of our better nights. The odd thing is how soon one gets accustomed to living amidst this kind of thing. Nobody bothers even to look up when fighters go screaming over Can Tho to attack Viet Cong on the outskirts. None of us go around armed, but most have a double barreled shotgun in the bedroom. A couple of weeks ago the ARVN came to the compound and ran off a Viet Cong sampan that was parked in a canal 15 feet from my bedroom. Glad they did. Wonder what they were up to? Well, never to mind!

Let me tell you something about my parish. (Sort of a sloppy Post Report for prospective FSOs).

The Delta is one big triangular mud pie, interlaced with canals like the veins in a leaf, and intersected by two big rivers, the Mekong and the Bassac, which run from Cambodia through the Delta to the sea. Russian, Chinese, and other weird flagships move peacefully up the Mekong carrying supplies to the Viet Cong. They move without hindrance because the Mekong is an international waterway. I am at Can Tho, on the Bassac.

The "big unit" war in the Delta is like one giant chess game. Three ARVN divisions (each has responsibility for roughly one-third of the Delta) are supported by modest USAF, USN, and USA units, and by Vietnamese Air Force and Navy. These three divisions conduct large unit operations, mainly against the seven Viet Cong base areas along the coast and the Cambodian border. They also chase the Viet Cong main force battalions which roam around, and the Viet Cong provincial battalions, which are relatively stationary in that they move around in each province.

The chess analogy means that the Vietnamese division commander will decide that tomorrow he will make a move. He loads X number of battalions in U. S. helicopters and starts out to an area selected on the basis of intelligence from Chieu Hoi, prisoner, agents, or captured documents. He gets in his command helicopter with his U. S. division advisor and they hover over the area, directing by radio his "chess pieces" to land on that "square" or another. If no Viet Cong are flushed, he picks up his battalions and drops them in another likely spot. If his judgment is correct, he finds the enemy battalion (probably hidden in a coconut grove or dug in the jungle) and a battle ensues. All hell breaks loose with air strikes by fighters, Spookies (C-47s with Gatling guns), gunships (armed helicopters), artillery, and then the ground troops. The mobility provided by helicopters is great in the Delta. It gives an immense advantage to the Government of South Vietnam in the chess game. (Bill Coles will understand this especially well).

We're proud of our 3 Vietnamese divisions. One is so good that I understand General Westmoreland has stated that he would command it with as much confidence as he would an American division. The other two are not far behind.

We are gradually but surely wearing down the Viet Cong battalions in the Delta, and we are winning the war down here, not dramatically, but steadily. Two proofs: Several Viet Cong battalions have been mauled so badly they have been disbanded, with the survivors joining other Viet Cong units. We are now picking up Viet Cong prisoners who are 13, 14, and 15 years old. A significant fact. They are having trouble recruiting and are scraping the bottom of the barrel. This is not the old Viet Cong where every man was 20-25, tough and seasoned. They now frequently break ranks, run, and drop their weapons.

Which reminds me, I'd like to shoot down a popular misconception. Before I came to Vietnam, I heard lots of stories about the Vietnamese being unwilling to fight -- so why should we? This is sheer nonsense. Example: Two days ago I stood in a Vietnamese command post watching helicopters land and disembark Vietnamese troops who had just come from a tough battle. They slogged through the drenching rain, many of them limping from wounds, while I kept dry under shelter. They were filthy dirty and wet clear through. After a night's sleep they were being sent out next morning to fight again. And they fight. And we support them. And we should.

In "small unit" actions, the going is tougher. The Viet Cong companies, platoons and squads sneak around at night zapping the villages and hamlets, which have protection from locally recruited Regional and Popular forces. The Viet Cong always attack in superior numbers, using surprise and well-rehearsed plans. Therefore, it is impossible to provide adequate forces to protect any given village. However, we are wired for sound. When the attack comes, the local forces radio for help and then fight like mad. (in most cases) to hold off the

Viet Cong until the Spookies, gunships, A-1s, fighters, and fireflies arrive. Real morale building! (A firefly is a helicopter with intense lights to illuminate the battlefield. They blink on and off -- thus "firefly.") These forces have been disposed around the Delta so they can get anywhere from 5 to 20 minutes. The Viet Cong may do their dirty work in 15 minutes, but our crowd then chases them and generally bags a bunch. This is somewhat discouraging to the Viet Cong, to put it mildly, but they are a tenacious bunch and persist. However, despite all the news stories of failures of the Vietnamese at the village level, they are getting rapidly better and better, and given time, I am certain we and the Vietnamese can cause these Viet Cong small unit actions to fade away, to borrow a phrase from McGeorge Bundy. The Vietnamese peasant does have the will to resist, if he is organized and given a minimum of sustained support. For example, the other day General Desobry and I in a helicopter corkscrewed down into a miserable village. We corkscrewed, not because of hills or weather, but because the village was surrounded by Viet Cong, who live in the area. The only reason the village was "free" was because a U. S. Lieutenant, a Sergeant, and 3 enlisted men were there. They had decided to "liberate" it and had dropped in to organize the defenses. At first the villagers wouldn't speak to them. They had been hit by the Viet Cong three times, but our boys finally got to them and asked if they were willing to fight. They said "with what?" Our boys said they'd train and arm them, and the villagers agreed. Now they have a damn good small force. The Sergeant told us he was puckered because the other night he took the villagers out to lay an ambush and catch some Viet Cong prisoners because he wanted to find out what the Viet Cong were up to. The ambush was good. Eight Viet Cong walked into it, but the villagers got shaky and zapped all 8! The Sergeant chewed them out but good. Said he'd made it perfectly clear he wanted prisoners, not dead Viet Cong, and by God, he was going to take them out again that night and they'd better obey orders or he'd quit training them!

This squad was sleeping, cooking, and everything else in one good size living room in an old beat-up French style "Charles Addams" kind of house. They had to quit playing volley ball near the house because snipers kept zapping at them (danger of puncturing a good volley ball).

The night before we dropped in, one of the boys was sitting on the front porch when a flaming mortar came in (they usually don't flame). The one was fizzling like a defective firecracker. It hit the rail he had been sitting on when he jumped. It chipped the cement but failed to explode! Some stupid Viet Cong mortar-maker had goofed.

Then the squad took us to see their civic action work in the village -- pigs, beautiful vegetable gardens, walkways, dispensary (which they originally located too near a temple. The spirits disapproved so the boys moved it down the path).

This is one example of civic and military operations under the most trying circumstances. Who says you must have security or your civic action can't operate? Not me! I've been there, Charlie, and have seen miracles performed.

In contrast (and the Delta is full of contrasts despite my mud-pie description) I coptered in for lunch the other day in Long Xuyen. My Americans there have a mess and bar in an old Foreign Legion post. Beautiful, romantic and equipped with two attractive Australian nurses (also well equipped). There leaning against the bar (not the nurses) was my old friend Tom Martin, ex-USIS Labor Information Officer in Caracas. After two dry martinis on the rocks, and a couple of New York cut steaks (medium-rare), I informed Tom that this soft life in Long Xuyen (where they have hardly heard a shot fired in anger for over a year) was too good for him, and I was going to transfer him to Bac Lieu. Tom thrives on trouble. He was one of those four guys who were held for two weeks by Communists in a mine shaft in Bolivia. Remember? Caused me and the Secretary and even the President a big headache. They finally escaped by themselves. I haven't forgiven Tom for that, so off to the salt mines for him! The point I want to make is that life in the Delta is not all pig pens and hand grenades. There are real tough spots and very nice spots (you might say it's spotty!)

I'll probably ruin my one-man recruiting drive if I dwell only on the hairy spots! For example, I live in a 12-unit prefab compound. Mud all around us, but inside the compound it's spotless. We planted palm trees, grass and brick walkways. I have a big fat cook named Tuba, and a rail-skinny maid named Hi, both for a total of \$35 a month. It's no Caracas Country Club, but I've named it Palm Springs. Others live in apartment buildings and small houses around town. The food is excellent. Wonderful fruits and vegetables, fish, shrimp and lobster. Nobody goes hungry in the Delta, not even the poorest peasant. This area has a great future.

Another contrast: Two weeks ago General Desobry and I coptered up to Chau Doc to attend the 28th anniversary of the Hoa Hao religious sect (2 million members in IV Corps). It was the damndest sight I ever saw! A combination of the Rio Carnival, the New Orleans Mardi-Gras and the Tournament of Roses. Every truck in town was decorated with flowers as a float and moved down the main street between carnival throngs. Then we "reviewed the fleet" at 8:00 p.m. A line of battleships moved slowly up the river and passed in review. They were really big rice barges, but with super structures built like pagodas. All lit up like Christmas and swarming with costumed people. One barge was built like a turtle, with a big, bobbing head and flippers. Some crazy character with a .30 caliber machine gun was shooting tracers off the stern. There were fireworks and fire water in abundance. Then when we left the gaiety and flew home, we passed over a fire fight on the ground. The Viet Cong attacking a village not ten miles from the big festive occasion we just left! What a people, and what a country! I say they have a right to live, and not under Communist domination!

The health hazards are less than in most places. Very few Americans catch anything -- unless they're fighting in the rice paddies. Moral is, if you stay above the mud and not in it, you stay healthy. Lead poisoning is always a danger, but so are slippery bath tubs.

Another thing, John, why aren't there more FSO Admin types out here? Every one of my 16 Senior Provincial Advisors badly needs a young Admin. Assistant, and so do all my big divisions in Can Tho. They could sit in a province town in relative safety and have a paid box seat to the biggest show in the world. Believe me, they would never have it so good.

When I started writing this letter I did not intend to drag it out so long, but I suddenly got the idea of killing a flock of birds with one stone. I want FSOs, and at the same time I can send copies to personal friends to whom I don't have time to write. Now I won't have to write anyone again. Clever? And my address, for all to write the troops at the front (I am troops at the front) is: APO San Francisco, 96215. So, come with the flood of morale building letters!

Hallelujah!

/s/ Sterling J. Cottrell
Deputy for CORDS

P. S. Merryll writes that she has a couple of recruits for me -- the boy in the hardware store in Carmel, and her hairdresser at Pebble Beach. Maybe I don't need FSOs after all. Maybe all I need are Americans with guts, who still believe in liberty and justice for all. Don't they hardly make that kind no more?

P. S. S. Use this letter in any way you see fit, John. With a good bit of editing, it might be useful in the News Letter or the Foreign Service Journal, or the wastebasket, as you see fit.

SJC

Tuesday, August 8, 1967
4:15 p. m.

43

MR. PRESIDENT:

THRU: George Christian

Pres file

I have just received a call from Marvin Kalb. He is taping a show on the Middle East, which will be presented on August 22. Eshkol, Hussein, and Nasser -- he says -- will state their positions.

He asked if I would be willing to do a 10-minute interview on the U. S. position.

I told him:

-- I would put the matter to you;

-- My recommendation would be negative on two grounds:
the man holding my job should not pontificate about foreign policy;
and, if any U. S. official were to state our position, it should be
the President or Secretary of State;

-- I was not myself convinced that, given the President's view that the people of the area must work this out primarily, this was a good time for any of us to be talking too much.

As for my appearing on this show, my recommendation is, indeed, strongly negative. Whether it would be good for you or Sect. Rusk to re-state our principles and underline the continuity of our position from beginning to end is an open question. Until we see things more clearly, I would not recommend that you appear on his show; but it might not be a bad idea for Sect. Rusk to do so.

W. W. R.

You should not appear _____

Check with Sect. Rusk and get his view _____

Ask Sect. Rusk to do it _____

The President will do it _____

No one should take part on the U. S. side _____

See me _____

~~TOP SECRET~~

Lunch Meeting With the President
Tuesday, August 8, 1967, 1:00 pm

AGENDA

- 1. Viet Nam: Bombing Policy. (Sec. McNamara)
- 2. Middle East Arms Policy. (Under Sec. Katzenbach)

Sec. McNamara states that the decisions on Jordan, Morocco, Lebanon, Saudi Arabia, and Greece are foreign policy matters; but State must take the responsibility for counting heads carefully and making sure that action on any of these would not endanger votes on the aid bill. (See attachment for details.)

- 3. Congo. (Under Sec. Katzenbach)
- 4. Other.

W. W. Rostow

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By alg, NARA, Date 7-23-91

~~TOP SECRET~~

48

Tuesday, August 8, 1967
10:30 a. m.

MR. PRESIDENT:

Sect. Rusk called to report the following with respect to Milton Eisenhower.

Pres file

1. His health is not as good as Sect. Rusk thought it was. He has slowed down and is in pain with his back.
2. He doesn't feel up to the Middle East water job. Sect. Rusk did not force the issue to a "yes" or "no" answer; but it is his judgment that Eisenhower would say flatly "no."
3. Therefore, Sect. Rusk recommends that we not press him further, but consider someone else for the task; for example:

- Cabot Lodge
- Raymond Hare

W. W. R.

~~CONFIDENTIAL~~

Tuesday, August 8, 1967 -- 10:00 a.

Mr. President:

*1. copy
2. Pres file*

The Venezuelan Embassy has finally delivered the July 25 letter from President Leoni which Ambassador Tejera-Paris wanted to give you personally (Tab A). Ambassador Tejera-Paris went on vacation without transmitting it, as he promised me he would do.

State (Oliver and Solomon) and Interior (Cordell Moore) have prepared the suggested reply at Tab B, which I recommend you sign.

I suggest you consider inviting President Leoni to make an official visit in December:

- President Frei, who is scheduled for that month, will not be able to come.
- The other state visits for December have been rescheduled so the month is clear.
- It would be good to balance off the Diaz Ordaz visit in October with another Latino so that our friends in Central and South America will not interpret your frequent contact with the Mexican President as displacing them.

We would first have Ambassador Bernbaum sound out President Leoni, making it clear that the visit could not result in any substantial change in the Mandatory Oil Import Program. A proposed cable to this effect is at Tab C. Covey Oliver concurs in this suggestion.

W. W. Rostow

Attachments

- Tab A - President Leoni's letter to you of July 25.
- Tab B - A suggested reply to the Leoni letter.
- Tab C - Proposed cable to Bernbaum about a Leoni visit.

*8/11/67 Press
President
cleared message
& said will see
Leoni at any
time.
RWR*

Approve Leoni visit _____. Prefer no visit _____. See me _____.

46a

EMBAJADA DE VENEZUELA
WASHINGTON, D. C.

T R A N S L A T I O N

Miraflores July 25, 1967

Dear Mister President,

I have greatly appreciated the Message that you sent to me on the 29th of June last through the Chargé d'Affaires of the United States in Caracas, informing me about the specific matters which you discussed with Prime Minister Kosygin.

I consider of a great importance the fact that you took this opportunity to, as well as discussing matters of the greatest world interest, express to the Prime Minister of the Soviet Union the concern that you have, due to the subversive operations which the Government of Fidel Castro is conducting in Latin America.

Venezuela has understood perfectly that the constant violation of the principles of this continent of non intervention when it reaches limits which characterize acts of an intolerable aggression not only can endanger the peace of the Continent but also the world peace. We are a country which has given real proofs of its adhesion to the policies of the international organizations (ONU and OAS) which pursue the specific solutions of differences or conflicts between all States. This is why we have once more applied to the OAS, where, among other means of practical order, it would be possible to agree on an action by some of the American States who maintain diplomatic and commercial relations with the Soviet Union in the same very positive way that you have dealt with Prime Minister Kosygin.

DECLASSIFIED
E.O. 12356, Sec. 3.A
NIJ 94-190
By CB, NARA, Date 4-3-95

The patience of the peoples is not an inexhaustible vein and it is impossible to guarantee that the repetition of offensive acts could not provoke the justifiable reaction of those, who as Venezuela, have always complied with the good principles of a civilized way of living together. Notwithstanding as long as I will preside the Government of Venezuela, it can be hoped from us as much patience and flexibility as shown by the great powers to deal with such conflicts which are a great menace to the world peace. It would be desirable that the Organization of American States could, on this occasion, find the practical means to insure to us our right to live in a democratic way and to work in peace.

I wish to avail myself of this opportunity to express to you with all sincerity the great satisfaction that I had on receiving your letter of April 14, which was delivered to me at the Montevideo Airport, when I was just leaving for Venezuela. I understood that it meant your goodwill towards my country and your decision to help Latin-America to solve the great problems which do not allow it to reach as soon as possible, as their peoples expect, a greater and more solid economic development, a just social progress and a fruitful cultural advance.

The cooperation of the United States of America, in making available to us the military equipment necessary to fight the anti-guerrilla war in my country, although payed by us in cash, has certainly been very effective, and I consider that it has been due to your personal intervention.

What would be desirable is that such a goodwill should manifest itself as well in the position of the Venezuelan oil in the United States market. The events in the Middle East have more than proven the reason that assist us in the observations that we have repeatedly made to the State Department.

I am sure that you and your Government understand this, and it is why I consider of especial importance that as a consequence of this emergency, it will be definitively established between our two Governments a system of previous consultations tending to define the role that the Venezuelan oil represents, taking into consideration the certainty of its supply to the

occidental hemisphere and to all the free world.

I wish to express to you, Mister President, the interest with which my Government and all of Venezuela have been following the process of revision of the Program of Oil Imports of the United States, as well as the Venezuelan aspiration that this opportunity will be made use of, considering the actual situation, to establish a just treatment for our oil. The public opinion of my country is day by day preoccupied more and more by the discriminatory treatment to which our oil is subjected in the North-American market, as the impression is growing that it is only in emergency situations that our oil is highly appreciated. Notwithstanding, my Government has been able to succeed in a way that these manifestations of the legitimate Venezuelan aspirations should be expressed in a normal and friendly form.

All these considerations expressed with absolute frankness, lead me to believe that this period of time is the most favorable to introduce changes which have, during such a long time been postponed, and to comply with the purpose stated in the Declaration of Punta del Este, which is that "the endeavours, individual and united, to augment substantially the revenues arising from our external commerce should tend to facilitate the entry, without discriminations, of the Latin-American products into the world markets".

Since I met you personally, I got the candid belief that under your Government, this matter will find an adequate and convenient solution, in accordance with the aspirations of Venezuela, which are not different from obtaining that our oil should have in the United States an equal position as Canada and Mexico. Notwithstanding, the amendments to the Program of Oil Imports, included in the last proclamation of the Government of the United States do not satisfy the aspirations of Venezuela.

Sincerely I wish you the greatest success in the hard work that you have to perform as President of a powerful Nation which is so tied to the cause of democracy, liberty and peace.

Yours very cordially,

(signed) Raul Leoni

August 8, 1967

Dear Mr. President:

I was pleased to receive the letter of July 25 which you sent me through Ambassador Enrique Tejera-Paris. I particularly welcome the opportunity to exchange views with you on problems of concern to our two countries in the spirit of friendship and candor which characterized our meeting at Punta del Este.

First, I express again the profound sorrow that I and the people of this country feel about the tragedy which befell Caracas and other places in Venezuela as a result of the earthquake of July 29. The assistance we were able to give to the Venezuelan Red Cross and to your government is a small token of the deep sympathy which we feel for the Venezuelan people in this difficult time.

With regard to the continuing intervention of the Castro regime in the internal affairs of Venezuela, again dramatized by the current meeting of the Latin American Solidarity Organization in Havana, I was pleased to see that the Investigating Committee of the Meeting of Foreign Ministers fully supported the case which Venezuela has presented under the Charter of the OAS. You can count on our continued full support at the Foreign Ministers' meeting in condemning Cuba's aggressive acts and in seeking a consensus on appropriate measures to deal with it. At the same time, I express our admiration for the vigorous manner in which your government and the Venezuelan people have defended your democratic institutions against the efforts of those who would destroy them by armed insurrection.

Concerning the question of Venezuelan petroleum in the United States market, I assure you, as I did in our conversation at Punta del Este, of our continuing attention to Venezuela's interest, as is evident in many aspects of our petroleum policy. We should recognize at the same time that all policies and alternatives must be measured by their political and economic feasibility.

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-190
By CG, NARA, Date 4-3-95

We fully understand the vital importance of petroleum to Venezuela's economy, and it is our desire to make sure that Venezuela has opportunity to share in the growth of the United States market. With this in view, I outlined to you at Punta del Este the several lines of action which we are in a position to follow, namely:

-- to initiate talks with Canada to seek an understanding on its future export growth to the United States whereby (1) the threatened cutback of offshore suppliers' markets in the United States would be avoided, and (2) the position of Venezuela and other offshore suppliers would indirectly but steadily improve;

-- to change the Mandatory Oil Import Program so as to lay a permissive basis for an increase of United States purchases of asphalt from Venezuela;

-- to see what can be done to get the sulphur out of Venezuelan oil so that Venezuela can continue to supply the growing United States market for fuel oil.

Since our meeting at Punta del Este three months ago, we have taken measures along the lines we discussed. A number of conversations have been conducted with Canada; these talks continue and progress has been made. The Department of Interior is well advanced in its study of our asphalt import needs. I have established a Committee to coordinate technical and economic research on the impact of air pollution problems, and funds have been allotted, on an emergency basis, for research on de-sulphurization technology. I indicated to you that findings, as developed, would be made available to Venezuela and I have instructed that this be done.

In a related measure, but apart from the specifics of our Punta del Este discussion, I have issued a proclamation concerning the redefinition of residual fuel oil, and other measures relevant to meeting our air pollution abatement requirements. This step should enable Venezuela, in cooperation with the petroleum industry, to proceed with actions toward provision of the quality of petroleum product necessary to assure the traditional Venezuelan position in the United States fuel oil market. This action followed a comprehensive public review of our oil programs during which divergent views were expressed, views

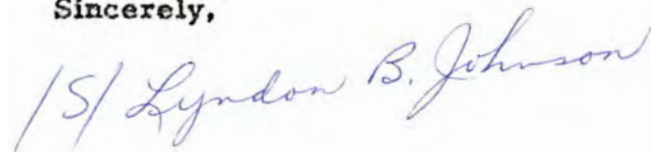
which must be considered and placed in balance as to further actions. I believe Venezuela's position in the United States market has every prospect of improving through the gradual evolution of the oil imports program.

To go beyond these measures would involve a fundamental and drastic change in our entire petroleum policy and would bring into question the whole structure of our oil policy. Indeed, since we spoke, the crisis in the Middle East has made it even more difficult to envisage changes in our oil import program. The ability of our domestic industry to contribute more than a million barrels a day of additional production to help fill the gap in free world supplies supports the soundness of the concepts underlying the Mandatory Oil Imports Program, which was designed precisely to ensure the ability of our industry to meet such a crisis. As and when the present crisis subsides, our own, as well as Venezuela's, industry may encounter problems of readjustment. I can assure you that we will bear Venezuela's problem in mind along with our own, and that we shall seek a continuation of the frank and friendly interchange of views on problems of mutual concern which you also desire. Meanwhile, I am confident that the numerous measures on which we are working and will continue to work with you, will serve to strengthen Venezuela's position in the United States market and contribute to the growth of the Venezuelan economy.

I look forward, Mr. President, to continuing our exchange of views on these and other matters which affect the relations between our two countries and their roles in the affairs of this hemisphere.

With warm personal regards,

Sincerely,

A handwritten signature in blue ink that reads "LBJ Lyndon B. Johnson". The signature is written in a cursive style and is positioned to the right of the typed name "Lyndon B. Johnson".

His Excellency
Raul Leoni Otero
President of the Republic of Venezuela

46-C

AmEmbassy CARACAS

SUBJECT: Leoni Visit to US

Either concurrently with your delivery of reply to Leoni letter of July 25 or later you are authorized to sound out President Leoni re feasibility his making state visit to US in December. You should make clear that there is no rpt no prospect visit could result in any substantial change in mandatory oil import program.

Should President Leoni indicate visit at that time and under those circumstances acceptable, you may indicate that, President Johnson's schedule permitting, more formal invitation will be extended shortly.

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-191
By ijg, NARA, Date 9-12-94

~~Long~~
2. Pres file

August 8, 1967

Mr. President:

Attached is a nice note from Eppie Evron on the occasion of his signing Israel's PL 480 agreement with us. You may recall that he has added this kind of nice touch before. Knowing him, I think it comes from the heart, and I wanted you to see it.

W. W. R.

8/9/67
Write him a nice note

EMBASSY OF ISRAEL
WASHINGTON, D.C.

47a
שגרירות ישראל
ושינגטון

PERSONAL

4 August 1967

Dear Mr. President:

Today I had the privilege of signing on behalf of the Government of Israel, with Assistant Secretary of State Lucius D. Battle signing for the United States, the agreement for the sales of agricultural commodities.

The signing took place nine months after we submitted our request to the U. S. Government. During the ceremony, the many difficulties it was necessary to overcome before our request reached this successful conclusion crossed my mind. At times it seemed hopeless; yet, here we were affixing our signature to a satisfactory agreement. In recalling these arduous talks and negotiations, I thought of the vital role that you, Mr. President, played in bringing this matter to fruition.

I and my Israeli colleagues know that it was your personal decision that made this ceremony so gratifying to us.

Since I was involved in all this, and since I know, from personal experience, of your sympathetic and understanding attitude, I hope that it will not be considered inappropriate for me to express to you, in a personal manner, my gratitude and deep appreciation.

Very respectfully yours,



Ephraim Evron

The Honorable
Lyndon B. Johnson
President of the United States
The White House
Washington, D.C.

48

~~1. Prop~~
2. Pres file

Monday, August 7, 1967 -- 4:00 p.m.

Mr. President:

These letters are pretty heavy artillery for something Ellsworth and Westy will -- I am sure -- do in any case.

Perhaps I could simply send a back channel message saying that highest authority assumes that they will provide General Bradley egerly facility.

W. W. Rostow

Dispatch letters _____

Send appropriate back-channel message _____

Copy in Central Files

WWRostow:rln

412

August 7, 1967

Dear Ellsworth:

I gather General Omar Bradley will leave here for Viet Nam at the end of this week.

General Bradley will be writing an article for LOOK, with the assistance of his wife, who is a professional writer, and Warren Rogers.

I am sure you will wish to give this distinguished American all the assistance you can.

Sincerely,

LBJ Lyndon B. Johnson

Honorable Ellsworth Bunker
American Ambassador
Saigon

LBJ:WWRostow:rln

486

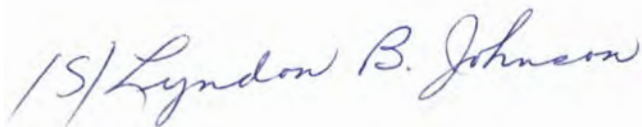
August 7, 1967

Dear Westy:

I am informed that General Omar Bradley will be visiting Viet Nam next week in order to write an article for LOOK magazine.

I am sure it is unnecessary for me to suggest that you make available to this distinguished soldier every facility.

Sincerely,

A handwritten signature in blue ink that reads "LBJ/Lyndon B. Johnson". The signature is written in a cursive style and is enclosed within a light-colored rectangular border.

General William C. Westmoreland
Commander, U.S. Military Assistance
Command Vietnam
APO San Francisco 96222

LBJ: WWRostow:rla

Monday, August 7, 1967
5:55 p. m.

411
Pres file

Mr. President:

Herewith the revised memorandum
for Sen. Mansfield.

The quote from Amb. Goldberg is
precise, as of 5:30 p. m. this afternoon.

W. W. Rostow

8/7/67

Herewith a response to Sen. Mansfield's various points as reported in AP 92-93.

1. Stop bombing North Vietnam and concentrate on blocking infiltration at the 17th parallel.

-- All the evidence we have indicates bombing North Vietnam (and Laos) helps cut down the level of infiltration below the level it would otherwise attain. Several prisoners report that bombing results in the loss of more than half those whom they try to infiltrate.

-- The latest CIA estimate -- and the CIA has been cautious about this -- reads as follows in discussing a cessation of bombing in North Vietnam: "Large numbers of the 500,000 to 700,000 people now engaged in repair programs and countermeasures to air attack could be released for agricultural work and for duty in South Vietnam. The infiltration of men and supplies into South Vietnam would become immeasurably easier -- reinforcement of enemy forces south of the DMZ would be particularly facilitated. Morale would probably improve among North Vietnam's populace. In short, Hanoi could turn its attention and its assets much more fully to the conflict in South Vietnam."

-- The truth is that, with present methods, infiltration cannot be blocked at the 17th parallel, given the complex routes of infiltration via Laos, Cambodia, the western part of the DMZ, and by sea. It can be harassed and limited by our operations against the North.

-- On balance, it would make sense to stop the bombing if they would not take advantage of the situation and respect the DMZ. But they have perhaps 40,000 poised North of the DMZ and we have, in the immediate tactical area, about 15,000. We cannot commit ourselves to a situation where these men might be overwhelmed before reinforcements were brought up, without bringing air power fully to bear against such an attack.

2. Construction of a defense barrier.

Senator Mansfield should know that we are working at absolute top priority to develop the technology for what is called a "barrier." In fact, it will mainly consist of complex devices that will permit us to harass and attack infiltrators more efficiently. Given the terrain -- including some very steep mountains in the western part of the DMZ -- a simple barrier is not technically feasible. If all goes well, we hope to begin putting this barrier in during the autumn. It will take some months before we will know how effective it can be made.

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 85-57
By Jaw/isp, NARA, Date 10/14/92

3. A peace initiative in the UN Security Council.

We know that U Thant advises against bringing the Vietnam question into the UN; and we have tried before. Ambassador Goldberg assured the President as recently as last Wednesday that there was absolutely "no possibility" of getting the UN to come to grips with the Vietnam problem. The heart of the matter is not the UN, however, but what the USSR can and will do. You raised this as hard as you could with Kosygin at Hollybush. We shall see in the weeks and months ahead whether anything emerges. It is possible that Hanoi and Moscow -- as well as ourselves -- are waiting for the Vietnamese election and the emergence of a new government.

4. Senator Mansfield refers to "further escalation in which the enemy can match and outmatch us."

The evidence is that the Viet Cong are having severe manpower problems in the south and facing real difficulties in maintaining both their guerrilla and their main force units. From captured documents we know they estimate that they lost at least 1 million Vietnamese from under Viet Cong control in the course of 1966 and the trend continues. The North Vietnamese forces in the south have had to be used to fill in, to some extent, for Viet Cong losses. In addition, they have pushed forces across the DMZ drawing on short lines of supply in order to divert our forces from helping the South Vietnamese in extending security to the local population. While our Marines in I Corps have taken casualties, they have inflicted very heavy casualties, so much so that major North Vietnamese units have had to be pulled back across the DMZ for rest and refit. That is why I Corps has been quiet and U. S. casualties have fallen in recent weeks.

In short, the evidence does not support the doctrine that they can easily throw manpower in to meet the pressure that we have been mounting on them: the bombing ties up perhaps 700,000; bombing imposes a limit on infiltration; and the manpower pressure is increasing in the south. That is why it is necessary to continue all of these pressures, and especially to accelerate the pace of pacification. That is why the Vietnamese and the other fighting allies all agree that we need more forces at this critical turning point period.

5. All the evidence we have indicates that Hanoi does not now expect to win the war in the South on the battlefield. They are hanging on, counting on a break in the will of the U. S. to continue the war. There is abundant evidence that they follow every evidence of U. S. weakening of purpose with hope. Some observers continue to report that they still are thinking in terms of the November 1968 election. If there is any chance that they will decide that the

game is not worth the candle before that time, it lies in maintaining the pressure on the north; dealing with the North Vietnamese that come across the DMZ; and building up the pacification effort which, despite what the newspapers and television say, is making headway. (If Senator Mansfield wants evidence for this, he should note that the absolute top priority of the Viet Cong is the revolutionary development cadres who are the spearhead of this effort. They are obviously doing a good job. Thieu and Ky told Clifford and Taylor that they plan to double them as well as to add 65,000 men to the Vietnamese armed forces.)

Monday, August 7, 1967 -- 5:30 PM

~~CONFIDENTIAL~~

~~WWR~~
2 People

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Your Meeting with Ambassador Bowles
(12 noon, Tuesday, August 8)

Our Indian food meeting was clearly a shock to Chet, who probably didn't realize quite how rough things are for the budget and the foreign aid bill. You may wish to open by asking him for a rundown on the Indian political and economic situation. You might then make the following points:

1. The Indians have simply got to understand that this is the most difficult political atmosphere for any foreign program that Washington has seen for a decade. Everything we do -- AID, Ex-Im loans, military sales, food, etc. -- is poison on the Hill.
2. The Indian behavior on the Middle East crisis has left a residue of hostility in the Congress which multiplies the problem.
3. All in all, this is likely to be the roughest year for the Indian aid consortium since it was created. From our standpoint, there are two keys to holding it together:
 - some progress, however gradual, towards some kind of an accommodation with Pakistan. At the very least, there must be no regression toward renewed hostilities.
 - Indian economic recovery and growth, particularly in agriculture.
4. Our ambassadors to India and Pakistan must work closely together if we are to get our message across. It was good that Bowles and Oehlert were able to get together before Ben left. This should be the beginning of a healthy relationship.
5. On the question of the next tranche of wheat, you will take full account of foreign policy stakes involved. But the people urging you to move must understand the domestic political problems involved in large cutbacks in food programs for needy Americans while massive food shipments to India continue.

W. W. Rostow

Hamilton/vmr

~~CONFIDENTIAL~~

Monday, August 7, 1967
5:00 p. m.

Mr. President:

Herewith a personal note from Harold Wilson, plus a plea that the Defense Department look kindly on a British aircraft for which bids are out.

I shall pass the latter promptly to Bob McNamara as well as State.

W. W. Rostow

51

Pres file



51a
10 Downing Street
Whitehall

August 3, 1967

Dear Lyndon,

I greatly appreciate your kind thought in sending me with your letter of July 14 the collection of photographs taken by the Astronauts who participated in Gemini Flights III, IV and V. I found them fascinating. They are most beautiful, especially in the colours which they show, and are also of great interest.

I share your hope that space will always be a region for peaceful co-operation between nations.

With best wishes,

*Yours very sincerely,
Harold Wilson*

The President of the United States of America.



U
1401
BRITISH EMBASSY, ⁵¹⁶
WASHINGTON, D.C.

7 August, 1967

The President *Dear Mr. President,*
of the Uni *merican.*

I have been asked by the Prime Minister.
--- to pass to you the attached message.

Yours Sincerely
Patrick Deane

The President
of the United States of America.

5/c

TEXT OF MESSAGE

JETSTREAM

I am very gratified by the progress which has been made under the F.111 offset arrangement for the purchase by your armed services of equipment from Britain. You will remember that in my message of 17 February, 1966, I said that we hoped we could sell you communications aircraft: at that time it seemed likely that your first requirement in this field would be for an aircraft of the same type as our HS 125 Executive Jet. You were kind enough to tell me in reply that when the time came to replace your present communications aircraft, careful consideration would be given to the HS 125. In the event other requirements of the US Air Force have come to the top before this one and a competition for a casualty evacuation aircraft is now in its concluding stages. We entered the BAC1-11 for this and I am sure that our entry was given very full and fair consideration, but I understand that we have not been successful this time. I understand that the next US Air Force competition is for a smaller and less sophisticated aircraft of a type for which the British Handley Page

/JETSTREAM

DECLASSIFIED
E.O. 12958, Sec. 3.5
State Dept. Guidelines, NSC Memo 1/30/95
By jc, NARA, Date 4-23-01

JETSTREAM might be very suitable. This aircraft has already been ordered by a number of users and we think its economics will prove particularly attractive. I should therefore be very grateful if the JETSTREAM could receive the same consideration as you have told me will be given to the HS 125.

52

Monday, August 7, 1967
3:00 p. m.

MR. PRESIDENT:

Secretary Rusk was carrying a bug last week. He is staying home today; and I have just learned that his doctor has ordered him not to come to work until -- at the earliest -- Wednesday afternoon or Thursday. Sect. Rusk recommends that we proceed with the Tuesday lunch. Nick will be back in town by tomorrow.

My recommendation is that you virtually order Sect. Rusk off on leave until, say, the Kiesinger visit. This would give him a very badly needed week. He might then take another week until the Shah turns up; and, in fact, he is not essential for the Shah. Sect. Rusk is the one man in the Government who needs and deserves some time in the sun nearly as much as you do. But he is so devoted that I do believe only something quite close to an order will get him to take the rest he requires.

W. W. R.

P. S. Incidentally, I will be in town for both Kiesinger and the Shah.

53

Profile

~~TOP SECRET~~

Monday, August 7, 1967 -- 2:45 p.m.

Mr. President:

Herewith a response to Sen. Mansfield's various points as reported in AP 92-93.

1. Stop bombing North Viet Nam and concentrate on blocking infiltration at the 17th parallel.

-- All the evidence we have indicates bombing North Viet Nam (and Laos) helps cut down the level of infiltration below the level it would otherwise attain. Several prisoners report that bombing results in the loss of more than half those whom they infiltrate.

-- The latest CIA estimate -- and the CIA has been cautious about this -- reads as follows in discussing a cessation of bombing in North Viet Nam: "Large numbers of the 500,000 to 700,000 people now engaged in repair programs and countermeasures to air attack could be released for agricultural work and for duty in South Vietnam. The infiltration of men and supplies into South Vietnam would become immeasurably easier -- reinforcement of enemy forces south of the DMZ would be particularly facilitated. Morale would probably improve among North Vietnam's populace. In short, Hanoi could turn its attention and its assets much more fully to the conflict in South Vietnam."

-- The truth is that, with present methods, infiltration cannot be blocked at the 17th parallel, given the complex routes of infiltration via Laos, Cambodia, the western part of the DMZ, and by sea. It can be harassed and limited by our operations against the North.

2. Construction of a defensive barrier.

Senator Mansfield should know that we are working at absolute top priority to develop the technology for what is called a "barrier." In fact, it will mainly consist of complex devices that will permit us to harass and attack infiltrators more efficiently. Given the terrain -- including some very steep mountains in the western part of the DMZ -- a simple barrier is not technically feasible. If all goes well, we hope to begin putting this barrier in during the autumn. It will take some months before we will know how effective it can be made.

~~TOP SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 85-57
By Jow/isp, NARA, Date 10/14/92

~~TOP SECRET~~

-2-

3. A peace initiative in the UN Security Council.

We know that U Thant advises against bringing Viet Nam question into the UN; and we have tried before. The heart of the matter is not the UN, however, but what the USSR can and will do. You raised this as hard as you could with Kosygin at Hollybush. We shall see in the weeks and months ahead whether anything emerges. It is possible that Hanoi and Moscow -- as well as ourselves -- are waiting for the Vietnamese election and the emergence of a new government.

4. Senator Mansfield refers to 'further escalation in which the enemy can match and outmatch us.'

The evidence is that the Viet Cong are having severe manpower problems in the south and facing real difficulties in maintaining both their guerrilla and their main force units. From captured documents we know they estimate that they lost at least 1 million Vietnamese from under Viet Cong control in the course of 1966 and the trend continues. The North Vietnamese forces in the south have had to be used to fill in, to some extent, for Viet Cong losses. In addition, they have pushed forces across the DMZ drawing on short lines of supply in order to divert our forces from helping the South Vietnamese in extending security to the local population. While our Marines in I Corps have taken casualties, they have inflicted very heavy casualties, so much so that major North Vietnamese units have had to be pulled back across the DMZ for rest and refit. That is why I Corps has been quiet and U. S. casualties have fallen in recent weeks.

In short, the evidence does not support the doctrine that they can easily throw manpower in to meet the pressure that we have been mounting on them: the bombing ties up perhaps 700,000; bombing imposes a limited on infiltration; and the manpower pressure is increasing in the south. That is why it is necessary to continue all of these pressures, and especially to accelerate the pace of pacification, *is why* that the Vietnamese and the other fighting allies all agree that we need more forces at this critical turning point period.

5. All the evidence we have indicates that Hanoi does not now expect to win the war in the South on the battlefield. They are hanging on hoping that there will be a break in the will of the U. S. to continue the war. Some observers continue to report that they still are thinking in terms of the November 1968 election. If there is any hope that they will decide that the

~~TOP SECRET~~

~~TOP SECRET~~

-3-

game is not worth the candle before that time, it lies in maintaining the pressure on the north; dealing with the North Vietnamese that come across the DMZ; and building up the pacification effort which, despite what the newspapers and television say, is making headway. (If Senator Mansfield wants evidence for this, he should note that the absolute top priority of the Viet Cong is the revolutionary development cadres who are the spearhead of this effort. They are obviously doing a good job. Thieu and Ky told Clifford and Taylor that they plan to double them as well as to add 65,000 men to the Vietnamese armed forces.

W. W. Rostow

WWRostow:rlh

~~TOP SECRET~~

~~CONFIDENTIAL~~

Pres file

Monday, August 7, 1967 -- 12:50 p.m.

Mr. President:

Here's the latest on Mr. Justice Clark and his rather gallant performance when taken ill.

"Bangkok 1379 from Martin.

"1. Attending doctors find Justice Clark's condition improved over yesterday (8/6/67). However, because of his age and the strenuousness of his travel program, doctors have advised him to extend stay in hospital an additional two or three days beyond the 'next 48 hours' envisioned in previous telegram before resuming onward travel. They have not advised Justice Clark to return directly to the U. S.

"2. The circumstances of his initial difficulty provide a tribute not only to his devotion to duty, but also to his stamina and toughness as an individual. He had completed delivering a lecture of almost one hour in duration to a group of law students at Chulalongkorn University where the President spoke last October. Although in obvious distress, he opened up the meeting to a question and answer period. After answering the first question he suddenly rose from his chair and walked out of the room. After tossing his cookies, Justice Clark insisted on returning to the room to field additional questions. His concern over not disappointing the students has become widely known throughout the student body and very deeply appreciated."

W. W. Rostow

DETERMINED TO BE AN ADMINISTRATIVE
DOCUMENT. CANCELLED PER E.O. 13526,
SEC. 1.3 AND ARCHIVIST'S MEMO OF
MAR. 16, 1983.

BY 18 ON 8-30-91

~~CONFIDENTIAL~~

MEMORANDUM

THE WHITE HOUSE
WASHINGTON

sent via Califans

Pres file

Monday, August 7, 1967
12:45 p. m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: National Security Council Advice to the Director of
Selective Service

The Military Selective Service Act of 1967 contains the following subsection:

"(g) The National Security Council shall periodically advise the Director of the Selective Service System and coordinate with him the work of such State and local volunteer advisory committees which the Director of Selective Service may establish, with respect to the identification, selection, and deferment of needed professional and scientific personnel and those engaged in, and preparing for, critical skills and other essential occupations. In the performance of its duties under this subsection the National Security Council shall consider the needs of both the Armed Forces and the civilian segment of the population."

The assignment of this new function to the Council was the result of a Congressional compromise. The House language required the President to establish a National Manpower Resources Board. The Senate conferees opposed the creation of the new Board and argued that the function of advising the Director of the Selective Service System should be assigned to the Council. The House conferees gave in and the bill was accepted by both Houses.

The following proposal seeks to comply with the legislative mandate but to avoid the deep involvement of the NSC in the essentially domestic issue of the Selective Service deferments:

55-2
revised page

1. Continue the existing governmental machinery which is now responsible for advising the Director of Selective Service on deferments. This consists of the Interagency Advisory Committee on which interested Departments and agencies have representation. This Committee has been in existence for many years. Its recommendations now go directly to the Selective Service Director.

2. Instruct the Interagency Committee to send major recommendations from now on to the Council for action before being passed to the Director of Selective Service. The Committee would be directed to review immediately all guidance it has given previously to the Director.

I recommend you approve this plan as the best way to keep all but an occasional important Selective Service matter from coming to you through the Council while avoiding Congressional criticism that the Council has not carried out the task assigned to it by the Congress. Director Schultze concurs.

If you approve, I will sign the attached memorandum of implementation.

W. W. Rostow

_____ Approved. You sign memorandum

_____ See me

WWR:BKS:amc

556
revised page

August 8, 1967

NATIONAL SECURITY ACTION MEMORANDUM NO.

**TO: Secretary of Agriculture
Secretary of Commerce
Secretary of Defense
Secretary of Health, Education and Welfare
Secretary of Interior
Secretary of Labor
Director of Selective Service System**

**SUBJECT: Interagency Advisory Committee on Essential Activities
and Critical Occupations**

In the Military Selective Service Act of 1967 the Congress assigned the National Security Council responsibility for periodically advising the Director of the Selective Service". . . with respect to the identification, selection, and deferment of needed professional and scientific personnel and those engaged in, and preparing for, critical skills and other essential occupations. In the performance of its duties. . . the National Security Council shall consider the needs of both the Armed Forces and the civilian segment of the population."

This function in the past has been performed by the Interagency Advisory Committee. The Committee has established procedures, experience, and an expertise.

The President therefore has directed that the Interagency Advisory Committee continue to consider the need for occupational deferments as described in the Act and make recommendations thereon to the National Security Council. The Director of the Selective Service System will be advised of these recommendations by the Executive Secretary of the National Security Council.

DECLASSIFIED
Authority TSC 79F00059
By rg/wj, NARA, Date 7-23

As a matter of first priority, the Interagency Advisory Committee is to give immediate attention to a review of the currency and appropriateness of the lists of Currently Essential Activities and of Currently Critical Occupations, and to consideration of proposals to provide deferments for individual registrants while in training programs.

15/
W. W. Rostow

DECLASSIFIED
E.O. 12356, Sec. 3.4
NLJ 94-190
By CG, NARA, Date 4-3-95

W.W.R. 56

Pres. file

August 7, 1967; 11:15 AM

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Your Meeting with Ambassador Elbrick, 12:30 PM, August 7.

Elbrick (biographic sketch at Tab B) has just returned from Belgrade, and would like to talk with you about U.S. -Yugoslav relations and Tito's upcoming trip (later this week) to the UAR, Syria and Iraq.

TALKING POINTS

Middle East

- Ask Elbrick to give you a report on Tito's reaction to your recent letter to him (Tab A).

(Note: Elbrick delivered the letter to Tito on July 29. Tito said it would be hard for Nasser to end "belligerency" as long as Israeli troops were on Arab soil. He also asked for another letter from you with your views on a settlement before he starts on his Mid-East trip. State is now drafting a reply for you that recommends an end to belligerency and a simultaneous troop withdrawal.)

- Give Elbrick a rundown on your estimate that the only way to a Middle East solution is through a balanced settlement along the lines of your June 19 speech.

Bilateral Relations

- Ask Elbrick to give you a brief report on the present state of U.S. -Yugoslav relations.

* * * * *

I will be standing by.

Francis M. Bator

56a

BIOGRAPHIC SKETCH OF AMBASSADOR

C. BURKE ELBRICK

C. Burke Elbrick was born in Kentucky in 1908. He graduated from Williams College in 1929 and was appointed to the Foreign Service in 1931.

In the course of more than thirty years in the Foreign Service, Mr. Elbrick has served in Panama, Southampton, Port-au-Prince, Warsaw, Prague (on temporary duty 1938-1939), Angers, France (with the Polish Government-in-Exile), Madrid (temporarily), Lisbon, Tangiers, returning to Warsaw in 1945. He served in the Department as Assistant Chief, Division of Eastern European Affairs, from 1946 to 1948. After attending the National War College, he went to Havana, London and Paris before returning to the Department in 1953 as Deputy Assistant Secretary for European Affairs. In 1957, he was appointed Assistant Secretary for European Affairs. He attained the rank of Career Minister in the Foreign Service in 1958 and was appointed Ambassador to Portugal that same year where he served until 1963. He was appointed Ambassador to Yugoslavia on January 15, 1964.

Mr. Elbrick is married to the former Elvira Lindsay Johnson of Washington, D.C. and has a son and daughter.

Mr. and Mrs. Elbrick

Monday, August 7, 1967
10:30 a. m.

MR. PRESIDENT:

Pres file

Re: Clifford-Taylor report: what, if any, distribution do you wish it to have?

I recommend it go on an eyes-only basis to:

- Sect. Rusk
- Sect. McNamara
- Gen. Wheeler
- Mr. Helms

In following through on the mission these men, I believe, need it to guide their subordinates. But that should be all.

W. W. R.

Hold all copies in White House _____

Send four copies to above on eyes-only basis _____

See me _____

~~SECRET~~

August 7, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Exceptions to Mid-East Military Aid Suspension

Now that we've released \$3 million for Israel, it's time to discuss with Secretary McNamara at Tuesday lunch breaking loose a few of the more urgent items we've been withholding from friendly Arabs. We decided to wait until after his testimony before the Foreign Relations Committee, but now we need to review whether we couldn't at least release the following:

1. Jordan. You authorized telling General Khammash that we expected about this time to resume deliveries under the FY 67 program (about \$1.8 - 2 million). This is a bare minimum to give Hussein some reason for not turning to other suppliers.
2. Morocco. We'll deal separately with problems created by the proposed Morse Amendment for the \$14 million military credit you promised King Hassan in February. The short-term items we could break loose are selling ammunition for F-5 aircraft already in Morocco (\$1.3 million) and shipping about \$250,000 in spares for equipment provided under past programs -- a minimal move to keep our hand in, given the Soviet buildup in Algeria.
3. Saudi Arabia: (a) Raytheon needs to renew its Munitions Control license by 10 August to export Hawk missiles under its May 1966 contract to help build the Saudi air defense system. (b) There are also four licenses required for radar equipment to be used with Lightning interceptors the U.K. is providing. (c) The Saudis have asked to buy for cash \$500,000 worth of F-86 spare parts. (d) We would also like to resume the mobility program under which the Saudis have bought \$120 million worth of military vehicles (no tanks or arms) and maintenance facilities.
4. Lebanon. The Lebanese have already paid for \$3.6 million in communications gear, which we'd like to move. There are also pending export licenses for \$238,000 worth of odds and ends, none lethal.

W. W. Rostow

Also: Greece (a "see me" item);
Israel (military visit now scheduled tentatively for about September 11).

~~SECRET~~

DECLASSIFIED
 E.O. 12356, Sec. 3.4
 NJ 94-190
 By CG, NARA, Date 4-3-95

Saturday, August 5, 1967
4:30 P.M.

Mr. President:

Herewith another bad, self-inflicted wound in South Viet Nam.

Pres file

W. W. Rostow

Saturday, August 5, 1967
4:00 PM EDT

59a

A fire started this morning of unknown cause at a U.S. Marine ammunition dump near Phu Bai, 40 miles Northwest of Da Nang. The fire was reported under control at 9:15 AM, EDT. A report from MACV at 12:15 PM EDT indicates that no artillery ammunition has been destroyed by the fire, but a large amount of small arms, mortar and rocket ammunition may have been lost. However, a damage assessment has not yet been made. No casualties have been reported.

The press is reporting that the ammunition dump was virtually demolished and that millions of rounds of ammunition blew up.

In another incident at Da Nang this morning, a U.S. Air Force plane attempted to make an emergency landing after returning from an armed reconnaissance mission over North Vietnam but went off of the runway and severed a fuel line to the airbase. The fuel caught fire and subsequently five light observation planes were destroyed and two observation planes were damaged. No casualties were reported.

In reference to this last incident, the press is reporting that six multi-million dollar American jets were destroyed when a Phantom jet malfunctioned while preparing to take-off for a strike against North Vietnam.

White House Situation Room

John J. Murray

Briefing Officer

PRESERVATION COPY

~~SECRET~~

Saturday, August 5, 1967
4:10 p. m.

Pres file

Mr. President:

Herewith today's report on the
Viet Nam political situation.

W. W. Rostow

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By ky, NARA, Date 7-23-91

60a

~~SECRET~~

Viet-Nam Political Situation Report

August 5, 1967

Thieu-Ky Campaign Activities

The Thieu-Ky campaign organization is encountering difficulties, some of which are due to the rivalry between the two men.

They are having trouble fulfilling promises of financial support to their campaign workers. They reportedly pledged US\$500,000 at a Saigon meeting of their provincial and other local campaign representatives August 1, but they don't know where the money is coming from. According to Ky's campaign manager, Nguyen Xuan Phong, Ky is particularly on the spot because of commitments already made or implied to his personal followers. Thieu has evidently been less forthcoming all along.

Phong also feels the campaign is still not well-organized and blames Thieu's supporters for lack of cooperation and diligence. He also criticized their ineptitude in preparing effective campaign materials.

According to Phong, neither Thieu nor Ky plan to make joint appearances in the provinces with other candidates. They will do their campaigning on their own. They will probably be accused of avoiding direct confrontation with other candidates. However, some of the other major candidates will also be limiting their attendance at the joint meetings.

Ky Rules Out Deal, Step-Down for Campaign

The semi-official Vietnam Press August 4 quotes Ky as saying "If our list is not elected, I will return to the military and will not be Prime Minister for any other government." He also said he and Thieu "have not even considered" stepping down from their present posts during the election campaign. The latter has been a consistent demand from other candidates.

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-191
By ig, NARA, Date 9-12-94

Saturday, August 5, 1967
11:50 a. m.

61

MR. PRESIDENT:

I should like to underline the implications of the proposal foreshadowed on the bottom of p. 10 of the draft speech sent up to you last night for possible delivery to the Orientalists *(attached)*.

The Japanese would like to host a meeting of the more advanced Pacific nations to consider the future of assistance to Southeast Asia looking beyond the Viet Nam war.

They say you would get a great reception in Japan joining in such a summit meeting on a purely constructive subject.

They would also invite: Canada, Australia, and New Zealand.

The meeting could take place next year; and it could dramatize here at home the constructive things going forward in Asia and the will of all of us to look together at ~~the~~ postwar Asia with hope and confidence.

Depending on the course of events in Viet Nam in 1968, I am sure we shall need this theme for the campaign; and a well-prepared summit of this kind could help us.

I happen to believe -- unlike the Japanese -- that the beneficiaries as well as the donors should be there. But that issue could be sorted out.

Is this idea worth further exploration, in your judgment?

W. W. R.

Yes _____

No _____

See me _____

(paragraph from p. 10 of speech)

In this move toward regional cooperation, the developed nations of the Pacific basin have an important supporting role to play. Mr. Miki, the Foreign Minister of Japan, has recognized this in his proposals that these states coordinate their aid efforts. It is not too soon for these nations to plan for ways of joining others in helping to meet the larger development needs and possibilities that will exist in Southeast Asia when peace has been restored to Viet Nam.

62

~~SECRET/SENSITIVE~~

Saturday, August 5, 1967
11:40 a. m.

Pres file

Mr. President:

Herewith the Clifford-Taylor report which you may wish to examine before the 1:30 p. m. lunch.

They are preparing 7 copies which I will hold here until you decide what distribution the report should have, if any.

W. W. Rostow

~~SECRET/SENSITIVE~~

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By RL, NARA, Date 7-23-91

Saturday, August 5, 1967

11:00 a. m.

~~TOP SECRET~~

MR. PRESIDENT:

In preparation for a discussion of General Eisenhower's proposition -- perhaps at the next Tuesday lunch -- here are two papers.

1. A CIA assessment which says, essentially:

-- Moscow would not accept the deal because of its adverse effects on the Soviet position in the Communist world;

-- Hanoi would not accept the deal because of the increased dependence on Communist China it would enforce.

2. A more technical assessment by Bob Ginsburgh which argues that the deal is not attractive for us because:

-- A cessation of bombing would cut Hanoi's import requirements by just about as much as Soviet imports;

-- We lack an intelligence capability to verify that Soviet goods are not moving overland through China;

-- In one way or another Eastern Europe could take up the Soviet slack;

-- A cessation of bombing would take the heat off the North and permit it to devote its resources fully to the war in the South -- a point underlined, incidentally, in para. 10 of the CIA paper which you will wish to read (marked with paper clip).

3. My further reflection on this proposition is that it only makes sense if Hanoi is ready to move to end the war and the proposition is merely a way of setting a frame for such a serious negotiation:

-- Hanoi's face would be saved because bombing had ceased before talks;

-- Our condition had been met that there be some reciprocal de-escalation on the other side.

DECLASSIFIED
Authority NLJ 021-004-1
By [Signature] NARA, Date 4/10/02

W. W. R.

~~TOP SECRET~~ attachments

Cy 2 of SC 08738/67 4 Aug 67 "Assessment of a Postulated Agreement on US & Sov Actions in NVnam"

Col Ginsburgh's 4 Aug 67 paper "Cessation of Bombing and Soviet Imports"

~~TOP SECRET~~

63a

NATIONAL SECURITY COUNCIL
WASHINGTON, D.C. 20506

4 August 1967

MEMORANDUM FOR MR. ROSTOW

SUBJECT: Cessation of Bombing and Soviet Imports

1. At first glance -- but only at first glance -- the prospect of the cessation of Soviet supplies to North Vietnam in return for a cessation of the bombing looks very attractive.

2. The intelligence community estimates that about 90 % of North Vietnam's imports come by sea. In 1966, about 57% of NVN's seaborne imports were carried in Soviet flagships. In 1967, it has been averaging about 52 %. Elimination of Soviet supplies would reduce NVN imports below the minimum essential requirements as currently estimated by CIA. As you know, I feel that the CIA minimum estimates are greatly understated. Thus, there ought to be a wide margin of assurance that the cessation of Soviet supplies would force the end of the war. Furthermore, we should be able to verify with a high degree of confidence that Soviet ships were not visiting North Vietnam.

3. However, there are three crucial qualifications to this optimistic view.

a. If the bombing were stopped, NVN's minimum essential import requirements would go down. North Vietnam would no longer have to import SAM's, antiaircraft guns and ammunition, supplies to restore bomb damage, or supplies to replace destroyed supplies, etc. Based on 1964-1966 imports, I estimate that North Vietnam might well be able to continue the war at an import rate of about 40 % of current imports if it were not for the bombing campaign. Elimination of Soviet imports would only reduce NVN imports to 49-54 % of the current rate. Thus, I would conclude that the cessation of bombing would most probably more than compensate the North Vietnamese for the loss of Soviet imports.

PRESERVATION COPY

DECLASSIFIED
E.O. 12356, Sec. 3.4
NIJ 94-188
By isp, NARA, Date 6-13-95

~~TOP SECRET~~

b. Another consideration is the fact that ~~we~~ have a minimal capability to verify that the Soviets are not shipping goods through China by land into North Vietnam. The intelligence community estimates that most military equipment is shipped to NVN by land -- and it is modern military equipment for which the North Vietnamese are most dependent on the Soviets.

c. Furthermore, other bloc countries could -- if they wished -- substitute for the cessation of Soviet supplies. They probably have the capability to finance this on their own, but the Soviets could undoubtedly covertly subsidize such shipments if they wished. Such covert support could be in cash, supplies, transferral of ships to bloc flags, or all three. If we were sure that the Soviets would not finance Eastern European shipments, there is a possibility that the Eastern Europeans might be unwilling to finance North Vietnam's continuation of the war. If East Europe were to take up the slack, they would have to increase shipments by about 400 % by volume. They might consider this excessive. If both the Soviets and East Europeans ceased shipments, the question is whether the slack would be taken up by China and "free world" shipments. If "free world" shipments were constant, China would have to increase shipments by more than 350 % to make up for cessation of Soviet and Eastern European shipments. My very uneducated guess is that they probably have the capability and the willingness to use it.

4. On the other hand, if the Soviets were to cease shipping supplies to North Vietnam, the mining of the port approaches might be politically more acceptable. If the mining of the ports were 100 % effective, the question would be whether North Vietnam could divert these imports through China's LOCs.

5. North Vietnam is currently importing through all routes about 5,000 metric tons a day. Conceivably, to replace recent losses, they might wish to import as much as 7,900 tons a day. (After a period of time, however, in which they were free from bombing attack, this latter figure would probably go down below 5,000 -- and possibly as low as 2,000.) Their uninterdicted capability -- road, railroad and Red River -- has been estimated at 10,500 tons a day. Their current capability is undoubtedly less than 10,500 because of the air campaign, but it should be possible for them to recoup this uninterdicted capability in a relatively short period of time after the cessation of bombing. Thus, they have an ample margin of safety, even if the ports were closed tight, as long as the other LOCs were free from air attack.

~~TOP SECRET~~

6. We should also remember that the bombing was never designed as an anti-Soviet campaign. It was designed to put military and psychological pressure on the North Vietnamese. I believe that our current position is sound in insisting that cessation of the bombing requires appropriate reciprocal action by the North Vietnamese.

7. Thus, I conclude that

a. The cessation of bombing is a bad trade for Soviet agreement to stop shipments.

b. The cessation of bombing in return for cessation of Soviet and East European shipments would be an extremely risky venture.

7

ROBERT N. GINSBURGH

~~TOP SECRET~~

64

Pres file

LOU

Saturday - August 5, 1967

Mr. President:

President Gestido has sent you an oral message of condolence over the USS Forrestal tragedy through Ambassador Hoyt (Tab A).

State recommends that Hoyt respond on your behalf along the lines of the message at Tab B.

W. W. Rostow

Attachments

Tab A - Message from President Gestido.

Tab B - State's recommended reply.

Approve _____.

Disapprove _____.

See me _____.

64a

Condolence Message from President Gestido of Uruguay as Delivered
to US Ambassador Bernbaum in Montevideo on
July 31, 1967
on the USS Forrestal Tragedy

(Embassy's telegram 233)

President Gestido this morning expressed to me his and the Government of Uruguay's condolences for the Forrestal tragedy. The President said that he not only was saddened because of his ideological ties with the United States, but because, as an aviator, he understood how these accidents could happen in a second without anyone being able to control them. In this respect, he told me that his Air Force pilot son had yesterday escaped serious injury in a plane accident in northern Uruguay.

BERNBAUM

046

LOU

Proposed State Message in Response to Condolence Message
from President Gestido (7-31-67)
on the Forrestal Tragedy

"TO AMEMBASSY MONTEVIDEO

SUBJECT: Presidential Message

Please inform President Gestido that President Johnson deeply appreciated his message of condolence on the USS Forrestal accident. President Gestido's sympathy was particularly welcome at a time when so many American families had been bereaved. "

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-190
By CLB, NARA, Date 4-3-95

65

~~CONFIDENTIAL~~

Saturday - August 5, 1967

Pres file

Mr. President:

The outlook for favorable action by the Panamanians on the Canal treaties grows progressively dimmer.

We have seen it developing in intelligence reports during the past week. Foreign Minister Eleta told Ambassador Adair last night that there is a growing feeling inside and outside the government that Panama should not rush into signing, but take more time to discuss the treaties. Whether this means further internal consultations or major revision of the treaties is not clear. I suspect the latter.

The enclosed cable which State is sending to Bob Anderson (who is now in Tokyo) describes where we stand.

We have carried through on what President Robles asked you at Punta del Este. The ball is in their court.

W. W. Rostow

Enclosure

Proposed cable to Bob Anderson.

~~CONFIDENTIAL~~

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-191
By ing, NARA, Date 9-12-94

65a

PROPOSED STATE CABLE TO AMBASSADOR ANDERSON IN TOKYO

Subject: Panama Canal Treaties

The Embassy is requested to pass the following on to Ambassador Robert B. Anderson, care of Okura Hotel.

1. Ambassador Adair reports that there is growing resistance on the part of the Foreign Relations Council, Cabinet, pro-Government as well as opposition political parties, important segment of the National Guard and other public figures to the signing of the proposed treaties without a full discussion of the content and an opportunity to seek further changes in the drafts. Eleta has told Ambassador Adair that there are now 28 proposed changes in the treaty drafts emanating from the Council, that further Council meetings are scheduled for the week of August 7 - 11, and possibly beyond, and that further proposed changes are expected. Eleta states that most of the changes are minor, but that 4 or 5 could be considered substantive although they are not insurmountable.
2. As a result of these developments, Eleta is discouraged regarding early signature of the treaties. He states that

~~SECRET~~

President Robles' strategy under the circumstances is to permit more time for discussion, although he still feels committed to the negotiators to sign. Eleta has expressed a fervent hope that the United States will appreciate Robles' situation and not pressure him to dig his own political grave.

3. Ambassador Adair reports a rumor current in Panama that it is because of U.S. assistance that Robles is trying to rush treaty signature through. He considers it of the highest importance that it be made clear to Robles (and if necessary to others) that while we are ready to sign now and a delay in signature and release of the treaties are causing us domestic difficulties, we understand his internal political problems and we will respect them. We are authorizing Ambassador Adair to so inform President Robles and at the same time to obtain his assessment of the situation and plans, and to report fully to the Department with his recommendations.
4. We continue to be of the view that, despite the difficulties inherent in the situation, we should make every effort to reach agreement and sign the treaties as soon as and if possible.

It is obvious now that there will be substantial delay in any case, over which we have little or no control. As you are well aware, it was at the insistence of the Government of Panama and especially of Foreign Minister Eleta that we made an all-out effort to conclude the treaty drafts in the first place to meet their internal political requirements.

5. In the light of the foregoing, it appears clear that a delay will continue until your anticipated return to the U.S. on or about August 13, at which time you will be informed of developments in the meantime .
6. Ambassador Irwin has been informed.

66

~~CONFIDENTIAL~~

Saturday - August 5, 1967

Presfile

Mr. President:

This year the Latin Americans are organizing an evening reception on Thursday, August 17, to mark the sixth anniversary of the Alliance for Progress. The large facilities of the Pan American Union will be used for the occasion. The winners of the hemisphere-wide Alliance for Progress essay contest will be announced. USIA will unveil a new, impressive travelling display it has made on the Alliance.

The hosts want very much for you and Mrs. Johnson to attend. Covey Oliver strongly recommends that you do so -- for 15-30 minutes.

I am glad to see the Latin Americans take the initiative and add my strong recommendation that you plan to go.

W. W. Rostow

cc - Jim Jones

REPRODUCED FROM AN ORIGINAL
CLASSIFIED BY 100-1000000000
ON 10-10-2000 BY 100-1000000000

EX-100-1000000000 ON 7-23-91

Friday, August 4, 1967
7:05 p. m.

Mr. President:

Herewith the longer version
of the letter to Congressman Morgan,
typed for your signature.

Pres file

W. W. Rostow

THE WHITE HOUSE
WASHINGTON

67a

August 4, 1967

Dear Tom:

The foreign aid bill you have just reported out from the Foreign Affairs Committee reminds me once again how greatly the nation is in your debt.

We both know how hard it is to sustain these foreign aid programs. The Members of Congress are under strong and understandable pressure to allocate tax resources for domestic purposes. The results of our foreign aid programs in advancing the nation's interests and helping create an environment of order and progress in the developing world take time; and they are difficult to dramatize in a world where crisis and conflict dominate the daily news.

But each of the four postwar Presidents has known that the most precious dollars voted by the Congress on behalf of the nation's security have been foreign aid dollars.

Military aid has permitted nations to mobilize their own deterrent strength and to face the future with greater confidence than they would otherwise have, in a world where arms control agreements have not yet been achieved. They have diminished at many points the risk that the U. S. itself might be drawn into military conflict.

Economic aid -- where we have had the opportunity to work steadily with adequate resources -- has yielded a series of proud success stories: for example, in Asia, South Korea, Taiwan, Pakistan, and Thailand -- as well, of course, as Japan; in the Middle East, Iran, Turkey, and Tunisia. In Latin America, 1967 is the fourth year in which, by and large, the Punta del Este targets of progress will be achieved in most of the nations of the region.

As President, I know how important it is for this nation's interests that we continue this work steadily. As you know,

we have moved rapidly in recent years to tighten our standards of self-help; to insist on a fair sharing of the burdens of foreign aid among the more fortunate nations; to build and strengthen multilateral institutions for economic assistance; and to focus the attention of all on the critical importance of progress in agriculture.

We have every reason for pride and confidence in what we have learned and achieved in this field working with other nations. We live in a world where it would be literally dangerous to our interests for us to break stride in what historians will judge, I am sure, to be one of the wisest and most effective policies our country has ever undertaken.

That is why I am so grateful for your continued steady leadership; and I wish you well in the further tasks of persuasion which lie ahead in ensuring continuity in these critical programs.

Sincerely,

A handwritten signature in black ink, appearing to be "Dwight D. Eisenhower", written in a cursive style with a long horizontal stroke at the end.

Honorable Thomas E. Morgan
House of Representatives
Washington, D. C.

Cy sent to State + AID

Friday, Aug. 4, 1967
3:45 p. m.

67b

MR. PRESIDENT:

Herewith a draft letter to Doc Morgan.

I also attach a more substantive draft for possible public release which you may wish to consider.

I did not have it typed up in final draft, because I was not sure that it would be good for either you or Doc Morgan to exchange publicly a policy statement of that kind at this sensitive moment in the Congressional proceedings.

But you might want to consider some such statement.

W. W. R.

2 attachments

*Ret'd w/out saying
"I like longer version."*

August 4, 1967

67c

Dear Tom:

The foreign aid bill you have just reported out from the Foreign Affairs Committee reminds me once again how greatly the nation is in your debt.

We both know how hard it is to sustain these foreign aid programs in the face of strong and understandable pressure to allocate tax resources for domestic purposes.

But we both also know how important it is for the nation's security to continue steadily to support this effort which, in a turbulent and dangerous world, has contributed and is contributing so much to peace and security.

I wish you well in the further tasks of persuasion that lie ahead before we emerge with the kind of foreign aid legislation our nation's interests require.

Sincerely,

Honorable Thomas E. Morgan
House of Representatives
Washington, D. C.

LBJ:WWR;mz

not used

DRAFT

8/4/67

67d

Dear Tom:

The foreign aid bill you have just reported out from the Foreign Affairs Committee reminds me once again how greatly the nation is in your debt.

We both know how hard it is to sustain these foreign aid programs. The Members of Congress are under strong and understandable pressure to allocate tax resources for domestic purposes. The results of our foreign aid programs in advancing the nation's interests and helping create an environment of order and progress in the developing world take time; and they are difficult to dramatize in a world where crisis and conflict dominate the daily news.

But each of the four postwar Presidents has known that the most precious dollars voted by the Congress on behalf of the nation's security have been foreign aid dollars.

Military aid has permitted nations to mobilize their own deterrent strength and to face the future with greater confidence than

they would otherwise have, in a world where arms control agreements have not yet been achieved. They have diminished at many points the risk that the U. S. itself might be drawn into military conflict.

Economic aid -- where we have had the opportunity to work steadily with adequate resources -- has yielded a series of proud success stories: for example, in Asia, South Korea, Taiwan, Pakistan, and Thailand -- as well, of course, as Japan; in the Middle East, Iran, Turkey and Tunisia. In Latin America, 1967 is the fourth year in which, by and large, the Punta del Este targets of progress will be achieved in most of the nations of the region.

As President, I know how important it is for this nation's interests that we continue this work steadily. As you know, we have moved rapidly in recent years to tighten our standards of self-help; to insist on a fair sharing of the burdens of foreign aid among the more fortunate nations; to build and strengthen multilateral institutions for economic assistance;

and to focus the attention of all on the critical importance of progress
in agriculture.

We have every reason for pride and confidence in what we have
learned and achieved in this field working with other nations. We live in
a world where it would be literally dangerous to our interests for us to break
stride in what historians will judge, I am sure, to be one of the wisest
and most effective policies ~~xxxx~~ our country has ever undertaken.

That is why I am so grateful for your continued steady leadership;
and I wish you well in the further tasks of persuasion which lie ahead in
ensuring continuity in these critical programs.

Sincerely,

Honorable Thomas E. Morgan
House of Representatives
Washington, D. C.

Write him a good strong letter.

67e

LBJ/mf
8-3-67
10:00p

-- 3:30 PM

service in getting
tact. I think --
gesture if you

and the message
were to call Doc and:

- thank him for reporting the bill with only \$200 million in cuts (compared with \$750 million in the Senate); and
- wish him well on the House floor, where he will have his hands full.

A copy of Gaud's rundown of the Committee action is attached. *for reference.*

W. Rostow
W. Rostow

~~SECRET~~

Friday, August 4, 1967, 7:00 p.m.

Pres file

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Canadian Report on Soviet-Arab Relations

Following are extracts from a recent report of the Canadian Ambassador in Moscow:

It does not appear from Moscow that Russians are doing more in the way of refurbishing UAR armed forces than minimum required for political purposes. This opinion is shared by Llewellyn Thompson and German ambassador among others.

We are inclined to think that any recent arrivals of equipment in the UAR arises from former aid planning materializing only now.

Russians are obviously under very great compulsion politically to shore up Nasser and their own prestige in the area. One of the ways of accomplishing this is by quick token arms shipments to replace the equipment lost in Sinai.

I find it hard to believe, however, that Russians this time will undertake lavish reequipment of UAR forces with sophisticated material which Egyptians proved they were clearly unwilling and unable to use. Nor do I think the Russians would once again want to put their own destiny in the hands of the Egyptians.

However, Russians must be extremely preoccupied with situation in Yemen.

Even before republican revolt in 1962 Russians had devoted an excessive amount of attention to this area and had subsequently given political, economic and military support to Nasser's efforts to establish a "progressive" foothold in the Arabian Peninsula.

DECLASSIFIED

E.O. 12958, Sec. 3.6

NLJ 00-133

By cb, NARA Date 10-23-00

~~SECRET~~

They must now be seriously worried that this whole investment be lost if Nasser is obliged to withdraw bulk of his army and armor from Yemen.

I wonder therefore if the Russians are not primarily preoccupied, in sending whatever equipment to Nasser that they have, in making sure that Egyptian forces in Yemen are not so reduced as to prove unable to hold out there.

Nevertheless, the Russians may once again have seriously misjudged character of Arabs. I can fully believe that the Egyptians are capable somehow of thinking that Sinai debacle was only a result of a stab in the back and that they fought heroically against overwhelming odds. I have noted a somewhat comparable, illogical and indeed fantastic change of mood among Arab representatives in Moscow who have shifted from wailing to a state of belligerent euphoria. There need be no real basis for it. Appearance of a few new Soviet planes in the UAR would be enough to convince those who wish passionately to be persuaded that all is well again.

This is one of the dilemmas for the Russians, and I am sure they are already aware of dangers. Swedish Ambassador told me last night he had asked a high Soviet official if he did not think it was a mistake to play too much into the hands of the Egyptians. Official replied "You mean visit of Podgorny to Cairo."

This visit presumably had to take place, as a pendant to visit of Kosygin to President Johnson, but I am sure Russians were aware of the risk they ran of inflating Egyptian ideas of what the USSR was prepared to do.

This dilemma must take top priority in Soviet councils at the moment. They are certainly aware of dangers of leaving their Mideast policy in the hands of the Arabs. On the surface that is what they seem to have done to have committed themselves publicly to total support of the Arabs, which means forcing Israel back behind its own frontiers, which appears impossible without some concessions to the Western point of view and a tacit agreement with the USA. Alternative of using force unilaterally to oblige Israelis to withdraw seems highly unlikely. Nor do Arabs really expect this. Lebanese Ambassador told me flatly that no Arab believed Russians would use armed force against Israel, nor risk war with the USA for the Arabs.

I do not see how the Russians can resolve this dilemma unless they are prepared to compromise, which means deflating present Arab expectations.

In the meantime, the Russians must be making agonizing assessments of cost to their economy of taking on full support for the UAR. One of the reasons for Kosygin's visit to Havana is probably the need to see at first hand why massive Soviet economic aid to Cuba has not been more successful, and possibly to see if it can be reduced in light of probable UAR needs. Presumably the economics of Soviet support for the UAR was also one of the reasons for Podgorny's expedition.

In addition, closing of the Suez Canal for any length of time may well have more serious effect on the Soviet economy than on that of Western countries. For example, we estimate that at least 25 percent of Soviet aid to North Vietnam passed through the Canal. Much of the oil supplies to the Pacific provinces was shipped from Caucasian wells through Suez. USSR does not have tankers to make up difference required in shipping oil around the Cape and may have to hire tankers from the West. These are just some of the economic factors which must be under most serious consideration by Soviet leadership.

The problem is certainly one of the toughest and most complex the Russians have ever faced, and decisions will have far-reaching consequences for Mideast and Soviet-Western relations.

W. W. Rostow

WWR:BKS:amc

Mr. Rostow
69
~~1. Prop~~
2. Pres file

Friday, August 4, 1967
6:30 p.m.

MEMORANDUM FOR THE PRESIDENT

Subject: International Congress of Orientalists

You were invited to address the Congress which is meeting in Ann Arbor, Michigan, the week of August 13. This is the first time this international group has met in the United States. Secretary Rusk recommended attendance.

Though the invitation has been regretted, you expressed an interest in seeing a possible text. A suggested draft is attached.

The sponsors proposed scheduling the address for the formal opening on August 13 or a special session on August 14.

If on reconsidering, you decide not to make the speech, the sponsors are most eager that these visiting scholars have an opportunity to meet you. An estimated 700 of them from 40 countries will be coming to Washington after the Congress (August 21-22).

They have inquired whether it would be possible for you to receive them at the White House. Alternatively, could you attend a reception given by Dr. Dillon Ripley of the Smithsonian at the Museum of History and Technology on August 22 at 5 p.m. ?

The sponsors recall that the Congress has been addressed or received by chiefs of state at all recent meetings--most recently in New Delhi (1964) and Moscow (1960). They are anxious that the United States provide similar hospitality and high level attention.

W. W. Rostow

ORIENTAL-
ist speech

- Will make speech _____
- Prefer Aug. 13 _____
- Prefer Aug. 14 _____
- Will receive scholars _____
 at the White House
- on Aug. 21 _____
- Will attend Smithsonian _____
 reception Aug. 22
- See me _____

*8/11/67 - Pres. said no.
Vice Pres. can if he wants
to do it.
Pres. hasn't ruled out receiving
scholars on 21st; will decide
later on scholars +
reception*

DRAFT

Possible speech by the President before the International Congress
of Orientalists, Ann Arbor, Michigan (August 13 or 14)

Words:

I. INTRODUCTION

I am delighted to meet with this distinguished company
of scholars concerned with Asia.

This 27th Congress has great importance for all countries,
both practically and symbolically.

It has special symbolic significance for the United States,
for it reflects a great change that has taken place in this country
during the last generation.

When I was a boy, the term "Orient" was a synonym for
the strange and mysterious. Most of us never stopped to think
that we in the West were as strange and mysterious in Eastern
eyes as Orientals were in ours.

In this attitude we were no different from most people, in most countries, in most periods of history. "Strangeness" meant being different from ourselves.

We didn't reflect that all nations and civilizations are strange, in the sense that man everywhere is strange and infinitely various. Each civilization has its own experience of the world. Each has its own notions of what is "strange" and what is "natural".

If we in the West have now learned that lesson, we owe this in good part to your work and that of your predecessors.

You have extended our understanding of Asia's richness and variety. In teaching us more about Asia, you have helped us to understand ourselves better. For you have helped to

eliminate two great superstitions fed by ignorance:

-- That the patterns of any civilization can be
easily transported to another.

-- That there is an unbridgeable gulf between East
and West.

For in the end, we are all human beings who want our
children to be well-fed, kept in good health, and educated to
the limit of their capacities, who wish for our nations a life of
peace and progress.

II. RELATIONS BETWEEN ASIA AND THE WEST

Thanks in part to the perceptions of scholarship and
human experience, we in the East and West can now develop our
relations on a more realistic basis.

Those relations have had a troubled past.

Men of Asia and the Western world have traded and travelled back and forth for more than a thousand years. But only in the last century did the impact of the industrialized West on traditional Asia become a major theme of Asian history. It was a century in which imperialism became a dynamic element of Western history.

Over much of Asia an expanding West imposed colonial systems. And it powerfully influenced even those Asian states which remained independent -- through trade, cultural exchange, and occasional armed clashes.

This Western impact on Asia had two main effects:

First: It set in motion a process of change, of political and economic modernization. Asians were determined to acquire the knowledge and industrial skills which had given the West

unequal power.

Second: It left a heritage of natural and understandable resentment. The blind fury of the Boxers, the aggressive actions of the Japanese militarists, and the bitter hostility of Maoist China today -- all reflect, in various ways and degrees, that resentment.

But the dismantling of an outmoded colonial system opened a new chapter in relations between Asia and the West.

A community of fiercely independent Asian states has arisen. They reject domination, either by the West or by their Asian neighbors.

They are determined to absorb all that modern science and technology can offer, while remaining loyal to their traditions and their cultures.

New and productive ties, based on the principle of mutual respect, thus became possible between these states and those of the West.

III. U.S. ROLE

My country has eagerly sought and cultivated just such ties.

The United States has a long history of contact with Asia -- dating from the time when the United States itself was a colony. That history includes our own brief flirtation with colonialism in the Philippines, which has left us with a permanent distaste for this type of relationship.

World War II made the people of the United States realize how closely their destiny was linked to that of Asia. They came to recognize that in Asia, no less than Europe, they had a vital

stake in the principle that peoples should be allowed to live their lives free from forcible interference by powerful neighbors.

After World War II came an increasing American awareness of a related principle: That it is in our own interest to help Asian peoples achieve modernization. For progress and freedom go hand-in-hand. Together with like-minded states, both Asian and non-Asian, we have worked hard to assure both these ends.

That is why there is a basic harmony of purpose between America and the emerging Asia.

I do not mean that all problems are solved -- far from it. Differences between Western and Asian cultures will continue to exist. Misunderstandings will occur and recur. But the prospects for working together with goodwill to achieve our common purposes are better today than ever before.

Let me now discuss each of these two purposes: independence and modernization.

IV. INDEPENDENCE

The United States has demonstrated its concern for the independence of Asian countries. Three times in my lifetime, it has sent young men to help defend that independence against outside threats.

Even now, Americans are joined with the forces of six other countries in fighting for the freedom of South Viet Nam. Aggression must be turned back there, as it has been elsewhere in Asia in the past, if the emerging nations of that Continent are to have a hopeful future.

The United States and its allies will persevere in Viet Nam. And we shall succeed.

But independence is not enough.

No single country is now powerful or rich enough to stand alone.

That is why countries throughout the free world are coming together in regional associations, to work toward common goals.

The movement toward Asian regionalism reflects this trend.

It offers a means by which Asian countries can combine the benefits of both independence and inter-dependence.

It offers a basis for fair dealings in self-respect with countries outside the area.

For these and many other reasons it is opening up a new and exciting phase in the history of this ancient continent.

As the distinguished Foreign Minister of Singapore has observed: "For youth, anti-colonialism is part of history and communism has split and lost its appeal in the process. Perhaps regionalism, with its promise of stability and economic progress, will be youth's big concept for the future."

In this move toward regional cooperation, the developed nations of the Pacific basin have an important supporting role to play. Mr. Miki, the Foreign Minister of Japan, has recognized this in his proposals that these states coordinate their aid efforts. It is not too soon for these nations to plan for ways of joining others in helping to meet the larger development needs and possibilities that will exist in Southeast Asia when peace has been restored to Viet Nam.

In such a joint effort, my country stands ready to play its full part.

The creation of regional institutons, as you know, is already well begun. A new Asian Development Bank has been born.

Cooperative efforts to meet the urgent needs of the area-- in education and health, in transport and communications, and in many other fields-- are moving ahead.

But the possibilities for progress in these various fields will be vastly expanded once the guns are stilled in Southeast Asia .

And that day cannot come too soon.

Eventually Hanoi will realize that its aggression against South Viet Nam cannot succeed. When that time comes, the North Vietnamese will find us prepared to join with them and others in rapidly healing the wounds of war.

For our view of Asia's future excludes no one. We have never abandoned the view that a place of honor and profit in the community of nations must be open to Mainland China. We understand and sympathize with the desire of the Chinese people to assume a role in Asia, and in the world, appropriate to their numbers and their many distinguished contributions to mankind.

We do not believe that the hostility expressed today by Peking toward most of the world will last forever. We look forward to the day when it will moderate. We intend to continue seeking ways of reopening lines of communication between the people of the United States and Mainland China.

V. MODERNIZATION

We share with the people of China and of all Asia a common interest in meeting a common threat to all mankind: the threat of

hunger and undernourishment.

The peoples of Asia are not getting enough to eat. Millions of them go to bed hungry each night.

Not enough progress is being made toward closing this nourishment gap.

Hunger has stalked Man through thousands of years of history; but the means are now at hand to destroy this ancient enemy. It can be done -- it should be done -- in one generation.

We should set for ourselves this feasible goal: to close the nourishment gap before the end of this century. This means that four needs must be met:

First: Incomes in the cities must be raised, so the food that is raised can be bought. Industry must make tools and other goods which the farmer can buy in exchange for his food. For

unless the farmer has the prospect of this reward he will have little incentive to produce.

Second: Rural Asia must be modernized so it has the capability to produce more. This means improved seeds, farm implements, and techniques. It means better transportation. It means more fertilizer, and more water.

Third: Modernization also means education -- the education of an entire generation. For only education can break the bonds of the past in rural areas. Only a generation freed from these bonds can achieve the breakthrough in food production that is needed.

We must not wait for farmers' children to migrate to the cities to educate them. Schools have all too often been available only to that small part of the countryside that is part of the modern

economy. If we lift our sights to the larger task ahead, we see that it is not enough to work with this limited group. There is need, and there is time, to do the job right. And to do it right, all the children must be included.

Fourth: The growth of population must be stabilized.

For the unbridled expansion in man's numbers raises a barrier which increased production cannot overcome.

Growth in the cities, modernization in the countryside, wider education, family planning -- all are needed, if the war on hunger is to be won.

Much progress is being made. Japan, Korea, and Taiwan have virtually closed the nourishment gap. Other Asian countries are marching forward.

But the war on hunger will not be quickly or easily won.

All of us -- developed and developing nations alike -- must be willing to stay the course for a full generation -- or more, if need be.

In this war, there will be setbacks. There will be crop failures because of natural disasters, and times when famine threatens the lives of men, women and children.

This government stressed to the recent Washington meeting of the OECD's Development Assistance Committee the need for finding a way to cushion such disasters.

It is time to meet this need: to develop a plan for crop insurance on a global scale against major failure of certain key food crops. The insurance would enable countries stricken by natural disasters to buy food to replace at least part of the crop they had lost.

After a transitional period, in which developed countries might make a special contribution, the plan should aim at self-sufficiency. The premiums charged those who buy insurance should pay for the costs.

If the countries concerned can work out and agree on such a plan, the United States would be prepared to take part.

I hope that developed and less-developed nations will consider how best to meet this need when they gather at the United Nations Trade and Development Conference in New Delhi this spring.

Let us resolve that natural disasters will no longer cause men to die of famine.

Let us further resolve that this will be the last generation in which children grow up stunted in body and in spirit by under-nourishment.

In fulfilling this resolve, let all our countries come together.

For the war against hunger is a struggle in which all men
are allies. It is a war that mankind cannot afford to lose.

~~SECRET~~

70
Pres file
Friday, August 4, 1967, 6:30 p.m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Soviet Party Official Summarizes Moscow's Middle East Policy

Boris Ponomarev, Soviet communist party official responsible for relations with foreign communist parties, visited Rome a week ago to talk to Italian communist party leaders. From a reliable source we have learned that Ponomarev made the following points:

The communist party of the Soviet Union considers the present moment as the most serious since the end of World War II. The point of maximum danger is the Middle East, because political and military interests of the great powers converge there.

Although the Soviet government has no proof, it fears American subversive action in the whole Mediterranean area. The military regime in Greece might even be pushed by the Americans to attack Cyprus or Albania, provoking Yugoslav intervention and consequent reactions.

Soviet alarm at this series of possibilities is serious. In fact the situation might lead to a direct confrontation among the great powers, but not necessarily to a nuclear conflict.

The Soviet government and party are for peaceful coexistence; the USSR and socialist world have absolute need of peace. Internal economic difficulties demand cuts in military spending while local wars, aid to Vietnam and Arab countries are bleeding the socialist states' economies white. America, however, is not so seriously affected by its military effort because of its larger economy.

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 00-133
By cb, NARA Date 10-23-00

~~SECRET~~

Soviet efforts toward peace are frustrated not only by frequently intransigent American policies, but also by the incitements carried on by Chinese, Cubans, and Algerians. The Soviet Union faces a dilemma: if it aids the liberation movements it gives the Americans reasons to provoke wars and coups d'etat; if it does not, it loses face with them and with world progressive public opinion for failing to live up to its role of defender of the oppressed and for abdicating its responsibility as a great power. The Soviet Union is always ready to find compromises with the United States, but it must do so in a dignified way, saving Soviet prestige in the world and in the communist movement.

The cease-fire in the Middle East has left the crisis unresolved and the Soviets do not know how it can be resolved. Given Arab fanaticism on one side and Israeli aggressiveness on the other, hostilities could begin anew any day.

The Middle East crisis has revealed the new politico-military reality of Israel. The Kremlin was aware of Israeli military strength and told the Arabs so, but the results proved it superior to Soviet estimates.

Soviet military concern previously centered on the United States and West Germany. Now Israel must be included.

Recently in Moscow, Algerian Premier Boumediene accused the Soviets of betrayal for failure to intervene in the war, of compromising with the United States and of abandoning peoples struggling against imperialism. President Podgorny told him to go ahead and fight imperialism with Mao's books, if he was dissatisfied with the ships, missiles, and planes given them by the Soviets, which meant fewer houses, less bread and clothes for Soviet citizens.

The Soviets criticize the Egyptian decision to keep the Suez Canal closed. Canal fees constitute a large portion of Egyptian revenue, and the shortage will soon create discontent among an already impoverished population. More Soviet aid will be in order and thus more bleeding of the Soviet people.

In North Vietnam the situation is alarming. The bombardments are felt heavily and the population is beginning to show signs of fatigue. There is fear that the Americans may go as far as genocide and wipe out North Vietnam. Yet the intransigent Chinese line prevails more than ever in Hanoi. Ho Chi Minh remains the best and most moderate leader, but he is old, very sick, and may die soon. The present moment, with Ho still alive, could be a good one for negotiations, but a concrete gesture from the Americans, like ending the bombing, is first necessary.

A rapprochement with China is impossible, the tension is increasing; the overthrow of the present leadership is necessary before changes occur, a very distant prospect in spite of the increasing internal struggle.

A world communist conference must be held urgently to define the general communist strategy, which cannot be other than that of co-existence.

W. W. Rostow

WWR:BKS:amc