FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#1 memo	Rostow to President, 7:25 p.m. TS 1 p open 8:30.95 NLJ 94-404	-10/9/67	A
#2 memo	Rostow to President, 7:05 p.m. S 1 p open 8-30-95 NLJ 94-404	10/9/67	A
#7-memo	Rostow to President, 2:25 p.m. S 1 p spen 5-16.95 NL39 4-37		A
#7a rpt	Intelligence Report exempt 419/02 NEXTRAC OF 1 S 7 p Exempt 8/1/95 NEX 941-406 exempt per	10/6/67 PAC 8/05	A
#11 memo	Rostow to President, 1:55 p.m. TS 1 p open 12-5-95 NLJ 94-403	10/9/67	-
#11a telecon	Read and Kissinger TS 2p op 1-5-95 NLS 94-405	10/9/67	A
#17 memo	Rostow to President, re: Ghana open 10-20-00 S 3 p Santitud 12-5-95 NL5 94-403 [Duplicate in Diary Backup, "October 9, 1967," Box 78]	1 0/9/67	A
#17b memo	[Duplicate in Diary Backup, "October 9, 1967," Box 78] [Opi. # 43, PSFConky File "Gram - Visit of Gon Ankanh", bx 90] Katzenbach to President, re: Ghana S 2 p	-10/9/67	A
#17d rpt	Talking Points with Pres. of Ghana S 2p epen \$ 05.95 NL 394-405	undated	A
#17f rpt NOT OPEN	Bio Sketch S 1 p Open 8/195 My 24-406 EVENITY EXEMPT 4/9/02 NIJ/RAC 01-1 CLEAN	undated of per RAC	8/05 A
#17g photo	Included with Bio Sketch C 1 p apen 8/1195 Ny 94-406 same sonitized Exercipe sonitized 119/02 NUT/RAC 01-1	1066	
#18 memo	Rostow to President S 1 p sanitized 12-5-95 NLJ 94-403	10/9/67	A
#20a rpt	Vietnam Political Situation Report 7-05-95 NL394	10/9/67	A

NSF, Memos to the President, Walt Rostow, Vol. 44, 10/1-9/67

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	WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)		
FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#22 memo	Rostow to President switted 12-5-95 NIJ 94-403 S 10 Open 5-16-01 NLJ 01-1	10/9/67	A
#22a cable	Amman 1777 - Open 11/1/00 115 00-251 -S 4p	10/9/67	A
#24 memo	Rostow to President, re: Ecuador C 1 p open 12-5-95 and 94-403 [Duplicate of #171, NSF, Country File, Ecuador, Vol. I]	-10/8/67	A
#28 memo	Rostow to President, 4:40 p.m. C 1 p Ranitized 8-30-95 NLJ 94-404 Same Sani 10/24/0 1 NW/RAC 01-2	10/7/67	A
#28a cable	Intelligence Information Cable Danitized 10-20-60 C 4 p Exempt 21:195 NG 94-406 NG -002-05 [Duplicate of #151a, NSF, Country File, United Kingdom, Vol. 12] **The Same Same Same Same Same Same Same Sam		A
#29a memcon	Rostow and Dean S 1 p	10/5/67	A
#31 memo	Rostow to President, 12:00 S 1 p panitinga 8-30-95 NLJ 94-404 Same san: 10/24/01 NLJ /RACOI-Z	10/7/67	A
#33 memo	Rostow to President, 10:45 a.m. Same san; 10/24/01 NLS/RAC 01 C 1 p sanitised 8-30-95 NLS 94-404 (Aup #6, NSF. CF. Viltnam, "Memost the Pundent EV	-210/7/67 15]	A
#33a cable	Intelligence Information Cable	10/7/67 as alson	A
#36 memo	Rostow to President, 9:40 a.m. C 1 p open 12-5-95 New 94-403	10/7/67	A
#36a cable	Moscow 1364 open 4/9/02 NW/RAC 01-1 C 2p pantage 1-0595 NL 394 405	10/6/67	A
#37b rpt	"Summary Highlights" C 4p open 12-5-95 New 94-403	undated	A

FILE LOCATION

NSF, Memos to the President, Walt Rostow, Vol. 44, 10/1-9/67

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DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#42 memo	Rostow to President, 7:35 p.m. TS 1 p	10/6/67	A
	[Duplicate of #83a, NSF, Country File, Israel, Vol. 7; Exempt 1978]		
#42a memo	Rusk to President TS 2 p 1-05-95 NL 194-405 [Duplicate of #83b, NSF, Country File, Israel,	10/6/67	A-
#42b telecon	Vol. 7; Exempt NLJ 91-80] E. Rostow and Anderson	10/4/67	
	E. Rostow and Anderson TS 4 p [Duplicate of #83c, NSF, Country File, Israel, Vol. 7; Exempt NLJ 91-80]		
#44 memo	Rostow to President, re: Australia TS 1 p openi/7/as ms os 25/	10/6/67	A
#44a memo	Waller to President open 10-20-00 TS 1 p	10/6/67	A-
#44b ltr	Holt to President open 8/6/01 ws ol-1 TS 3 p	10/6/67	A
#47 memo	Rostow to President, 1:50 p.m. C 1 p open 12-5-95 NLJ 94-403	10/6/67	A
#4 8 memo	Rostow to President, re: Panama C 1 p open 12-5-95 NLT 94-403	10/6/67	A
#50a memo	W. Bundy to Rostow 7-05.95 NL J94-405	10/5/67	A
#52 memo	Rostow to President, re: Thailand S 2p open 12-5-95 NLJ 94-403	10/6/67	A
#52a memo	Rusk to President, re: Thailand oge 6-8-92 S 1 p [Duplicate of #171, NSF, Country File, Thailand, Vol. 7]	10/4/67	A-

NSF, Memos to the President, Walt Rostow, Vol. 44, 10/1-9/67

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	WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)		
FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#52b rpt	Talking Points with Thailand 67em 6-8-92 S 4p	undated	A
#52e rpt	Bio Sketch Open 5-16-01 NLT 01-2 C 2 p Exempt 31:195 NC) 94-406 [Duplicate of #171b, NSF, Country File, Thailand, Vol. 7]	undated	A
#52d rpt	Bio Sketch open 10-20-00 C 1 p Exempt 8/11-5 NC) 94-400 [Duplicate of #171c, NSF, Country File, Thailand, Vol. 7]	undated	A
#53a rpt	Vietnam Political Situation Report S 1 p D p # 17a, NSF, CT, VN 8A2 BALOI	10/6/67	A
#54a memo	Read to Rostow 7-5 -95 NL 394-405	-10/5/67	A-
#59a memo	Wright to Rostow S 2 p open 12-5-95 NLJ 94-403 [Duplicate of #40a, NSF, Country File, Vietnam, "5D(1), 3/67-1/69, Allies: Troop Commitments; Other Aid (General Material)"]	10/4/67	A
#60 memo	Rostow to President, 4:50 p.m. C 1 p paniting 8/30/95 NLJ 94-404 Some Same 10/24/01 NW/RAC 01-2	10/5/67	A
#60a cable	Intelligence Information Cable C 4 p Sanitized (more info) 419/02 RUJRAC 01-1	10/4/67	A
#61b ltr	President to Suharto PCI 2 p open 12-5-95 NLJ 94-403	10/5/67	A
#62a memo	President to Prime Minister and Foreign Sec. PCL 1p open 12-5-95 NLT 94-403	10/5/67	A
#63a-memo	Duplicate of #61a spen 10-20-00		
#66 memo	Rostow to President, re: Pakistan S 3 p Sandized 12-5-95 NLJ 94-403 Sandized 5/30/N NS 01-4	10/5/67	A

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NSF, Memos to the President, Walt Rostow, Vol. 44, 10/1-9/67

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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTIO
#66b cable	Rawalpindi 1074 2-5-95 NL 394-405	-9/29/67	A
#66d cable	Deptel to Ambassador Oehlert " PCI 1 p	10/5/67	A
#68 memo	Rostow to President C 1 p open 12-5-95 NLJ 94-403	10/5/67	A
#70a memo	Gaud to President open 6/11/00 NLS 20-12 C 4 p [Duplicate of #82b, NSF, Country File, Peru, Vol. 3]	10/4/67	A
#70b memo	Katzenbach to President open 6/11/00 N = 3 91 - 406 S 2 p [Duplicate of #82d, NSF, Country File, Peru, Vol. 3]	10/5/67	A
#70e rpt	"For Handling Requisition" apan 9-30-44 NL3 94-270 -	undated	A_
#70d rpt	"Talking Points for Congressional" " C 6 p	undated	A
#7 3a memo	President to Prime Minister PCI IP open 12-5-95 NLT 94-403	10/4/67	A
#74 memo	Rostow to President, 6:10 p.m. open 12-5-95, NLJ 94-44 PTS 1 p (Dup of #14, Files of Wrostow VN: 7-12/61)	3 10/4/67	A
#74a telecon	Read and Kissinger 7-5-95 NLJ94-405 TS 2P (Oup of #14a, per above)	10/4/67	A
#75 memo	Rostow to President S 1 p open 12-5-95 NLJ 94-403	10/4/67	A
#75a note	Intelligence Note 785 - S 2 p agen 7-5' 95 NL J 94-405	10/3/67	A

NSF, Memos to the President, Walt Rostow, Vol. 44, 10/1-9/67

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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#76a çable	Saigon 7619 mone info release \$ 75 Nx 394 S S 13 p open 10-20-00 R AC [Sanitized NLJ/CBS 10] [near drp. # 31 a , NSF, CF, UN, 8 E		J
#77 memo	Rostow to President open 10-20-00	10/4/67	A
#78 memo	[Duplicate of #62, NSF, Name File, "Rostow Memos"] [Sanitized NLJ 84-282] Rostow to President, re. Pakistan C 3 p open 12-5-95 NLT 94-403 [Duplicate of Diary Backup, "October 5, 1967," Box 78]	10/4/67	A
#79 memo	Duplicate of #77 open 10-20-00		
#80a rpt	Vietnam Political Situation Report open 2-5-95 NL J 99		A_
#81a cable	Intelligence Cable open 4/9/02 NLJ/RAC01-1 S 1 p sani 5-5-95 NLJ9V-405	10/4/67	A
#81b cable	Rostow to Bunker Sanitized 12-5-95 NLJ 94-403 C 1 p-Opt 40 b, 42 NSF CT, VN, WH Cables, Open 7/24/	10/3/67	A A
#82a cable	Amman 1692 TS 3 p open 2-5-95 NL J94-405	10/2/67	A-
#84 memo	Rostow to President open 8-30.95 NLS 94-404 TS 2 p (Dup of # 16, Files of Rostow - YN: 7-12/67)	-10/4/67	A -
#84a rpt	"Some Comments on Rolling" open 8/1/95 my 94-406 TS 4 p (Dup of #16, see above)95 my 94-406	undated	A
#86a cable	Saigon 7538- S 2p pen 7-5-95 NLJ94-405	10/3/67	A-
#87 memo	Rostow to President, re: Australia Open 6/16/60	10/3/67	A
#87a ltr	McMahon to President open 5-16-01 NLJ01-2	- 10/3/67	A

NSF, Memos to the President, Walt Rostow, Vol. 44, 10/1-9/67

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WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES) FORM OF RESTRICTION CORRESPONDENTS OR TITLE DATE DOCUMENT #89a telecon Read and Kissinger 9/30/67 7-5-95 NLJ94-405 #89b memo Johnson to Dep. Sec. of Defense 9/28/67 Open 5-26-98 NUT96-273 TS 6 p Rostow to President upen 12-5-95 NLJ 94-403 #95 memo 10/3/67 A 1 p (Dupof #24, NSF, AF, OF OF Sci+ Tech VOLT #95b memo Hornig to President 9/27/67 C 1 p (Dup of #24a, see above) open 12-5-95 #95c memo Hornig to President open 12-5-45 NLJ 94-403 9/27/67 Dup of # 246, see above) 3 p #96 memo Rostow to President 10/3/67 C 1p open 12-5-95 NLJ 94-403 #96a memo Rostow to Read 10/3/67 C 50 open 12-5-95 NLJ 94-403 Katzenbach to President 7-5-95 NL J94-465 #101a memo 10/2/67 [Duplicate of Diary Backup, "October 4, 1967," Box 78] #101b rpt Bio Sketches Open 5-16-01 NLJ 01undated C 1 p Exempt 8/1/95 Ny 94-406 [Duplicate of Diary Backup, "October 4, 1967," Box 78] Background Paper open 7-5-95 NL 094-405 #101c rpt undated -C 10 [Duplicate of Diary Backup, "October 4, 1967," Box 78] #107a ltr President to Kaunda undated PCI 20 9per 12-5-95 NET 94-403 #107b cable Lusaka 350 April 10-20-50 9/16/67 #109 memo Rostow to President 10/2/67 open 2-5-93 NJ 91-343 10 FILE LOCATION [Duplicate of #193, NSF, Country File, Iran, Vol. 2]

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	WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIE	S)	
FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#1 09a cable	Tehran 1443 S 4 p open 5-27-92 NLJ 91-341 [Duplicate of #193a, NSF, Country File, Iran, Vol. 2]	10/1/67	A
#115a cable	Intelligence Cable Santol 7/16/01 MS 01-3 S 1 p Sarotree 4/1/95 Neg 94-400 [Duplicate of #21a, NSF, Country File, Vietnam, "1G(3), 9/67-10/67, Elections," Box 65]	10/2/67	A
#115b eable	Deptel to Saigon S 2 p 4-5-95 NLJ 94-405 [Duplicate of #21b, NSF, Country File, Vietnam, "1G(3), 9/67-10/67, Elections," Box 65]	9/30/67	A
#115c cable	Saigon 7349 Saigon	10/1/67	A
#121a rpt	Bio Sketch Exercise 2/1/98 NY 94-400 C 1 p [Duplicate of #121e] 4per 10-20-00	9/66	A
#121b tpt	President's Meeting with McMahon S 1 p [Duplicate of #121d]	10/2/67	A
-#121d memo	State to Rostow State to Rostow 1-5-95 NL J94-405	undated	A
#121e rpt	Bio Sketch open 10-20-00	9/66	A -
#122 cable	-Rostow to President (CAP67853) -S 1 p spen 8-30.95 NL 3 94-404	10/1/67	A-
#123 cable	Rostow to President (CAP67854) C 1 p open 19-5-95 NLJ 94-403	10/1/67	A
ELIELOCATION			

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	WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)		
FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#5 memo	Walt Rostow to the President - 1 p TSSANHIZE 3.403 NW PAC 00.3/8	10/9/67	A
#5a report	Intelligence report - 34-03 nuleac 00-38	10/4/67	Α
# memo	Walt Rostow to the President - 1p SameSanitization 3:14.05nwod bz	10/4/67	A
#Sta memo	Walt Rostow to Chairman, AEC 1 p S Sanitized 9/19/01 NW 01-5	n.d.	A
#855 ltr	Glenn Seaborg to the President - 250 Sental 4/6101 MOOD - 250	9/15/67	A
852 #8 rpt.	Enclosure 1 to #84b - 5 pp S sanifized 9/19/01 NW 01-6	n.d.	A
#844 draft memo	Enclosure 2 to #84b - 1 p S sanifized 9/18/01 NLJ 01-5	n.d.	A

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National Security File, Memos to the President, Walt Rostow , Volume 44, October 1-9, 1967 Box 23

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Prestile

-TOP SECRET/SENSITIVE

Monday, October 9, 1967 7:25 p.m.

Mr. President:

In my judgment this is an excellent memorandum. It indicates how tough a job negotiation will be and how critical are our conditions:

- -- prompt;
- -- productive;
- -- no "taking advantage," especially at the DMZ.

W. W. Rostow

TOP SECRET/SENSITIVE

Memorandum, 9 October 1967
Subject: The Vietnam Conflict: Factors Bearing on the Issue of Negotiations.
TS #188944/67, copy #2

WWRostow:rln

DECLASSIFIED

E.O. 12356, Sec. 3.4

NIJ 94-404

By Cb , NARA, Date 1-30-95

-SEGRET/SENSITIVE

Monday, October 9, 1967 7:05 p.m.

Mr. President:

Herewith the memorandum from Dick Helms which you requested.

The specific questions you wanted answered are on pp. 6-8.

I am asking him to do a supplementary memo on what the balance of advantage and disadvantage would look like if there was no major pressure across the DMZ (see para, 18).

I believe Sec. Rusk and Sec. McNamara should be asked to comment on this paper, to you; but I will not send it to them unless and until you indicate you wish it discussed.

W. W. Rostow

-SECRET/SENSITIVE

Copy 1, 9 October 1967, No. 1391/67
Intelligence Memorandum "The Consequences of a Halt in the Bombardment of North Vietnam."

WWRostow:rln

2. Prontile

Monday, October 9, 1967 -- 6:50 p.m.

Mr. President:

Here is Bob's problem and the case for his position.

Prestile

- l. He must get the Church amendment altered to permit credit sales if he is to deal with the bigger items, notably aircraft, that are now committed for delivery to Israel at the end of the year plus the aircraft for which Gen. Weizman asked. He must also get his funds through Appropriations.
- 2. He could proceed now to release certain cash purchases of military items for Israel; but he believes that, in our interest and in the larger interest of Israel, we must move simultaneously to sell certain items to the moderate Arab states.
- 3. If the Israelis do not tell us (and the Congress) that they agree with our sales to the moderate Arabs. Bob feels that we may lose votes on reversing the Church amendment and on appropriations.
- 4. Thus far the only thing we have had from the Israelis is they will "not raise objections to sales to moderate Arabs except Jordan."
- 5. Bob believes that this is not good enough. He and many others, including the Turks, are most seriously worried about further Soviet penetration of the Middle East via arms. Therefore, he wants full Israeli cooperation in going forward when the Secretary of State judges the timing appropriate, with Israeli and moderate Arab arms, including certain sales to Jordan. He believes this is in the long-range interest of Israel as well as the U.S.

I conclude, then, that what Bob wants you to do is explain to Abe why Bob needs support for the alteration of the Church amendment, inggeneral, and support for selling arms to moderate Arabs when such appears to be in the interest of peace and stability in the area.

W. W. Rostow

(I checked the text of this with Bob.)

WWRostow:rln

4

CONFIDENTIAL

Monday, October 9, 1967 -- 6:10 p.m.

Mr. President:

Presfile

This tentative information that the Bolivians got Che Guevara will interest you. It is not yet confirmed. The Bolivian unit engaged is the one we have been training for some time and has just entered the field of action.

- "1. President Barrientos at 10:00 a.m., October 9, told a group of newsmen, but not for publication until further notice, that Che Guevara is dead.
 - No further confirmation or details as yet."

"Presencia, October 9, reports capture "Che" Guevara. Guerrillas reported lost three dead and two seriously wounded and captured, including "Che" in six hour firefight on October 8 with unit of 2nd Rangers, seven kilometers north of Higuera. Bolivian armed forces losses two dead and four wounded. General Ovando reportedly proceeding to Vallegrande today at head of investigating team for purpose of identifying guerrilla dead and captured.

"Comment: This confirms Bolivian armed forces conviction that "Che" Guevara earlier seriously wounded or ill and among captured. Among dead are believed to be two Cubans, "Antonio" and "Arturo", not otherwise identified. Also captured is said to be Bolivian "Willy" (identified as Simon Cuba). Due to nightfall, evacuation of dead and wounded guerrillas deferred until morning, October 9. Bolivian armed forces believes Rangers have surrounded guerrilla force boxed into canyon and expect to eliminate them soon."

W. W. Rostow

DECLASSIFIED E.O. 12356, Sec. 3.4 NLJ 9/- 3/

NLJ 9/-31 By 2, NARA, Date 4-24-91

WWRostow:rln

-CONFIDENTIAL

TOP SECRET -- CODEWORD

frestile

Monday, October 9, 1967 5:55 p.m.

Mr. President:	
	3.4(6)(1),(3)
	I

W. W. Restow

TOP SECRET

WWRostow:rln

SANITIZED E.O. 12958, Sec. 3.6 NLJ/RAC 00- 318 By 5 , NARA, Date 2.7.03

6

Monday - 4:30 pm October 9, 1967 2. Profile

Mr. President:

Mrs. Johnson's brother has sent you the cable at Tab A suggesting that the University of New Mexico award an honorary degree to President Diaz Ordaz.

We are working out arrangements for Texas Tech to award degrees to you, and the Mexican President. It would be unwise to have two such ceremonies.

A suggested reply is at Tab B.

W. W. Rostow

Attachments

Tab A - Cable from Tony Taylor - 10/6/67.

Tab B - Suggested Presidential reply.

wbbroog retter	-
Disapprove	Martin and an artist of the last of the la
See me	

Lois --

The Bowdler by

this is Mrs. Johnson's brother.

Can you have someone prepare reply for President's signature?

(his wife's name is Matiana -- might be nice to end by sending love to both.)

mf 10-9-67 1957 DCT 6 Fil 4 47

WAO54 DL PD

SANTA FE NMEX 6 129P MDT

THE PRESIDENT

THE WHITE HOUSE

FORMER PRESIDENT MEXICO MIGUEL ALEMAN RECEIVES HONORARY DEGREE
FROM STATE COLLEGE LAS CRUCES NEW MEXICO IT HAS BEEN SUGGESTED
AS FITTING THAT THE UNIVERSITY OF NEW MEXICO ALBUQUERQUE HONOR
PRESIDENT DIAZ ORDAZ IN SIMILAR FASHION STOP HAVE TALKED PRIVATELY
WITH PRESIDENT POPEJOY OF UNIVERSITY WHO EXPRESSED FAVORABLE
INTEREST SUBJECT YOUR APPROVAL

1967 POT 6 PN 4 48

TONY TAYLOR.

The state of the s

October 9, 1967

Dear Tony:

I have your telegram of October 6 Suggesting that the University of New Mexico award an honorary degree to President Dias Orden when he visits Washington Mer this month.

We have been working on the program for the visit for several weeks. It is now so full that I do not see how we can include another event. Your idea is a good one. I am sorry I did not get it earlier. Please express my regrets to President Popejoy.

Lady Bird joins me in sending our leve to you and Matiena.

Sincerely.

Mr. Tony Taylor 221 Sens Street Santz Fe, New Mexico

LBJ/WGBowdler:mm

modefiet a 10/10/c

per Pris ng-

-SEGRET

Monday, October 9, 1967 -- 2:25 p.m.

free file

Mr. President:

You will wish to read this account of a dialogue between Wilfred Burchett, the Australian Communist newspaperman, and Wendell S. Merick of <u>U.S. News and World Report</u>. I have the feeling that Burchett, in fact, has quite a lot of insight into Hanoi's mind at the present with respect to negotiations. Most important points are:

- 1. The distinction between "talks" and "negotiations." They appear willing to commit themselves to the former, but, according to Burchett, negotiations would have to follow when they had decided there was a basis for a settlement.
- 2. Clearly Hanoi, according to Burchett, draws a sharp line between the issues that it has to settle with us and those which have to be settled by the South Vietnamese. Hanoi's thoughts about this are not very different from ours except on the question of a coalition government.
- 3. Hanoi has the idea of a trade off in which North Vietnamese troops would be withdrawn from the south as we withdraw troops from Vietnam. They would for the first time, according to Burchett, acknowledge the presence of their troops in the souths (This would be very hard for them to do without a ceasefire because the VC are likely to disintegrate pretty fast if the North Vietnamese troops are heading north. But he doesn't mention a ceasefire.)

In any case, since we have very little on what is going on in the heads of the men in Hanoi at this stage, this is worth reading without reguzding it as the last word.

W. W. Rostow

DECLASSIFIED E.O. 12356, Sec. 3.4 NEJ 94-27 By NARA, Date 4-26-95

WWRostow:rln

Monday, October 9, 1967 -- 2:00 PM

Mr. President:

Pakistani President Ayub wrote you expressing sympathy for victims of Hurricane Beulah.

Attached is a proposed message of reply which also mentions your recent talk with Foreign Minister Pirzada.

W. W. Rostow

Approve _____

Disapprove ____

Speak to me ____

RM/vmr

Pros tile

PROPOSED MESSAGE TO PRESIDENT AYUB (PAKISTAN)

Dear Mr. President:

The sympathy of thoughtful friends is a special comfort at a time of misfortune. Your message of condolence for the families stricken by Hurricane Beulah was deeply appreciated.

I have just had a good talk with Foreign Minister Pirzada. His visit, like your message of sympathy, reminded me again how much we prize the friendship of the people of Pakistan.

Sincerely,

Monday, October 9, 1967 -- 2:00 PM

2 Pruplu

Mr. President:

Attached is a proposed farewell message to President Diori of Niger.

Diori leaves from New York Wednesday,

October 11.

W. W. Rostow

Approve
Disapprove
Speak to me

RM/vmr

PROPOSED FAREWELL MESSAGE TO PRESIDENT DIORI OF NIGER

Dear Mr. President:

I hope Lyour first visit to the United States has been as memorable for you as it has been for us.

I enjoyed our personal meeting and our good talk.

Your visit served to reaffirm that Niger and the United States

pursue the same goals of dignity, well-being and peace for all mankind.

Mr. President, you have greatly honored us by your visit here.

Mrs. Johnson and I bid you and Madame Diori a fond farewell and wish you both a very pleasant journey.

With warm personal regards.

Sinc erely,

11

-TOP SECRET/PENNSYLVANIA

Monday, October 9, 1967 1:55 p.m.

fres file

Mr. President:

Our intermediaries M and A are like a couple of Mexican jumping beans. I wish they would sit still for a bit.

W. W. Rostow

TOP SECRET

DECLASSIFIED

E.O. 12356, Sec. 3.4

NIJ. 94-403

By UG., NARA, Date 10-24-95

WWRostow:rln

Kissinger/Read Telecons, October 9, 1967 noon

On his own initiative M called on Bo for an hour early on the afternoon of October 9, 1967. M told Bo that K had made three principal points in his phone discussions with M and A following the latter's October 8 meeting with Bo:

- (1) The message given to Bo from K on October 8 had been prepared with great care. It represented an important and detailed suggestion about bringing about discussions to resolve US/DRV differences following a cessation of bombing.
- (2) As K's Washington colleagues continued to note, there had been a virtual absence of considered responses from Hanoi to US proposals in this channel to date.
- (3) K is holding open the possibility of coming to Paris next weekend (as Λ and M had urged him to do) but K's decision on making the trip will be influenced by what we get back through this channel during this week.

Bo professed surprise that K or M and A saw anything new in the October 8 message, and M pointed out to Bo that for the first time in the October 8 message the US was offering to provide a specific date for the cessation of bombing.

M pressed Bo for an answer to the inquiry Bo had informed M and A earlier he was sending to Hanoi regarding confirmation of the July conversations with Pham Van Dong regarding the delay between a stopping of the bombing and talks. Bo replied with a French idiom which translates as follows: "Who does not say 'no', agrees".

Bo mentioned unidentified French reports charging new US air attacks on Hanoi and other reports about the concern on the part of the diplomatic community in Hanoi of possible strikes against dikes.

Bo took careful notes of the points made by M and said that if K came to Paris next weekend he (Bo) would be available all day Saturday and Sunday to see M and A.

DECLASSIFIED E.O. 12356, Sec. 3.4 NEJ .94-4.5

TOP SECRET/NODIS/PENNSYLVANIA

Comment:

Kissinger recommends that we sit tight at least until the middle of this week to see what, if anything, we receive back through this channel. K thinks it would appear over-eager on our part to send K over this weekend purely for the purpose of attempting to clarify the October 8 message to Bo as M and A had suggested. K thinks the new aspects of the message must be entirely evident to the North Vietnamese.

Although it would be personally inconvenient, K would be willing to fly over on Friday morning and stay until Sunday afternoon to attempt to reach an agreed position with M and A about what would need to be done and said if the DRV decided to end the channel. This contingency was specifically raised by M today as one of the reasons that he and A have urged K to come over. Aubra will be returning from Rome to Paris for the weekend on Friday. K thinks there may be utility in making the trip suggested mainly for the purpose of reaching an agreed position with the Frenchmen. If we want him to go to Paris Friday, K hopes we can let him know by Wednesday, since he plans to be in Minneapolis on Thursday and would have to leave from there for Europe on Friday morning via New York.

12

SEGRET

Monday, October 9, 1967, 1:45 P.M.

MEMORANDUM TO THE PRESIDENT

Prosfile

SUBJECT: Herter Record of Eisenhower-Kennedy Discussion of Laos on January 19, 1961

Secretary Rusk has been sent a copy of the attached Secret Record of the January 19, 1961, Eisenhower-Kennedy discussion of Laos and Southeast Asia. It was weitten by Christian Herter, then Secretary of State, on the day of the meeting.

On page 3 of the Record there is an important additional point which was not in the Clark Clifford memorandum which you have seen.

Secretary Rusk plans to use this record as well as the Clifford memorandum when he briefs the Cabinet tomorrow at dinner.

The Herter paper is a privileged document which we obtained from the Eisenhower Library in Abilene with the permission of Herter, Jr., for use within the Government.

W. W. Rostow

Attachment

Γ

E.O. 12375, Sec. 3.4(b)

White Type Callanes, Feb. 24, 1983

By Agalus, Island, Date 10-11-91

SECRET

January 19, 1961

SECRET

MEMORANDUM FOR THE RECORD

Senator Kennedy asked the President if the problem of Laos could be developed and the President asked me if I would outline the situation. I began by pointing out that there were two separate problems in Laos which were quite closely interlocked: the first was the military situation; the second was the political situation and the possibilities of achieving a political settlement of the problems besetting that country.

With respect to the military situation, I merely stated that it was one of very real uncertainty as of now, with the factor disturbing us most being the unwillingness of the armed forces of the recognized Government to fight despite the logistical support which we had been able to give them in the supplying of materiel of war. I also said that a political settlement might well be affected in large measure by the military situation as of any given time.

On the political front, I pointed out that a number of different suggestions had been made by various governments. Then outlined the provisions of the Geneva Accord which had three objectives in mind, the first being the cessation of fighting, the second the integration of Pathet Lao elements in the Governs ent and Pathet Lao troops into the regular military forces, and, third, the cessation of outside interference in the internal affairs of Laos. I pointed out' that in 1957 all parties, including the Pathet Lao, in Laos had agreed that the International Control Commission, which had been set up by the Geneva Accord in order to achieve these objectives, had successfully completed its mission, after which it had adjourned sine die and left the country. I also explained the terms of the SEATO Alliance in which the signatories had taken the solemn obligation to come to the aid of the Covernment of Laos in the event that it requested assistance as a result of aggression from the outside

I then

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rity State Lts 2/28/78

Inny NARA, Date 10/4/9

I then pointed out that in December the Indian Government had requested the two co-chairmen set up under the Geneva Accord, namely, the Foreign Minister of Great Britain, and the Foreign Minister of Soviet Russia, to give consideration to the reactivation of the ICC through a formal request to the three nations represented on that Commission, namely, the Indian chairman, the Pole and the Canadian. No formal reply had yet been sent to the Indians by the co-chairmen since the latter had not yet discussed what foint action they might take. I pointed out that in the last few days we have had a number of discussions with the British and Canadian Ambassadors here over the type of draft reply to the Indians which the British wished to submit to Gromyko for possible joint action. The sticking point in our opinion with respect to our approval of the drafts submitted by the British was that the British refused to refer to the existing Government of Laos, which we consider the legal government, because they were convinced that any such reference would lead to the rejection of any joint effort because the Soviets recognize only the Souvanna Phouma Government, which is non-existent except for himself living in Cambodia. I said, however, that we had come to a tentative agreement which might lead the British to go ahead anyway, and that we reserved our rights depending on further developments with respect to supporting this action with the Government of Laos in the event of agreement between Gromyko and Lord Home.

At this point, I laid particular stress on the fact that I felt it would be futile to send the ICC back into Laos unless its terms of reference were clear and unless it presented itself in the first instance to what is clearly the Constitutional Government of Laos. I then explained that this matter was still in a fluid state, although the Soviets had indicated quite clearly that they wished to have a meeting of all the nations who were signatories to the Geneva Accord in order to work out new terms of reference for the ICC, but that there had notabeen any great enthusiasm shown by any nation for such a move.

Another alternative

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Another alternative, from the point of view of an international settlement, was that offered by Prince Sihanouk of Cambodia, who wished to call a conference in Cambodia of all the signatories to the Geneva Accord, plus the neutral nations of Southeast Asia and the United States. To Prince Sihanouk's message with respect to this subject, we had replied saying that we were giving his suggestion serious consideration in conjunction with other suggested moves, and without encouraging any other steps in this direction, did not close the door completely on such a conference.

Senator Kennedy then asked line a direct question: "What did the outgoing Administration recommend should be the next step that should be taken?" As this question was addressed to me, I pointed out that if a political settlement were possible without setting up a new Government in Laos which would include the Communists, I felt this was undoubtedly the most desirable solution. On the other hand, I indicated that the historic experience of the last fifteen years indicated clearly that governments which included Communist representatives had never succeeded and had always led either to the elimination of the Communists or to complete take-over ; by the Communists. I indicated that I thought the chances of working out a political solution depended in large measure on the status of the military situation. I then pointed out that the legal government of Laos had the right at any time to formally request the assistance of SEATO should external aggression in Laos be established. In our view, the Soviet airlift constituted such aggression, even though the Soviets denied its existence In the event of such a request by Laos being made to SEATO, there was a solemn obligation of the signatories to go to the assistance of Laos and I felt that we had no choice but to honor that obligation even though we knew that the British and French hoped such a request would never be made and that, certainly in the case of the French, there was doubt whether they would feel they had to honor that obligation. I explained the anxiety already expressed to us by the Thais, Philippines and Pakistanis as to whether or not this alliance, on which they counted so heavily for their own self-defense against Communist aggression, was in fact only a paper tiger or was one in which the big nations would honor their pledge of assistance. I then added that I could see no

alternative

- 4 -

alternative for us but to honor our obligation, to which the President added that he was confident the Thais, Pakistanis and Philippines would take the same position; but that he had doubts with regard to the other SEATO members.

Eenator Kennedy then inquired with regard to the military situation and Secretary Gates gave an outline of what the most recent deployment of ships and airlift consisted of and, in answer to a specific question from the Senator, gave the length of time which it would take to deploy in Laos itself the equivalent of 12,000 men and 12,000 tons of equipment.

Christian A. Herter

S:CAHer, r:ms

SECRET

CONFIDENTIAL

Monday, October 9, 1967 -- 1:40 p.m.

Mr. President:

Posfile

Cabot Lodge called to report the following.

- 1. He is seeing Gen. Eisenhower who is "enthusiastic" about the Douglas committee. Cabot believes that Gen. Eisenhower's strong backing for this "middle position" will not only give your position strength but make it more difficult for certain Republican Senators to get off the reservation.
- 2. Cabot has been working hard on Conant. Conant has raised certain questions about our policy to which Cabot has developed answers with the help of Gen. DePuy in the Pentagon. Conant now says he will join the committee. Moreover, he is going to talk with Jack McCloy who has proved something of a problem along with Mac Bundy. Conant is going to take the line with McCloy that:
- -- The President's position is an intermediate and moderate position between unwise extreme actions in Vietnam;
- -- The President is the best informed man in the country on how to implement that position and he, Conant, is willing to go with him and urges McCloy to do likewise.
- 3. Lodge says he hopes the committee will not get into technical military or diplomatic details but concentrate on getting our people informed on the following kinds of things:

Why are we there?

The history of the Vietnamese people and the problems which history has given them to overcome?

What has already been accomplished in Vietnam towards our objectives?

What tasks remain to be done?

DECLASSIFIED

By Lylup, NARA, Date 10-24-91
WWROstow:rln

W. W. Rostow

-CONFIDENTIAL

cc: John Roche Ernest Goldstein CONFIDENTIAL

Monday, October 9, 1967 -- 12:15 p.m.

Mr. President:

Prestile

Subject to your approval there will be two items on the agenda for Wednesday lunch, aside from the usual issues that would normally arise.

- 1. Sec. McNamara would like to bring along the General in charge of the barrier, General Starbird, to brief us while we are eating. He would then withdraw as we took up other items. The General is just back from Vietnam and has an interesting and important story to report on the changing attitudes of the Marine Commander and Westmoreland toward the barrier.
- 2. The Radio Free Europe and Radio Liberation issue on which the two Secretaries will be prepared to present their views. You have already had an account of the matter; but I will send up the papers again on Tuesday night.

W. W. Rostow

DECLASSITED

Authority 716 94-281

By 15/4p, NARA, Date 10-2441

WWRostow:rln

CONFIDENTIAL

Monday, October 9, 1967 -- 11:00

Mr. President:

Attached is Ben Oehlert's thank you note to you for seeing Pakistani Foreign Minister Pirzada.

W. W. Rostow

EKH/vmr

15. Pres file



Department of State



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PAGE 0: RAWALP 01189 090334Z

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LIMITED OFFICIAL USE RAWALPINDI 1189

PLEASE PASS ED HAMILTON, WHITE HOUSE, FROM AMBASSADOR

THE PRESIDENT'S WILLINGNESS TO RECEIVE FOREIGN MINISTER PIRZADA WAS MOST GRACIOUS AND WILL BE OF GREAT HELP TO THE MISSION HERE. PLEASE TELL THE PRESIDENT HOW MUCH I APPRECIATE IT.

DEMLERT

LIMITED OFFICIAL USE

TOP SECRETSENSITIVE PENNSYLVANIA

Monday, October 9, 1967 8:55 a.m.

Pres file

Mr. President:

Herewith an account of the interview in which our message was delivered in Paris, plus an account of a preinterview set of conversations on an issue raised by M and A.

W. W. Rostow

TOP SECRET

DECLASSIFED E.O. 12305, Cac. 3.4(b) White Hors, Guildins, Feb. 24, 1983 By 19, NARA, Date 10-11-91

Kissinger/Read Telecon, October 8, 1967 (9:30 a.m.)

October 8, 1967 M and A called on Bo at 9:00 a.m. Paris time and spent $1\frac{1}{2}$ hours with him. As in the past Bo was cordial to his visitors throughout the meeting.

M and A handed the written portion of the message from Kissinger to Bo, which Bo read closely, M and A then read to Bo Kissinger's four "oral points", and Bo wrote them down carefully in his own notes. (Mand A did not leave with Bo the "oral" part of the message.)

Bo told M to tell Kissinger how much Bo appreciated K's personal efforts. Bo then dictated to M pand A the following short message of acknowledgement to K:

"M and A have passed the note from K to B. In case B will have a reply to make, he will make it through this channel."

M suggested that Bo add a sentence saying that Bo was studying the message but Bo refused.

Bo then said on first reading of the written note from K, it seemed to him that all that appeared after the opening phrase stating US willingness to stop the bombing without conditions did in fact constitute conditions. In particular B characterized as "conditions" the words "prompt", "productive" and "in accordance with the proposal of August 25"

M and A said that the latter phrase really meant that neither side should take advantage of a standown of bombing while US/DRV discussions were in process, as stated in the August 25 proposal and the President's San Antonio speech. In this regard M andA mentioned specifically that serious host tilities in the DMZ would make productive talks impossible. (M and A noted that Bo made no rejoinder to the point about the DMZ in the oral message from K or when they referred to the DMZ at this place in the conversation.)

TOP SECRET

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Authority State Sta 7-17-78
(Herry, pp.741-164)
By 19/4p, NARA, Date 10-11-1

M asked what Bo's response would be if the words "prompt" and "productive" were taken out. Bo replied that/he would have to refer back to his government before answering.

Bo read the third oral point in K's message as referring back to the portion of the August 25 message which referred to the possibility of partial limitations of actions against the DRV because of the difficulty of keeping discussions secret after bombing stopped altogether. Bo said this was "clearly unacceptable".

Bo also referred to the "usual American double game"---that on September 29 or 30, US planes hit a school in Haiphong, killing 30 children.

M and A underscored to B the new features in the Kissinger message.

Sunday, October 8, 1967

Memorandum of Telephone Conversation

Henry Kissinger telephoned me at home on Saturday evening, October 7, 1967, at about 6:40 p.m. He said he had tried but failed to get Ben Read, and he did not wish to call Sec. Rusk. Therefore, he called me.

Kissinger reported that M and A had called from Paris. They expressed the judgment that our message was weakened by the insertion of the phrase "in accordance with our proposal of August 25th." M and A said that Hanoi might find the message "unacceptable" because it had already "rejected" our proposal of August 25th.

I explained to Kissinger why that phrase had been inserted and its essentiality. Kissinger then said it might be easier if M and A could explain that the phrase was meant to cover the "assumption" in the August 25th proposal and especially in the San Antonio speech. I said that I would consult Sec. Rusk.

Sec. Rusk said that he saw no harm in their linking the "in accordance" phrase with the San Antonio speech but that M and A should understand that intermediaries should not do the negotiating for the principals.

I conveyed those two points to Kissinger who said he would so inform M and A.

W. Rostow

Authority 712 9 89-110

By reliap, NARA, Date 10-23-91

TOP SECRET/PENNSYLVANIA



THE WHITE HOUSE WASHINGTON Monday, October 9, 1967

Printer

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Your meeting with Chairman Ankrah (Ank-ra) of Ghana Tuesday, October 10 -- 12:15 PM

Schedule

12:15 Informal arrival at diplomatic entrance (no remarks)

12:20 - Alone, with advisers standing by in Cabinet Room 1:00

1:00 White House Lunch

Papers

At Tab A is Under Secretary Katzenbach's memo.

At Tab B are State's Talking Points.

At Tab C is biographic information.

Setting

This is primarily a courtesy call after Ankrah's visit to Expo. He is fiercely pro-American and wants to have a close personal relation with you. His National Liberation Council has made real progress cleaning up the mess left by Nkrumah. They have introduced an (unpopular) austerity program to try to make the country solvent. They have turned Ghana away from a mischievous and blustering foreign policy, and become good neighbors toward the rest of Africa as well as the West. Ghana is now a voice for reason and moderation in the UN and the Organization of African Unity. (Ankrah is a prominent and respected member of the OAU mediation team on Nigeria.) The General's only problem with our policy on Vietnam is that it is too soft to suit him -- he may well ask you why we are not using nuclear weapons.

Most important, Ankrah and his colleagues haven't behaved like the usual military dictatorship. They've restored some political rights; they've convened a citizen's committee to draft a new constitution, looking toward free elections and a civilian regime. Ankrah doubtless aspires to be the first

DECLASSIFIED

Authority FRUS 64-68, wl. 24 #271

By JW. NARA. Date 9-15-10



president of a successor government -- and meeting you will surely boost his prestige. It is not at all clear whether he will emerge as the long-term political leader in this new Ghana. Others on the Council have looked stronger in recent months. But he is pretty firmly in the saddle now and a reasonable bet to survive.

Substance

- 1. Economic Assistance Ankrah will be telling you the job of reconstruction is only started, and that he needs more economic assistance in the years ahead. He says he will not present you with a shopping list. But he will give you some indication of what he will need. This year a group of donors (led by IMF) underwrote Ghana's foreign exchange with nearly \$100 million. Our share was one-third. The World Bank estimates that Ghana will need \$100 \$125 million in aid each year for at least the next five years if Nkrumah's damage is to be undone. You might say:
 - -- We are pleased by Ankrah's belt-tightening economic policy. We are certainly aware of the political costs and risks of such policies.
 - -- We'll try to hold up our end of the aid effort, though the current atmosphere on the Hill makes it impossible to make any guarantees. We'll also keep after the other donors.
 - -- We've just released the second half of our \$20 million program loan (authorized by the President in May). This accurately reflects our confidence in Ankrah and in Ghana.
- 2. Military Aid Ankrah might say he needs military aid: (i) to insure against an Nkrumah comeback; (ii) to defend against the "threat" of Soviet MIGs now in Guinea, Mali and Nigeria; and (iii) to raise the low morals of his army.

You might say that we understand Ankrah's security concerns. But the whole range of arms aid is now a terribly tough business on the Hill. We're not even sure we'll have any authority to make credit sales.

- 3. Cocoa Ghana is the largest cocoa producer in the world. We are the largest consumer. We've been working for several years to get a cocoa agreement which will stabilize Ghana's foreign exchange earnings and head off the tendency to grow more cocoa than the world market will support. We had word last week that terms have finally been worked out in Geneva so that an agreement can be submitted for final negotiation next month. You might say:
 - -- We're delighted that the groundwork has at long last been laid for the agreement.

- en com
 - -- There will probably be some opposition from our domestic industry but we'll do our best to get a reasonable agreement ratified.
 - -- We very much appreciate the constructive role Ankrah and Ghana have played in working out the agreement.
- 4. Intelligence gift from Ghana Ankrah might mention his personal gift to you of a Soviet ZU-23 anti-aircraft weapon, a sizeable sample of Soviet ammunition, and other intelligence finds. These have been extremely valuable to us, particularly in Vietnam. Even if he doesn't mention it, you'll want to thank him for this extraordinary gift.
- 5. Nigeria Ankrah is one of six African heads of State on the OAU Consultative Mission to mediate the Nigerian conflict. It doesn't look as if the Mission will get to Nigeria before the last of this month. By then the fighting may well be over, with nothing left to mediate. You might say (if asked):
 - -- We were delighted the OAU took this initiative. We are hopeful the conflict will be settled soon with no more bloodshed.
 - -- It was entirely appropriate that Ankrah was chosen for a prominent role in the OAU effort, since he has been a major force for peace throughout the unhappy history of this conflict.
 - -- In whatever job is left for the Mission, we certainly want it to succeed.

 We hope it can get on with its work -- the sooner, the better.

W. W. Rostow

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DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 94-405

By NARA, Date 3-29.55

DEPARTMENT OF STATE
WASHINGTON

October 9, 1967

SECREI

MEMORANDUM FOR THE PRESIDENT

Subject: Your Meeting with General Ankrah, October 10, 12:15 p.m.

The General

Ankrah is here for a short visit on his way home from EXPO '67. He is a bluff, shrewd career soldier. He took no part in the coup which toppled Nkrumah, but was invited to become chairman of the ruling National Liberation Council out of deference to his former position as the most senior anti-Nkrumah officer in the armed forces. He was removed from his military positions in 1965 because of rumors connecting him with an earlier plot against the Nkrumah regime.

The New Ghana

The militant, meddling Ghana of Nkrumah's day has turned over a new leaf. Plans for a socialist economy have been abandoned and private investment is being sought. Once close ties with Communist countries are wholly severed or greatly weakened, and subversion against other African states has ended. Previous hostility toward the US and the West has been supplanted by sympathy and good will.

Ghana's pressing worries are economic (the country will need much more external assistance than is now in sight to pay for essential imports), with security problems running a close second. Nkrumah's efforts at a comeback keep Ghana's leaders on edge. The inflated army, which has little to do, is an even more serious threat to stability.

SECRET

The Council has promised a return to civilian rulepossibly in two years--and has taken some important steps in this direction. But no civilian has yet appeared who could lead the country.

What Ankrah Wants

Ankrah believes that the banishment of Nkrumah removed a thorn from the side of the US and the West. In return, he and his colleagues hope for material assistance, protection and sympathy from the West. Britain has provided little in any of these departments, so Ghana has turned to the US as its chief hope.

Ghanaians appreciate the sizeable economic oid we provide, but argue that additional assistance would make their country more quickly self-supporting. Also, despite our discouragement, they continue to see US military assistance.

What We Want

We value Ghana's constructive influence in Africa, and want to let him know it. We also want to commend him for Ghana's energetic attack on its economic problems, and the steps toward an eventual return to civilian rule. At the same time, we want him to understand that there are limits to what we can do for Ghana.

Talking Points for your meeting with Ankrah are at Tab ${\cal B}$.

M.S. L. L. Kolf Under Secretary

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TALKING POINTS

Points You May Want to Raise

E.O. 12356, Sec. 3.4 NLJ 94-405

DECLASSIFIED

y Lip , NARA, Date 3.29-95

Presidential Opening

- -- We are much encouraged by the disappearance of earlier misunderstandings between Ghana and the US.
- -- We admire the way the National Liberation Council has tackled the economic problems inherited from the previous regime. Progress so far has been encouraging.
- -- Ghana's offer to mediate in the Nigerian conflict, and its valuable military help to the Mobutu regime in the Congo, were extremely valuable contributions to the maintenance of stability in Africa.

Soviet Military Equipment From Ghana

(Ankrah gave you a Russian ZU-23 anti-aircraft weapon.)

-- I am grateful for this gift, and the other Russian equipment made available to us. The guns, in particular, will help us in our studies of how best to counter these weapons in Viet-Nam.

Viet-Nam

(Ankrah is a solid supporter of our position and has sometimes wondered why we have not made an all-out military effort to end the war quickly.)

Points Ankrah May Raise

More Aid

Ankrah will probably say that Ghana must revive its stagnant economy quickly to head off popular disillusionment, but resources are inadequate. Ghana needs more foreign aid.

SECRET

You May Want to Say:

- -- We have just approved disbursement of the second \$10 million portion of our \$20 million program loan. This is a vote of confidence in the way Ghana has managed its economic affairs.
- -- We are having serious problems with the Congress on the AID budget, but we will do our best to maintain our present level of assistance to Ghana in spite of these pressures.

Military Assistance

Ankrah may raise with you requests he made earlier for "disaster relief equipment", a radar network and certain types of aircraft armament.

You May Want to Say:

- -- There is great hostility in the Congress to military aid. Under these circumstances, it will be better for all concerned if we confine our assistance program in Ghana to the economic field.
- -- We will continue to train Ghanaian officers in the US, but we hope Ghana will look to the UK and Canada for the bulk of its military needs.

Assistance to Ghana's School of Medicine
Ankrah may ask for lecturers, fellowships in the US
for Ghanaians, medical equipment, books, and money
for new buildings for the medical school of the University of Ghana.

You May Want to Say:

-- As I told you, our AID budget is in trouble in Congress, but I will ask my people to study the proposal carefully. (We may be able to find some private US sources to help out.)

SECRET





GHANA

1966

ANKRAH, LT. GEN. JOSEPH A. CHAIRMAN,

NATIONAL LIBERATION COUNCIL.

SONFIDENTIAL

Authority RAC-NAJ DDI-090-2-2-By is NARA, Date 8-13-02

DECLASSIFIED E.O. 12958, Sec. 3.5 NSC Memo, 1/30/95, State Dept. Guidelines By NARA, Date 9-25-00 Mr. Rostow !! Prespile

SECRET

Monday, October 9, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Your Talk with Abe Feinberg--7:30 p.m. Today

First, he probably wants to discuss our Mid-East aid freeze. After getting a rocket from Eshkol last week. Harman did the rounds, including getting Senator Symington steamed up. As a result, Secretary McNamara took another look at the problem and is considering a formula for moving ahead that he will probably wish to discuss at our Wednesday lunch.

The Israelis have two concerns: (a) Our freeze is beginning to hurt their production lines. (b) More important, they are deeply suspicious -despite our contrary assurances -- that our freezing past aid means we're going to use it as leverage to force them to terms with the Arabs. They well remember 1956-57 when we froze their assets here and then forced them back to the armistice lines.

As I understand our discussions, Secretary McNamara's sole reason for wanting to continue the freeze has been to avoid upsetting his ticklish negotiations on military credit sales in Congress. Anything you can say to reassure Abe and quiet Jerusalem's suspicions will take the heat off you.

You may want to warn him that we want to go ahead with a few things for moderate Arabs (except Jordan) when we release military shipments for Israel. You believe this is in our national interest -- as well as Israel's -and hope Israel's friends will agree that this makes sense.

Second, Abe may want to support General Weizman's request for 77 new jet aircraft. Harman told me he hopes you can give Eban an answer on 24 October. Our staffs are working full time on this, but big questions are involved -- such as Israel's nuclear intentions -- and we may not want to answer so quickly. While you'll want to sound sympathetic, I don't think you'll want to hem yourself in by promising not to bargain with these planes or raising hopes for an answer on the 24th.

Third, he may want to encourage you to stick to your June 19th principles throughout the UN negotiating season. We know (he probably doesn't) that Hussein, Nasser and the Soviets will soon be trying out on us a revised version of the US-Soviet draft resolutions worked out in July. Since we will be renegotiating language which the Israelis didn't like to begin with, you may want to pre-empt by assuring him we won't do anything we don't honestly believe serves the interest of achieving a permanent peace.

W. W. Rostow

Mer. file Monday, October 9, 1967 MEMORANDUM FOR THE PRESIDENT At Tab A is Joe Fowler's report to you on the Bank and Fund meeting in Rio. His memo is for information. The most important result was the adoption of the Special Drawing Rights Resolution, approving the supplemental reserve plan we negotiated in London with the Group of Ten. The plan was well received by the other members of the IMF and the resolution unanimously adopted. The IMF Executive Board is to put the plan into legal form by no later than March 31, 1968, so as to have it ready for legislative action by all members. Fowler hopes to have legislation ready for the Congress in early Spring of next year. The EEC push for a bigger say in the regular operations of the Fund came to the surface during discussions. The French want to make this a condition for their ratification of the reserve plan. The Germans tend to go along but we don't know how far. We will have to negotiate this out between now and the end of March '68 as part of the study on modifying IMF rules. The French also say the new plan should not go into effect until the U.S. balance of payments deficit is virtually eliminated. The Germans and other EEC countries are not following the French on this one. They will settle for less. This issue, if it proves to be one, is much further down the road. George Woods did some pushing on IDA replenishment. We supported him. Woods said that the balance of payments safeguards in our proposal would give the Bank no trouble, but there are still a number of donor countries who strongly object. He called for special meetings to get agreement among donor countries. A group at the assistant secretary level will probably meet next week at the Hague. W. W. Rostow ERF:mst

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THE SECRETARY OF THE TREASURY WASHINGTON

OCT 6 1967

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MEMORANDUM FOR THE PRESIDENT

Subject: Report on the 22nd Annual International Monetary Fund and the International Bank for Reconstruction & Development Meeting in Rio de Janeiro, Brazil

The key decision taken at the Rio meeting was the adoption of the resolution approving the outline plan for a new international monetary asset -- Special Drawing Rights in the Fund -- as originally agreed to in London by the Group of Ten. The fundamental importance of this new undertaking was recognized both by industrial and developing countries, and the resolution was approved without dissent. The action taken by the Governors at Rio initiates the next stage -- the preparation of the formal legal text by the IMF Board of Executive Directors for final legislative action by all member countries. The resolution directs the Executive Directors to proceed with their work on the basis of the outline "in order to meet the need, if and when it arises, for a supplement to existing reserve assets," and to submit their report to the Board of Governors as soon as possible but not later than March 31, 1968.

The resolution approved in Rio also provided for a parallel report by the Executive Directors on proposals for modification of the present IMF rules. This is an area where the clearest issue will shape up. While we go along with the parallel study of the present operations of the Fund, the study or the approval of the study's recommendations, if any, cannot be a pre-condition to action on the Special Drawing Rights facility. My statement on this point is shown in the attached copy of my IMF speech. We will study new IMF reform proposals on their merits and I will consult with the Dillon Committee and members of Congress in the formulation of the U. S. position. We may have suggestions of our own. The fact

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that this parallel study is not a pre-condition to action on the SDR was clearly agreed to in London by the EEC countries. The Finance Minister of France took a different position, namely that "The parallel execution of these two reforms is, I would recall, one of the conditions of the agreement of the French Government." Only time and future negotiations will reveal to what extent France or any of the other Common Market countries will hold to this position.

One of the important pieces of unfinished business at the Rio meeting on the World Bank side was IDA replenishment. George Woods and I made clear that there has not yet been a satisfactory response to the offer which you approved last March -- to join with other developing countries in a very substantial increase in IDA under suitable balance-of-payments safequards. There were a number of attempts, some inadvertent and some conscious, to imply that our balance-of-payments safeguards would subject IDA to tied procurement at the expense of the principle of international competitive bidding in the World I laid that to rest in my own statement and Mr. Woods did the same in his. In his concluding statement, Mr. Woods surfaced, for the first time officially, the size of the U. S. replenishment proposal. He also made it clear that the U. S. proposal was completely consistent with the operations of the Bank, including international competitive bidding. is an underscored copy of Mr. Woods' concluding remarks.) an effort to reach agreement on the replenishment he also called for a ministerial meeting of donor countries in the near future.

In addition to our primary mission in Rio which took place in the plenary sessions, I had the senior members of the delegation lead in bilateral meetings with over 40 countries. About half of these were requests to go over matters of mutual concern between our two countries and about half were designed for political good will, including meetings with almost all the Latin American countries in regional grouping and individually in cases such as Brazil, Argentina, and Mexico. In most of these sessions the Congressional members of our delegation were invited to participate, acting in an observer role generally, and participating helpfully on a number of occasions. These bilaterals provided the Congressional delegation with very useful background on the Special Drawing Rights plan, which will be submitted for Congressional action in the next session. It also afforded them an opportunity to see first hand a widerange of our international financial problems -- ranging from balance of payments cooperation and international financial policy, to multilateral and bilateral assistance problems.

Under Secretary Rostow, in addition to his work on the delegation, handled the launching of the Convention for the Settlement of Investment Disputes -- the World Bank facility to promote arbitration and conciliation by private investors in their disputes with governments. He also participated actively in a series of bilaterals, especially with the Middle Eastern countries.

One potential disruptive feature at the plenary was the introduction by the French speaking African countries of a resolution dealing with the establishment of a mechanism for dealing with commodity price fluctuations. The proposal was handled by generalizing it and referring it to study by the IMF and the World Bank.

All in all the meeting was extremely gratifying, particularly the unanimous reception given by the non-Group of Ten to the Outline Plan for Special Drawing Rights. It was well understood and welcomed with enthusiasm by them. Only some of the less sophisticated expressed the hope that the SDR would be more generously allocated to the developing countries as an economic aid device. This was not a substantive issue, however, and even they wholeheartedly supported the proposal.

Henry H. Fowler

Attachments
Secretary Fowler's speech,
Rio de Janeiro, 9/26/67
Mr. Woods' concluding
remarks, Rio de Janeiro,
9/29/67
List of Bilaterals held in Rio
Remarks for Secretary Fowler,
Opening Press Conference,
9/29/67

TREASURY DEPARTMENT Washington

FOR IMMEDIATE RELEASE

REMARKS OF THE HONORABLE HENRY H. FOWLER SECRETARY OF THE TREASURY OF THE UNITED STATES AND

UNITED STATES GOVERNOR OF THE INTERNATIONAL MONETARY FUND BEFORE THE

ANNUAL MEETING OF THE INTERNATIONAL MONETARY FUND, RIO DE JANEIRO, BRAZIL, TUESDAY, SEPTEMBER 26, 1967

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I take special pleasure in participating in this Annual Meeting in Rio de Janeiro. I am very grateful to the Government and the people of Brazil for their gracious hospitality on this occasion. The beauty of this city, the breathtaking potential of this huge vibrant country, form a backdrop to the conference that can inspire us all.

The personal experience of viewing at first-hand the problems and potentialities of economic growth in Brazil and in her neighboring nations will, I trust, stimulate us all to assist in further efforts to reinforce international collaboration to support economic development.

I am very glad to see among us once again Governors for Indonesia representing that large and important nation, and to note that both the Fund and Bank have been able, in the past year or so, to play a helpful, constructive role in assisting Indonesia to deal with a most difficult and trying period of economic stabilization. I know that all of us wish the Indonesian authorities well in the courageous efforts they are making.

It is also a pleasure to welcome to membership in our organizations The Gambia, which last week completed the formalities to assume membership, and Botswana, whose membership resolutions are before this meeting of governors.

The Fund and Bank have had another highly successful year, the highlights of which have been recorded in their excellent annual reports. Mr. Woods and Mr. Schweitzer have summarized the activity of the past year in the Bank family and in the Fund and I will not retrace the ground they have covered so well.

But the events of the year in the usual pattern have been crowned by an unusual, indeed, unique achievement -- the creation of a facility to meet the need, as and when it arises, for a supplement to existing reserve assets. This is to be established within the framework of the Fund, and is embodied in the Outline Plan for a Special Drawing Rights Facility which is the principal business of this meeting.

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Last year we urged joint meetings of the Executive Directors representing all member countries of the Fund and the Deputies of the "Group of Ten." It was our hope and trust that from these meetings a specific plan for deliberate reserve creation would emerge to become the subject of action by the Fund Governors at this Annual Meeting. This hope and trust have been fulfilled. The joint meetings have produced results which exceeded expectations and the United States is grateful to all the Ministers and Deputies of the Group of Ten and to the Executive Directors, Managing Director and staff of the Fund.

So at last we, at this meeting, come to the final and logical forum for an International Monetary Conference to consider what steps we might jointly take to secure substantial improvements in international monetary arrangements looking to the creation of a facility to provide, as and when needed, a supplement to existing reserve assets. Despite twenty-two years of steady progress since Bretton Woods, we need to assure a world monetary system conducive to a more rational and orderly expansion of global reserves. It would be a grave error, however, to assume that a strong, flexible and adequate international monetary system begins and ends with the assurance of adequacy of global reserves. There are other essential elements which require both international cooperation and a responsible approach of national monetary authorities. Two particularly deserve mention, and the assurance to my fellow Governors is that the United States will play its full part.

The maintenance of convertibility of the dollar and gold for international monetary purposes is also essential to a regime of stable exchange rates, which is a primary objective of the Fund recalled to us yesterday by the Managing Director in his notable address. Nothing in the new arrangements on liquidity is designed to alter the present relationship between gold and the dollar. The United States' commitment to the convertibility of the dollar into gold at \$35.00 an ounce remains firm. This has been, and will continue to be a central factor in the monetary system.

Another element deserving comment is the process of adjusting payments imbalances. International cooperation is important here also, for it is difficult without it to make this process work effectively in the complex world today. The continuing expansion of world trade and investment carries with it a corresponding tendency toward a higher absolute level of international imbalance. An improved adjustment process can serve to moderate this trend, and especially to reduce or eliminate persistent or excessive deficits and persistent or excessive surpluses.

The Fund report calls attention to some of the difficulties encountered in improving the adjustment process. At the present moment, in my own country there is clear need to apply fiscal restraint to what may otherwise soon become an expansion so excessive as to create serious inflationary strains and an increasing balance of payments deficit. Meanwhile, many countries of Continental Europe are still in need of stimulus to restore more satisfactory rates of economic growth. This would also reduce their balance of payments surpluses and thereby promote the international adjustment process.

A perfectly even rate of growth is not to be expected either in national economies or in world trade. The recent situation has been marred by sluggish advances in output -- and in some instances, contractions -- in a number of key industrial nations. If this state of affairs were to continue, or, worse still, to intensify, strains on the international payments mechanism would surely become severe. In particular, the world's primary producing nations would bear a heavy burden of adjustment

In many of the industrial nations, a slower advance in output was consciously sought by national policy in order to reduce inflationary pressure. With the adjustment completed, the basis for a more enduring expansion has been laid. Essential as these adjustments in separate countries have been, policies of contraction in surplus countries must not be allowed to continue so long as to prejudice the prospects for an expanding volume of world trade, severely aggravating

imbalances in international payments. A constantly expanding volume of trade, well-distributed regionally, is essential if acceptable levels of well-being are to be sustained in developed countries and promoted in the developing countries of the world.

A common theme in the recent experience of many industrial nations has been the monetary strains that are the consequence of too rapid internal expansion, and too sparing reliance on fiscal restraint. In general, this year has seen some easing of the most severe financial strains. But, in turn, the welcome moderate reduction in upward pressure on money markets internationally has only been achieved, in the main, along with a slowing in the growth of output in some major industrial nations below the rates that are desirable and feasible from a long-term point of view. Despite this, long-term interest rates have remained high.

There will be a need to harmonize national economic and financial policies in the interest not only of balanced expansion at home, but also of a balanced expansion of trade internationally. We are all aware that both deficit and surplus countries share the responsibility for continuous efforts to improve the process of adjustment. Deficits and surpluses are after all two sides of the same coin. There should be no presumption that either the deficit or surplus country is the one that is delinquent. Cooperative action by both parties is essential.

Let me turn now to the main subject of interest -- on the Fund side -- at this Annual Meeting.

This twenty-second Annual Meeting has a special meaning for all Fund members. After nearly a quarter-century of experience with the Articles of Agreement prepared at Bretton Woods in 1944, we are now asked to approve a procedure leading to the first amendment to those Articles.

The plan for Special Drawing Rights is important to all our member nations. There is no area of the world that does not have a vital interest in the expansion of international trade. Moreover, the flow of public and private capital across national boundaries is of the greatest concern to the developing world, and these flows can quickly feel the adverse effects of inadequate reserves.

At the end of August, President Johnson, commenting on the London meeting, said: "Without such a scheme, the increasing inadequacy of the world's money supply will make it progressively harder for national governments to follow liberal trade and employment policies. The livelihood and even the lives of literally hundreds of millions of people over the next decade or two could be at issue especially in the less-developed countries."

Since the war, gold and dollars have provided a flow of new reserves. But gold is not now adding to global reserves, nor can it confidently be assumed that it will do so to a very large extent in the future. Total monetary gold stocks, including those held by the Fund and other international financial institutions, are not significantly larger today than they were at the end of 1964.

Dollars, sterling and temporary reserves created by the Fund under existing procedures are for the time being carrying on growth of reserves. But it is clear that future reserve growth cannot rely, as in the past, on U.S. payments deficits.

It is against this background that the negotiations on the Outline Plan have proceeded. And the Plan makes crystal clear that it is possible to reach agreement on a specific course of action despite differences in approach to the problems of the monetary system and despite widely varying national reserve positions and policies. We have progressed toward agreement in a pragmatic spirit, recognizing that no one participating in these negotiations could expect the outcome to coincide in full with his own ideas. The judgment and good will of a large number of responsible officials of Governments and Central Banks have combined to bring about this result after some years of intensive work. The Outline

Plan is now before us. We have the responsibility -- and the opportunity -- to adopt a resolution to begin the process of giving it life. This is our unique opportunity, meeting as a body, to act on the Outline Plan, before it is committed to our Executive Directors for final drafting, then to this Board for approval, and to Governments for acceptance.

The Outline Plan has the full support of my country. It provides the framework for an effective and workable structure for meeting future global needs for reserve assets. While there are many aspects of the Plan that are noteworthy, shall confine myself to a few observations:

- 1. The Outline Plan is a universal plan. It is open to all members of the Fund, and I hope that all will wish to participate.
- 2. The facility is intended to meet the need, as and when it arises, for a supplement to existing reserve assets. While each country will make its own decision, it is expected that these Special Drawing Rights will be treated as first-line reserves. The United States intends to do so.
- The new reserve asset should provide insurance against an excessive cumulative competitive pressure for restrictions on international finance and trade transactions. It can also act as a counter to such interacting national moves toward unduly high interest rates as are brought about by competitive actions of those countries that are protecting their reserves. At one and the same time, it will permit growth in world reserves and buttress confidence in the stability of the entire system of world finance. word, it should operate to relax appreciably some of theumnecessarily painful strictures on international finance that come from fears of actual or impending reserve shortage.

- 4. Endorsement of this Outline Plan should in itself provide smoother sailing in the world's money and exchange markets. Anticipation of the future is a powerful present factor in all things financial. Gold and exchange markets should reflect a new sense of confidence in the adequacy of future reserve supplies.
- We are gratified that the Outline Plan recognizes that international liquidity is the business of the Fund, and clearly provides that the Board of Governors, where every member of the Fund is represented, will have the final responsibility for the vital decisions to creat new Special Drawing Rights. However, as to the role of the Fund in the use of Special Drawing Rights, the Outline Plan wisely leaves scope for development through experience. The Fund's role may well become one of general guidance, more than one of detailed operation. While some basic rules for use need to be maintained, they need not be numerous or complex. The essential part of the Fund's role would seem to lie less in the area of specific transactions than in the process of taking decisions to create Special Drawing Rights and in clarifying and maintaining the basic rules governing their use.
- 6. A very considerable amount of reconstitution of Special Drawing Rights may be expected to occur through the normal balance of payments processes. Still it has been agreed that some explicit reconstitution provision was necessary. At the same time, it was important to avoid compromising the quality of the Special Drawing Rights as a supplement to existing reserve assets. The principles for reconstitution that have been adopted for the first 5-year period assure that the Special Drawing Rights will not be abused, yet do not interfere with their reserve asset status.

In addition to the net average use provision adopted as the initial operating rule, it is also provided that "participants will pay due regard to

the desirability of pursuing, over time, a balanced relationship between their holdings of Special Drawing Rights and other Reserves."
This provision is intended to encourage a balanced use of all three assets over time and thus maintain stability, in a general way, in relative holdings of the new asset and existing reserve assets, as well as to promote equivalence between the new asset and the traditional reserve assets.

My country subscribes strongly to the view that the new facility is designed to assure a satisfactory rate of growth in global reserves. It is not designed to meet an individual country's balance of payments problems.

Let me make it clear that the new facility should in no sense be regarded as a solution to the balance of payments problem of the United States or to the corresponding surplus problem of Continental Europe. This is a matter that falls under the heading of the continuing effort to improve the adjustment process. As the Hague Communique of the Group of Ten in July, 1966 noted, "The prerequisite for the actual creation of reserves should include the attainment of a better balance of payments equilibrium between members and the likelihood of a better working of the adjustment process in the future."

Of course in determining his view as to global needs for reserves, presumably the Managing Director will take into consideration prospective future additions to reserves in the form of dollars or other foreign exchange, as well as a number of other factors and developments, both quantitative and qualitative. I doubt that an elaborate or detailed listing of criteria and relative priorities can be established, because conditions change and the relative importance of criteria change. I believe it would not be useful to incorporate a fixed list of criteria in the agreement or the report.

The United States Delegation has great pleasure in giving its support to the Resolution that calls on the Executive Directors to propose the necessary amendments to the Articles of Agreement. It is my strong recommendation that the work of the Executive Directors to this end be completed with dispatch. We hope to propose legislation to the Congress of the United States in the early spring of 1968.

The Resolution before us also requests that a report be made on such other possible amendments as may be recommended at the same time. We are clearly at a much earlier stage of our consideration of other proposals for changes in the Articles and By-Laws. Nevertheless, my Delegation concurs in proceeding to an examination of such proposals.

The proposals will have to be judged on their own merits, and accepted, altered or rejected on this basis in the report to be submitted by the Executive Directors. Some suggestions may prove relatively easy either to accept or reject. If, however, some suggestions are found to be complicated and/or controversial, the Executive Directors could not be expected to put forward next year specific proposals for change based on such suggestions. Adequate time should be allowed to permit a mature, broad, and certain meeting of minds. This is the way we have approached the question of Special Drawing Rights.

For the above reasons, I believe that specific substantive decisions on all these matters should not be regarded as a precondition to taking action on the Special Drawing Rights amendment.

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I turn now to matters relating to long-term economic development. The improvements we are now setting in motion in the international monetary mechanism are, I believe, essential to the long-term well-being of the developing countries. Economic interdependence of the developed and the developing countries is a fact of the present and of the future that must be a guiding principle in the direction we give to international economic policies.

It is a paradox that the problem of development, while infinitely complex in its economic, social, cultural and even moral ramifications, is also blindingly simple in its barest elements. These can be reduced to three in number:

- (A) Domestic self-help policies by the developing country sufficient to;
- (B) attract external resources, public and private, drawn from countries able to provide them resulting in a;
- (C) diligent application of the combined domestic and external resources along lines conducive to long-term development rather than exhausting immediate consumption.

The major factor in the history of successful development lending by the World Bank may well be its devotion to these principles. The Bank outstandingly reflects them today.

The subject of International Development Association replenishment, while not formally on our agenda, is nevertheless the most important business pending before the Governors of the Bank family of institutions. It should be evident from my remarks today that President Johnson fully supports the efforts of the World Bank management to achieve a replenishment for IDA on a substantially enlarged scale. I am hopeful that in their statements here, other Governors will share this attitude.

We are mindful, of course, that external assistance such as IDA provides can only supplement sound national development efforts. Only in association with self-help efforts -- coordinated and soundly applied domestic policies and actions -- can the application of external assistance bring developing countries to sustained growth.

Further, domestic self-help policies which need not be catalogued here are of vital importance to create a climate in the developing countries conducive to maximizing the flow of external resources -- public and private. Where these measures are lacking, the task of commanding the support of the electorates of high-income countries for continued assistance with public funds will be made far more difficult. Where these are lacking, private resources will not flow in desired directions and amounts.

Two developments of the past year are especially noteworthy for us here in relation to the object of encouraging greater foreign and local private capital participation in the growth process.

The initial use of the authority granted under earlier Charter amendments was made by the Executive Directors approving a \$100 million line of credit from the World Bank to the International Finance Corporation. As a result, we may expect even more substantial increases in IFC financing of the private sector -- and in the much larger volumes of foreign and local private capital that are associated with it.

Second, the inauguration of a new and useful facility within the IBRD institutional structure -- the International Centre for the Settlement of Investment Disputes -- through arbitration and conciliation services will contribute materially to an improvement of the climate in which international private investment takes place. In so doing, it will extend the area that can benefit from private investment. It merits the support of the entire membership of the Bank.

I cannot over-emphasize the importance of policies conducive to a strong and dynamic private sector, offering opportunities to both foreign and local capital, and serving as the pace-setter of the economy.

In stressing the role of private finance, I am, of course, ever mindful of the need for effectively mobilized and effectively applied public finance. We heard in the opening addresses yesterday and will in the next days learn more of the urgent need for the developed countries to find the ways and means of promoting increases in the volume of real resources available for development. We have too long remained on the so-called aid "plateau". It is time to strike out for higher ground. The World Bank family, and with it the regional banks, offer a promising channel for doing just this.

I would be taking an unrealistic view of the world if I were not to recognize, however, that, leaving aside the budgetary problem we all face, there are at least two other constraints that tend to hold back the steadily increasing availability of resources to these multilateral lending institutions.

(A) Capital markets everywhere are under pressure from mushrooming domestic requirements. The price of capital in many markets is touching historic highs. The World Bank should not be forced to place excessive reliance on any single market for its rising capital needs. A sustainable mechanism for providing development finance to the Bank through

private markets requires an equitable sharing of the total efforts -- and the concept of equity embraces reasonable terms as well as adequate amounts. Certainly, surplus countries should contribute positively to the adjustment process through granting preferred and substantially increased access to their capital markets by the Bank and other multilateral lending agencies.

(B) Balance of payments factors are the other special constraint. Rather than permit our serious and continuing balance of payments difficulties -- made still more complex by the foreign exchange cost of our effort in Vietnam -- we in the U.S. have found ways to maintain a high level of aid through the transfer of real resources to the developing world.

We would prefer, in an ideal world, to make our assistance available in the form of financial resources. However, when balance of payments realities confront us, our choice is clear: we strive not to reduce the level of our assistance -- but instead to make our assistance available through transfer of real resources. This approach requires that the real resources represent an addition to, not a substitute for, goods and services moving in normal commercial channels.

If serious and continuing balance of payments difficulties constitute a constraint on the ways the U.S. can provide assistance, persistent balance of payments surpluses constitute an imperative to countries enjoying such a position to expand their assistance in the form of finance. A sensible policy for such countries, and a policy which can make a contribution to the over-all adjustment process in the international payments system, is one of increasing the volume, easing the term, widening the geographic scope and eliminating procurement limitations on the flow of development funds.

These thoughts are relevant to the unresolved question of IDA replenishment.

As of last March, I was authorized by President Johnson to support the IDA replenishment at a substantially increased level, provided that account should be taken of the balance of payments problems of deficit donor countries in deciding how IDA's new resources would be made available. Such a feature will in fact speed agreement leading to transfer of resources to less-developed countries through IDA.

If the multilateral agencies themselves are to achieve our hopes for them, they must have increasing funds committed by the donors for a long-term period. Balance of payments safeguards will help assure that long-term contributions are made, since only with their protection will Finance Ministers be in a position to assure their legislatures that the uncertainties of the future have been taken into account.

In thus referring briefly to IDA replenishment discussions I would like to make one further point very clear. Nothing in the United States plan would require IDA to make any changes in its present policies with respect to the allocation of its resources to countries and projects, or with respect to international competition in procurement, and no such changes are contemplated in this proposal.

The magnitude of the tasks ahead requires that we strive to improve the quality of the development efforts of both the advanced and the developing countries. In so doing, we must recognize that certain economic sectors demand greater concentration of these improved efforts. The twin problems of food and population should now occupy the forefront of our attention. The U.S. is emphasizing assistance in agricultural improvement -- including land reform as well as direct production improvements -- in its own programs. The international institutions are giving increased attention on their part. Nothing less than the highest priority attention to these problems will provide the basis for averting the potential disaster that looms in the food-population race.

In closing my remarks I would like to quote to you the words of the Brazilian Representative, Mr. Souza Costa, who in offering a resolution of thanks at the final session of the Bretton Woods Conference, said:

"As the knowledge of these results becomes more widespread, a corresponding increase will take place in the number of those who, realizing the greatness of the objectives sought, will wish to be counted among the supporters of this undertaking."

How correct this prophesy has been with respect to the Fund and the Bank. Let us hope that our successors will say the same of the work that we have launched at this Annual Meeting.

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INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPMENT INTERNATIONAL FINANCE CORPORATION INTERNATIONAL DEVELOPMENT ASSOCIATION



INTERNATIONAL MONETARY FUND

Press Release No. 74

September 29, 1967

Concluding Remarks by GEORGE D. WOODS, President of the IBRD, IFC and IDA, at the Closing Joint Session of the Boards of Governors

I know that I speak for all of us when I again express our thanks to the Government and the people of Brazil for the warmth and graciousness of their hospitality, and for the efficient manner in which various facilities and services have been mobilized to assist us in our work. I add a special word of appreciation for the enchanting, delightful social activities which were arranged.

As we approach the close of this Annual Meeting I would like to express my appreciation to the Governors who have offered so many constructive comments on the work of the World Bank Group of organizations. May I also at this time say that I welcome the resolution you have just approved relating to a Bank staff study of the problem of the stabilization of prices for primary products.

* * * * *

At the conclusion of last year's Annual Meeting I expressed the view that the Bank Group faced a period in which austerity would have to be the rule in managing our resources. We are still in such a period and the pledge which I then made, that we would "be even more prudent in our operations, even more selective in choosing our projects, and even more insistent on wise use of development finance, for purposes which, without question, have the highest developmental priority," stands today.

However, the statements of Governors from many industrial countries indicate that their economies are entering a new period of economic expansion. There is no doubt in my mind that the increased resources which become available to the richer countries as a result of their own economic growth provide the best hope of finding the capital required to maintain the momentum of the development effort. I would like to emphasize again that the allocation to development finance of only a small proportion of the increase in the gross national product of the industrialized nations

would mean an immensely larger proportional increase in the external resources available to the developing countries. Any sacrifice involved is simply that of sharing with the poorer countries a really very small part of the improvement in living standards that the steady growth in the industrial countries will make possible.

It was but a few years ago that the principal limitation on the World Bank Group's activities was a shortage of well-prepared and economically sound projects in countries where the general economic position warranted financial assistance. We had faith that through patient effort and with technical assistance from the Bank and other sources, the ability of many of our less developed countries to prepare and carry out useful projects could be improved. But this was faith. The process had never been tried on a large scale before. We could not be sure it would work.

Today things have changed greatly. We have been able to identify more projects which are, or soon will be ready for financing than we now have the resources to finance. These are located in many more countries than ever before. This is an encouraging fundamental change. It reflects, not a decrease in our resource availability, but a substantial increase in the ability of our member countries to prepare and carry out productive investment.

In the World Bank Group of organizations, governments have created and have available a powerful and efficient machine with proven ability to contribute significantly to the objectives they have repeatedly set for themselves in the development field. The present problem is to give that machine sufficient fuel of the right kind to enable it to take advantage of the greater opportunities for financing development which are now open to it. I refer here, of course, primarily to the urgent matter of IDA replenishment.

As most of the Governors are aware, the Government of the United States, responding to my proposal of July 1966, has indicated its willingness, subject to legislative approval, to support an IDA replenishment for a three-year period in the amount of \$600 million for the first year, \$800 million for the second year, and \$1 billion for the third year - a total of \$2.4 billion. Certain conditions designed to protect the position of countries in balance of payments difficulties were stipulated. Regardless of the merits or demerits of these stipulations, I feel impelled to state that, contrary to a widely held impression, they would in no way inhibit our international competitive bidding procedures. Several other contributing countries have accepted the amounts proposed by the United States. But the amount of the replenishment and the kind of balance of payments protective devices which should be incorporated in . the replenishment agreement are still under negotiation with and among IDA's major contributors. Progress toward resolution of these issues continues to be slow.

The Governor for The Netherlands has suggested to this meeting that the time has come to convene a special high-level meeting or series of meetings as soon as possible for the purpose of reaching a firm agreement regarding the replenishment of IDA resources. This is a constructive suggestion which should receive full consideration by all concerned. I expect to act on it; and I trust that by this or some similar procedure we shall be able, within the next month or two, to resolve the outstanding issues regarding amounts and conditions and to reach conclusions that will enable IDA to operate, without any change in its basic principles, at a very much higher level than in the past.

I said in my opening address that the journey of a thousand miles is well begun. Our steps must not falter now. The weeks ahead will determine whether the discussions at this meeting will lead to the necessary decisions that will enable that journey to continue. Only then could we look back on this week's work as indeed, in the eloquent words of His Excellency, the President of Brazil, "a moment of maturity for the international community."

I wish you all a safe journey and good health until we meet again next September.

BILATERALS HELD

(List may not include ad hoc informal contacts; participant information possibly incomplete.)

Date	Country	Participants
Sun., 9/24	U. K. (Callaghan)	Secretary Fowler; Messrs. Rostow, Petty, Bator; Congressional: Javits, Moorhead.
	France (Debre)	Secretary Fowler; Messrs. Rostow, Deming, Bator, Dillon.
	Australia (McMahon)	Secretary Fowler; Messrs. Deming, Petty, Ghiardi.
Mon., 9/25	Sweden (Strang)	Secretary Fowler; Messrs. Deming, Ashley, Bator, Harley.
	Spain (Espinosa)	Secretary Fowler; Messrs. Deming, Petty, Halpern, Anderson, Harley.
	Italy (Colombo)	Secretary Fowler; Messrs. Martin, Bator, Moorhead, Brock.
Tues., 9/26	Japan (Mizuta)	Secretary Fowler; Messrs. Deming, Solomon, Petty, Anderson, Feer.
	Canada (Sharp)	Secretary Fowler; Messrs. Ackley, Martin, Bator, Merchant, Reuss, Brock, Rees.
	Italy (Stammati)	Messrs. Petty, Ghiardi, Hirschtritt, Finkel.
	Venezuela (Machado)	Messrs. Martin, Hayes, Coombs, Hirschtritt, Finkel.
	U. K. (Dudley)	Messrs. Petty, Ghiardi, Hirechtritt, Finkel.

BILATERALS WITH CONFIRMED TIMES

Date	Country	Participants
Wed., 9/27	Belgium (Ansiaux)	Messrs. Deming, Hayes, Coombs.
	U. K. (Callaghan)	Secretary Fowler; Messrs. Martin, Deming, Bator, Petty.
	Lebanon (Oughourlian)	Messrs. Rostow, Enders, Ghiardi, Harley; Moorhead.
	India (Desai)	Secretary Fowler; Messrs. Rostow, Linder, Feer, Petty, Ranis, Hirschtritt.
	Central American Group plus Panama	Messrs. Deming, Anderson, Palmer, Rice, Finkel; all Congressmen.
	Saudi Arabia (Anwar Ali)	Messrs. Rostow, Enders, Petty, Anderson. Moorhead.
	Israel (Sapir, Horowitz)	Secretary Fowler; Messrs. Bolomon, Petty, Hirschtritt.
	Pakistan (Uquaili)	Secretary Fowler; Messrs. Rostow, Feer, Petty, Ranis, Hirschtritt; Ashley, Brock.
	Netherlands (Witteveen, Zijlstra)	Messrs. Martin, Deming, Hayes, Reuss.
Thurs., 9/28	Korea (Suh)	Secretary Fowler; Messrs. Petty, Feer, Hirschtritt; Moorhead, Halpern.
	Argentina (Krieger)	Secretary Fowler; Messrs. Snyder, Palmer, Petty, Finkel, Gordon, Reuss, Rees.
	Thailand (Serm)	Secretary Fowler; Messrs. Petty, Ghiardi, Snyder.
	New Zealand (Muldoon)	Secretary Fowler; Mesers. Ghiardi, Hirschtritt, Askley, Mize, Brock.
:	Italy (Carli)	Messrs. Deming, Linder.
Fri., 9/29785.	··Hexico (Ortiz Mena)	Secretary Fowler; Messrs. Palmer,
		Hirschtritt, Finkel, Reuss, Rees, Mize.

ADDITIONAL BLIATERALS BEING SET UP

Country	Principal U. S. Official
Greece	MreiDeming
Iran	Mr. Deming
Taiwan	Mr. Deming
Indonesia	Mr. Rostow
Libyal,	Mr. Rostow
Ethiopia "	Mr. Rostow
Turkey	Mr. Rostow
Yugoslavia	Mr. Rostow
Philippines	Mr. Martin
Andean Group	Mr. Martin
Uruguay	Mr. Petty

REMARKS FOR SECRETARY FOWLER, OPENING PRESS CONFERENCE, FRIDAY, SEPTEMPER 29,1967, 3:30 P.M.

Ladies and Gentlemen -- I am very happy to meet with you.

I am quite pleased to find the outline for special drawing rights welcomed with enthusiasm by so many members of the Fund, and approved without dissent. This act is more fundamental and meaningful than all the words that have been or could be uttered. Both industrial and developing countries have recognized the importance of this new undertaking. The approval of the resolution by the Governors at Rio opens the way to the next stage -- the preparation of the amendment or amendments for final legislative action by member countries.

One of the important pieces of unfinished business on the Bank side is the IDA replenishment. There has not yet been a full response to the U.S. offer of last March to join with other developed countries in a very substantial increase in the resources of IDA under suitable balance of payments safeguards. Many statements here have made amply clear the desirability of moving ahead decisively on this front. I trust that when the Ministers return to their capitals the meetings here will have laid the groundwork for taking action and an early and successful result will come from the meeting President Woods announced today that he would call.

We trust that the meetings of the Fank and Fund here in Frazil will add still further to growing confidence in Frazil's future. The world has noted with great satisfaction that during the past few years Prazil has taken steps to restore its credit-worthiness in the international financial markets and is continuing its effort to stabilize the economy.

I also wish to record, at this time, my personal appreciation of the manner in which the Brazilian Government and the people of this beautiful city of Rio have made us welcome. The hospitality we have received has been nothing short of magnificent. I know that all of the members of the American delegation hope to return to Brazil as soon as they can.

I will be happy to answer your questions.

Monday, October 9, 1967

MEMORANDUM FOR THE PRESIDENT

Pres file

Mr. President:

Attached is today's situation

report on Vietnamese politics.

W. W. Rostow

Att.

SECRET Attachment

200

SECRET

Viet⊸Nam Political Situation Report

October 9, 1967

DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 94-405

By 120, NARA, Date 3-25-95

Inauguration Preparations

An official in Thieu's office charged with inauguration preparations has informed the Embassy that the inauguration will be held October 30. He said that invitations are being extended to foreign chiefs of state, with the U.S. invitation being addressed to the President. The Embassy notes that informally the Vietnamese officials concerned anticipate that the Vice President may be expected to represent the President.

Formation of New Government

Our intelligence reporting indicates that Thieu and Ky are continuing to work on the formation of the new government and to discuss personalities for jobs in the government. Thieu and Ky appear to be re-establishing a satisfactory working relationship.

Buddhist-Student Agitation

In Saigon a militant Buddhist demonstration set for yester-day was indefinitely postponed in response to a letter from the Directorate to the Supreme Patriarch. The letter asked that the Buddhists refrain from any action which could prejudice the Directorate's current consideration of the Buddhist demands regarding their Charter. However, we have a fairly reliable intelligence report that Tri Quang intends to continue his vigil in front of the presidential palace until after Thieu's inauguration.

Meanwhile, a second nun has reportedly burned herself to death in the Delta. Letters left behind by the nun indicate that self-immolation was a protest against the Charter.

In DaNang a communique bearing the signature of the provinces chief bonze urges the faithful to participate in a week of prayer and hunger strikes to protest the Buddhist Charter. Our Embassy reports that DaNang remains quiet, with business activity greatly below normal.

- SECRET

monday October 7, 1967

Prestile

Mr. President:

In the attached letter, Glenn Seaborg requests your approval of his plans to visit Poland from October 15 to 20. He has been invited to participate in a symposium honoring the 100th anniversary of the birth of Marie Sklodowska-Curie, which is being sponsored jointly by the Polish Academy of Sciences and the Polish State Council for Nuclear Energy.

Ambassador Gronouski and the State Department have endorsed the visit, and I recommend that you approve it.

W. W. Rostow
Approved
Disapproved
See me

CJ:lw

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

OFFICE OF THE CHAIRMAN

October 3, 1967

The President
The White House

Dear Mr. President:

In accordance with the White House memorandum of April 24, 1964, I am submitting for your approval my plans to visit Poland from October 15 to 20.

The purpose of my travel would be to participate in a symposium honoring the 100th anniversary of the birth of Marie Sklodowska-Curie which is being sponsored jointly by the Polish Academy of Sciences and the Polish State Council for Nuclear Energy. Many distinguished scientists from the U.S., France, the U.K., the Federal Republic of Germany, and the Scandanavian countries, as well as the Soviet Union and several of the Eastern European countries, have been invited to participate. I have been asked to present one of the summing-up lectures of the symposium, a particular honor and unusual in these troubled times.

In view of your desire to "build bridges to the East" I felt that this would be an important invitation for me to accept and Ambassador Gronouski has heartily endorsed it. In addition, Dr. Billig, Chairman of the Polish State Council of Nuclear Energy, has been anxious to have me visit Poland, and I hope to include in my itinerary visits to several of the Polish nuclear energy installations and research centers.

During the period of my absence there would be at least one and usually more of the Commissioners in Washington.

Your approval of these proposed travel plans is respectfully requested. I am also providing Secretary Rusk a copy of this letter so that he can provide any guidance to me that would be helpful.

Respectfully,

Glenn T. Seaborg

cc: Secretary Rusk

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LECTIVER

UNITED STATES ATOMIC ENERGY COMMISSION

WASHINGTON, D.C. 20545

OFFICE OF THE CHAIRMAN

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Respectfully,

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cc: Secretary Rusk

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Mr. Rostow 22 Pres. file

SECRET

Monday, October 9, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Letter from King Hussein

Attached is a long letter from King Hussein reporting his view of the Middle East situation following the Khartoum Conference and recent trips to Cairo and Moscow. He hopes to visit the U.S. toward the end of the month.

It's a strong but dignified letter and lays out Arab reasoning clearly. He expresses deep hurt at what he considers our basic pro-Israeli position. Insofar as we are trying to make the Arabs face up to the existence of Israel, he's not just giving way to polemics. In much the same language as his Ambassador used with you at lunch last Wednesday, he laments the double standard we apply to Arabs and Israelis and says, humbly and sadly, he doesn't find it worthy of a great leader or a great nation to discriminate this way. He told Ambassador Burns he had written because he felt "so personally let down by the USG in recent weeks."

He feels the Arabs at Khartoum reached a reasonable and responsible position. He says even Israeli passage through the Canal is negotiable if linked to redressing the wrongs inflicted on the Arab people of Palestine since 1948. Now he says it's up to the great powers to act, since they were responsible for creating Israel in the first place.

He put two questions to Burns: (1) Will we support a resolution moving UN debate from the General Assembly to the Security Council? He fears that Assembly debate would cause some Arabs to take positions that would tie his hands. (2) Will we support a slightly revised version of the July US-Soviet draft resolution? He says the Soviets will but told him our position had hardened. What he refers to is Arthur Goldberg's effort to work out a more precise understanding of what specific steps would follow such a resolution.

Nick Katzenbach already had his staff working on these questions before this letter came in. We will have an answer for you as soon as possible. But I want you to be aware that this potentially opens a new round of negotiations in New York on the resolution which we felt represents progress if properly interpreted but which the Israelis have objected to vigorously.

DECLASSIRIED

E.O. 12950, Sec. 3.6

NLJ 01-1

By 51 NARA Date 5-7-01

W. W. Rostow

Monday, October 9, 196

TEXT OF CABLE FROM AMBASSADOR BURNS (Amman 1777)

SUBJECT: King Hussein's Letter to President Johnson of October 7.

Dear Mr. President:

I thought it imperative, sir, to communicate to you in this manner, the gist of my feelings regarding the current situation in our areas.

I would have very much liked to have had the privilege and pleasure of contacting you personally, Mr. President, but alas, due to the great strain that I have been under for the last few months, my health condition prevents me from having this pleasure -- at least, until about the end of this month when I hope to be able to visit the United States of America once again, and possibly the United Nations.

Due to the urgency of the situation, I felt it important to immediately communicate with you, sir, regarding the prevailing conditions in our area following the recent aggression by Israel and her occupation of the West Bank of Jordan and of other Arab territories. Ever since 1948, Israel has committed aggression after aggression and denied the Arab people of Palestine their right of self determination and expelled in 1948 over one million people from their homeland, only to be followed by hundreds of thousands more people who were recently expelled from the West Bank of Jordan and from other Arab territories, now under Israeli occupation. The fact that now it seems to be expected of the Arab leaders and people --members of the world community -- to act in a manner which would set a very dangerous precedent, specifically that of permitting an angressor to dictate his terms from the position that he has acquired as a result of his aggression, is an intolerable farce.

The continued suffering of our people in the occupied territories; the refusal of Israel to abide by the United Nations and Security Council resolutions on Jerusalem and on the humanitarian problem of refugees, and her continued denial to them to exercise their right to return to their homes and land, as well as Israel's use of this issue and human tragedy as a political weapon, is a shame that will be borne by all who permit this situation to persist any longer.

Sir, I have always felt proud of the friendship that has existed between us and between our two nations. I am sad to feel that perhaps I was too much of an idealist when I believed that principles and ideals in which we believe, will always

be upheld. I refer to the right of an indigenous people of a country to live in peace and security and their unalienable right to "liberty, freedom and the pursuit of happiness." Double standards seem to exist in the treatment of people in our area and we, Arabs, seem to continue to have the misfortune of being victimized, by those who themselves were once victimized, not by us Arabs, but by others.

Sir, Israel seems to have benefited beyond reason from the assistance, help and pampering of many countries, and of the United States in particular. The United States would appear at present to have chosen to forsake her friendships and Iriends amongst us Arabs and to mainly concern herself with attempting to enforce on them what Israel might or might not wish. Israel has benefitted from the fact that the Great Powers, in their concern over world peace and their own security, have repeatedly avoided a confrontation on so many issues. This has permitted Israel to carry out her aggression and to infringe on the rights of Arabs to live in peace -- a peace with justice; and has forced them to divert their energies and resources from their primary objective of building for themselves the better future which is their right. Israel has also managed to nearly a chieve complete success in discrediting the policies of the United States in this area and in damaging her image, as well as causing untold harm to United States interests in this part of the world and the interests of many who live in it.

Sir, It appears to me that, due to the extreme necessity for swift action which would bring about an early Israeli withdrawal to the positions held prior to June 5th, so that a people can be saved and their dignity be restored and wrong be righted before it becomes too late, that every attempt should be made to encourage the Big Powers, mainly the United States and the USSR to deal with this problem which involves world peace as well as their mutual interests. Since these World Powers were mainly responsible for the creation of the problem in the first place, they have a moral obligation to enforce what is right and to redress the wrongs that have been committed against my nation. They should ensure, through their mutual contacts, that results are achieved as early as possible. It seems to me that the Security Council of the United Nations would be the appropriate organ to deal with this problem and to arrive at a just solution which can bring about peace and security to our region. The basis for such a solution might very well be along the same lines embodied in the last draft resolution agreed upon by the United States and the USSR towards the end of the last Emergency Session of the General Assembly.

Sir, I have been doing a great deal of work in this area with my colleagues in positions of responsibility. The Khartoum Summit Conference represented a major improvement and change in Arab policy and approach. I feel that Arab leaders have risen to the level of their responsibilities and that Arabs are demonstrating that they are reasonable and responsible. The answer now lies with the Great Powers to take action, and then it lies with Israel. This is her change to

really prove to the world, before proving to us, that she wants peace in this area and that all her earlier attempts to appear in that light were not merely to conceal her real ambitions of constant expansion at our expense.

Sir, much is said about the suffering of Israel, yet, in fact, those who have suffered morally and physically have, all along, been the Arabs. Israeli losses in life, property and military equipment can never be compared with the Arab losses incurred as a result of her continued aggressions. She has managed to cause great suffering to so many people. She has managed to acquire a vast amount of military equipment, of Eastern and Western manufacture, which increase her potential as a constant threat to Arab security and peace in the region and compel us now to do all that is in our power to re-equip from all available sources, to face her threat.

Sir, when a mistake was committed by us as a result of the wrong impressions we had during and immediately following the short Arab-Israeli War, and when we thought and wrongly accused the United States and Britain of actively helping Israel in the war, the United States Government and others took that as a great affront. We on the other hand regretted our mistake bitterly. Yet, watching present developments I cannot help but wonder that had the war gone the other way, and in view of the apparent prevailing sympathy and support which Israel seems to enjoy exclusively from the United States, whether the United States might not have acted physically to support her. This apparent discrimination is not worthy, in my humble opinion, of one of the world's greatest leaders and one of the world's greatest governments and greatest nations.

Another sad and utterly incomprehensible situation exists over the United States Government's position on Jerusalem. In all frankness, the United States insistence on income ionalizing the city of Jerusalem and depriving us of the privilege of being the custodial of the Holy Places for all the great monolithic religions, a privilege which we have proudly enjoyed for over twelve centuries, is totally unacceptable to us and is an affront that is directed to all your friends in the Muslim world. We have repeatedly said that had there been a just peace in this area, no one would have ever been denied his right to visit these Holy Places and it was only the fact that no such just peace existed, ever since the tragedy of Palestine first took shape, that caused the Israelis to be prevented from visiting their Holy Places. We have also always said that until such a just peace is established we differentiate between people of the Jewish faith and Zionists.

As for the draft resolution of the United States Government and the USSR, I have made many concerted efforts in this area to make it acceptable. I talked at length over this issue with the UAR President and he agreed that the gist and context of the resolution, if embodied in a similar re-worded draft, emanating

from the Security Council, would be most acceptable. As for the Suez and the right of passage through international waterways. The UAR's position is one that links the solution of this problem to actions that must be taken to redress the wrongs caused to the Arab people of Palestine. I believe that this was embodied in the said draft resolution. I have just returned from a visit to the Soviet Union where I felt satisfied that the Government of the USSR was willing to cooperate with your government in bringing about such a resolution at the! Security Council. What distressed me most through my contacts, is something that I hope most sincerely is totally without foundation, specifically that the United States Government's position has altered since the earlier draft resolution was agreed upon and that she is now attempting to add to Israel's gains. Sir, our problems here are enormous. Winter is about to set in and thousands upon thousands of people are enduring extreme hardship and will have to endure more hardship, due to our inability to cope with the problem with our present limited resources. In the face of Israel's continued denial to the people of Jordan and other Arabs of their right to return to their homes and land, and in the face of Israel's growing arrogance, military might and spirit of adventure, and infacing the fact that only Israel's territorial integrity seems to be the concern of many in this world, we are having to re-build and re-equip our Armed Forces. We are in the process of doing so on the following basis: Determining our needs and requirements in accordance with earlier experiences and attempting to secure the urgently needed right equipment best suited to our needs, from any available sources. This is another additional strain which we are compelled to bear.

Sir, I really hope that I might be right in feeling that the United States Government has not made her choice to back Israel and to forsake her other friends and interests in this area.

Sir, is at the end of this present session of the United Nations no satisfactory solution to a spresent crisis is reached, the Arabs have one of two choices; either to stoop and accept Israel's dictated conditions or be compelled to do all in their power, regardless of the consequences, to secure their rights and recover their dignity. I can assure you, sir, in advance, that we shall have only the latter choice and course of action to take. We shall have been driven to that end and I am sure that, fair and just as you are, you will be able to understand and appreciate our predicament.

Wishing you, sir, all the best for your continued good health and happiness, and entrusting you with the fate and future of this area where so much is at stake, I remain, your sincere friend, Hussein.

THE WHITE HOUSE

WASHINGTON

CONFIDENTIAL.

Sunday, October 8, 1967 - 2:30 pm

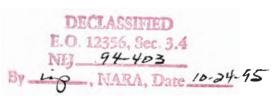
Prestile

Mr. President:

Covey Oliver tells me that Secretary Rusk approved the courses of action listed in my note of 1:40 pm. He did so on his own responsibility but asked that I inform you.

The Ecuadorean Ambassador will go to State at 4:00 pm to get our reply to his note. The press will be informed at 5:00 pm.

W. W.Rostow



24

Sunday, October 8, 1967 -- 1:40 p.m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Recall of our Ambassador to Ecuador

Prestele

Supplementing my note of 12:10 p.m. today, these are the steps which Covey Oliver is recommending to Sec. Rusk:

- Instruct Ambassador Coerr to leave Quito by 5:35 p.m., October 9, when the 48 hour period expires.
- Call in the Ecuadorean Ambassador this afternoon to give him a note saying we will honor the request but expressing regret that Arosemena has taken offense at the free discussion of the successes and failures of the Alliance. (Tab A)
 - Release the two notes to the press, together with Coerr's speech.
- Also tell the press that we had planned, before we were aware of the Ecuadorean note, to ask Coerr to come to Washington to work on a study of our long-range relations with Latin America. (This is in fact true. The study is to cover our military relations.)
- Not retaliate against Arosemena by asking for the recall of Ambassador Mantilla.
- If asked about continued economic assistance to Ecuador, respond that Ecuador is a member of the Alliance for Progress and loans to Ecuador will continue to be judged by Alliance criteria. (From a practical standpoint this means no assistance because of Ecuadorean non-performance, unless we decide othe rwise.)

I understand that Covey is also recommending to Sec. Rusk that he call you to get your approval on these steps.

By way of precedents, on two previous occasions Latin American governments have asked our Ambassadors to leave:

- -- by Brazil during the Eisenhower administration, for public criticism of Brazilian coffee policy;
- by Haiti during the Kennedy administration, for alleged plotting against Duvalier.

The text of the Ecuadorean note is at Tab B.

CONFIDENTIAL W. W. Rostow

WGBowdler:rln

242

No. 4-2-148

Washington, October 7, 1967

Mr. Secretary of State:

express instructions to inform you that the Government of Ecuador regrets to find itself in the situation of requesting Your Excellency's Government to recall the Ambassador of the United States of America in Quito, Nr. Wimberley Coerr, in view of his attitude of public, open criticism of the Constitutional President of the Republic of Ecuador, Dr. Otto Arosemena Gêmas, in statements made on the sixth of this month at a ceremony held at the Colegio Americano [American School] in Quito.

- 2. This unusual demeanor on the part of Anbassador Coerr, which does not conform to diplomatic practice and respect for the highest authority of the State, would be an impediment to him in the future in acting to strengthen the cordial and friendly relations which Equador maintains and desires to make even closer with the government of the United States of America.
- 3. Consequently, I request of Your Excellency that Ambassador Coerr be recalled within forty-eight hours.
- 4. I wish to say to Your Excellency, in the name of the Government of Ecuador and in my own name, that this step will not affect Ecuador's firm decision to strengthen the bonds of understanding and cooperation between our two countries.

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

/s/ Mantilla

His Excellency
Dean Rusk,
Secretary of Stace,
Washington, D.C.

Carlos Mantilla Ortega Ambassadar

25 Prestile

Sunday, October 8, 1967 -- 12:10pm

Mr. President:

Sec. Rusk has instructed Covey Oliver to call in the Ecuadorian Ambassador in Washington and express our "extreme displeasure" at the action of the government of Ecuador in declaring our Ambassador persona non grata.

He decided that we, as a great power, should not over-react to Arosemena's childishness in responding to the Ambassador's speech which is attached.

Although I can understand a government being annoyed with an Ambassador that takes up, point by point, arguments made by its President -- and even making fun of one -- his speech hardly justified being taken as a federal case.

W. W. Rostow

Quito 1299, 2 sections

I refer to your Excellency's note, delivered by messenger at 5:35 P. N. Taturday, October 7. This note requests the recall within forty-eight hours of the United States Ambassador to Ecuador, the Honorable Wymberley Deff.

Coerr, allegedly for "...his attitude of public, open criticism of the Constitutional President of the Republic of Ecuador, Dr. Qtto Arosemena Gomez, in statements made on the sixth of the month at a ceremony held at the Girkex Colegio Americano (American School) in Quito."

In response, I have the honor to assure your Excellency that Ambassader Coerr will depart Quito within the time period requested.

To your request there can be no other response under traditional diplomatic practice.

Nevertheless, I feel that I must express the genuine sorrow and with which my Government views this bear manifestation of lack of understanding and of confidence in the Alliance for Progress within the present Government of Ecuador.

In contemporary diplomacy, especially in that of the Western

Hemisphere, action of the sort that your Excellency has believe
d initiate on instructions from the Government of Ecuador is as

express surprise at

serious as it is rare. Hence I must protect, the manner in
which so important a matter, with a very short time limit

for action by my Government, was brought to the attention of the
Department of State.

Work toward firmer and more effective and more in wishing to new between our countries, especially in regard, the social and economic goals of the Alliance for Progress.

To that end accommodation the formation of the United States of America does not expect to

the Government of the United States of America does not expect to reciprocate as to the Mission of Your Excellency, even though it considers the request of the Governmentof Ecuador to be unjustified by the circumstances.

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PAGE Ø1 QUITO Ø1299 Ø8Ø7Ø2Z

ACTION ARA 19

INFO SSO ØØ,NSCE ØØ,USIE ØØ,CCO ØØ,CU Ø4,P Ø4,NSA Ø2,CIA Ø4,RSC Ø1,
INR Ø7,RSR Ø1,SP Ø2,SS 35,GPM Ø3,SC Ø1,NSC 1Ø,L Ø3,H Ø2,AID 3Ø,
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UNCLAS QUITO 1299 SECTION ! OF 2

FOLLOWING IS TEXT OF AMBASSADOR'S GUAYAQUIL SPEECH

IT IS AN HONOR AND A PLEASURE TO BE ABLE TO SPEAK TO THE STUDENTS, PROFESSORS AND FRIENDS OF THE AMERICAN SCHOOL OF GUAYAQUIL ON THE OCCASION OF ITS 25TH ANNIVERSARY. THIS SCHOOL, AND THE SUCCESS IT HAS ACHIEVED, IS A SHINING EXAMPLE OF WHAT CAN BE ACCOMPLISHED WITH THE UNDERSTANDING AND MUTUAL EFFORT WHEN PEOPLE OF DIFFERENT COUNTRIES WORK TOGETHER FOR A COMMON 60AL.

I WISH TO ADDRESS MYSELF TODAY PRIMARILY TO THE 990 STUDENTS WHO MAKE UP THE STUDENT BODY OF THE AMERICAN SCHOOL, BECAUSE 85 PERCENT OF YOU ARE ECUADOREANS AND THE OTHER 15 PERCENT, ALTHOUGH GUESTS OF THIS COUNTRY, HAVE A DEEP ACQUAINTANCE WITH 1T; BECAUSE YOUR EXPERIENCE IN THIS SCHOOL HAS DEMONSTRATED WHAT CAN BE ACCOMPLISHED BY COOPERATION BETWEEN ECUADOREANS AND NORTH AMERICANS; BECAUSE IN THE FUTURE ECUADOR WILL HAVE THE RIGHT TO EXPECT MUCH FROM YOU AND YOU WILL BE KEENLY INTERESTED IN THE STATE OF AFFAIRS

PAGE 2 RUESQI 1299/. _NCLAS
IN ECUADOR; AND BECAUSE ONE OF THE MOST VALUABLE THINGS THAT YOU.

PAGE 02 QUITO 01299 080702Z

CAN HAVE LEARNT AT THE AMERICAN SCHOOL IS THE ABILITY TO THINK CLEARLY.

I WANT TO SPEAK TO YOU TODAY OF ONE OR TWO VERY WELL-KNOWN AMERICANS AND OF MANY UNKNOWN AMERICANS -- BY WHOM I MEAN CITIZENS OF THIS AMERICAN CONTINENT --, OF FAILURE AND SUCCESS, OF CRITICISM AND HOPE.

MORE THAN FOUR CENTURIES AGO OUR FOREFATHERS CAME TO WHAT IS NOW LATIN AMERICA, AND MORE THAN THREE CENTURIES AGO TO NORTH AMERICA. ABOUT TWO CENTURIES AGO THEY DREAMED THE DREAM OF POLITICAL INDEPENDENCE, AND MADE IT REAL. BUT LESS THAN SEVEN YEARS AGO, AMERICAN LEADERS DREAMED A DREAM OF SOCIAL AND ECONOMIC PROGRESS, TO BE ACHIEVED THROUGH RELIANCE AND ALLIANCE AMONG INDEPENDENT AMERICAN NATIONS, WHICH WE ARE NOW TRYING TO MAKE REAL.

VIGOROUS PRESENT IN WASHINGTON IN 1961 WHEN A YOUTHFUL, FIGHTING, VIGOROUS PRESIDENT OF THE UNITED STATES, JOHN F. KENNEDY, -- WHOM I KNEW -- SPEAKING TO THE AMBASSADORS OF LATIN AMERICA, CALLED FOR WHAT HE TERMED AN ALLIANCE FOR PROGRESS. THINK FOR A MOMENT OF THE DARING OF THAT VISION! THINK OF THE DIFFICULTIES OF MAKING ANY ALLIANCE EFFECTIVE AMONG THE DIFFERENT SOVEREIGN NATIONS OF A

PAGE 3 RUESQI 1299/1 UNCLAS
CONTINENT. TO USE AN ANALOGY FROM YOUR EXPERIENCE IN THE WORLD OF
SPORT, THINK OF THE DIFFICULTY OF FORMING ANY GROUP OF ELEVEN
INDIVIDUALS INTO AN EFFECTIVE FOOTBALL TEAM AND THEN IMAGINE WHAT
IT IS LIKE FOR SEPARATE GOVERNMENTS, MADE UP OF THOUSANDS OF
INDIVIDUALS, TO WORK TOGETHER. THINK OF THE DIFFICULTIES BLOCKING
THE WAY OF SOCIAL AND ECONOMIC PROBRESS. THINK OF HARDSHIP AND
PROVERTY ON ONE HAND, AND ON THE OTHER, OF HOW NATURALLY PEOPLE
CLING TO WHAT THEY KNOW AND RESIST WHAT IS NEW. BUT THEN, THINK
OF THE PEOPLE OF THIS CONTINENT AND THE GREAT NEED, THE APPALLING
NEED, THAT WE MAKE THIS ALLIANCE WORK.

ALREADY IN SOME COUNTRIES, SUCH AS RECENTLY IN MEXICO AND PANAMA, THE ALLIANCE IS BEING CALLED A SUCCESS, WHILE IN OTHER COUNTRIES, SUCH AS ECUADOR, SOME ARE CALLING IT A FAILURE. NOW IN ALL AMERICAN COUNTRIES THE ALLIANCE IS BEING CRITICEZED, AND

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RIGHTLY SO, BECAUSE CRITICISM IS ESSENTIAL TO PROGRESS. DEMOCRACIES THRIVE ON CRITICISM. IF IT IS CONSTRUCTIVE, SO MUCH THE BETTER. IF IT IS DESTRUCTIVE, IT IS STILL BETTER THAN APATHY, BECAUSE IT LEADS TO THOUGHT AND ACTION. I WOULD LIKE TO COMMENT ON SOME OF THE CRITICISMS THAT ARE NOW BEING DIRECTED IN ECUADOR AT THE ALLIANCE FOR PROGRESS, ESPECIALLY AS THESE CRITICISMS PERTAIN TO

PAGE 4 RUESQI 1299/1 UNCLAS
THE PROGRAMS IN WHICH MY GOVERNMENT IS PARTICIPATING, NOW UNDER
THE ABLE LEADERSHIP OF PRESIDENT JOHNSON WHO IS DEEPLY DEDICATED
TO AND VIGOROUSLY PROMOTING THE ALLIANCE FOR PROGRESS.

GOVERNMENTS THAT SIGNED THE CHARTER OF PUNTA DEL ESTE. THE LATIN AMERICAN GOVERNMENTS PLEDGED THEMSELVES TO UNDERTAKE CERTAIN KINDS OF REFORM WHICH THEY RECOGNIZE AS FUNDAMENTAL TO ECONOMIC AND SOCIAL DEVELOPMENT. THEY DECLARED THAT THE PROGRAMS OF DEVELOPMENT MUST BE FOUNDED ON THE PRINCIPLES OF SELF-HELP AND MAXIMUM FEASIBLE USE OF THEIR OWN RESOURCES. THE UNITED STATES GOVERNMENT FOR ITS PART PROMISED TO AID THE PARTICIPATING COUNTRIES "WHOSE PROGRAMS OF DEVELOPMENT WOULD ESTABLISH SELF-HELP MEASURES AND ECONOMIC AND SOCIAL POLICIES IN ACCORDANCE WITH POLICIES AND OBJECTIVES OF THE ALLIANCE." THE CHARTER SAYS ALSO THAT THE UNITED STATES WILL CONTRIBUTE TO THE FINANCING OF TECHNICAL ASSISTANCE PROPOSED BY THE PARTICIPATING COUNTRIES FOR THE PURPOSE OF CONTRACTING TECHNICIANS TO ASSIST THESE GOVERNMENTS.

THE CRITICISMS THAT ARE BEING VOICED IN ECUADOR RANGE FROM BIG TO LITTLE. LET US LOOK FIRST AT A LITTLE ONE WHICH HAS ITS AMUSING SIDE. IT IS SAID THAT TECHNICIANS EMPLOYED UNDER ONE ALLIANCE FOR PROGRESS AGREEMENT MUST BE PAID A SUBSIDY OF \$350 A

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MONTH FOR EACH CHILD IN THEIR FAMILY. I CAN ASSURE YOU THAT I HAVE
SEARCHED LONG AND HARD FOR SUCH AN AGREEMENT BUT HAVE NOT BEEN ABLE
TO FIND IT. I HAPPENED TO BE ASSISTED IN THIS SEARCH BY AN
AMERICAN TECHNICIAN WHO HAS ELEVEN CHILDREN. HE WAS MOST ENTHUSI-

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ASTIC. HE FIGURED THAT APART FROM HIS SALARY HE COULD GET AN ALLOWANCE OF \$3,850 A MONTH JUST BY REASON OF HIS ELEVEN CHILDREN, AND HE EARNESTLY WANTED TO FIND THIS ALLEGED AGREEMENT SO THAT HE COULD BE EMPLOYED ACCORDING TO ITS TERMS. I SYMPATHIZED WITH HIM, BUT HE IS STILL LOOKING. WHAT WE DID FIND WAS AN AGREEMENT BETWEEN THE MINISTRY OF PUBLIC WORKS AND TAMS ENGINEERING COMPANY WHICH PROVIDES FOR A SINGLE MAN EMPLOYED AS A TECHNICIAN A MONTHLY RESIDENCE ALLOWANCE OF \$300, AND THIS IS INCREASED TO \$350 IF HE HAS A FAMILY REGARDLESS OF WHETHER THIS FAMILY INCLUDES ONLY A WIFE OR ONE OR ELEVEN CHILDREN. THE MAXIMUM THAT HE CAN GET AS A FAMILY SUBSIDY IS \$350 A MONTH, NOT \$350 FOR EACH CHILD.

ALLIANCE FOR PROGRESS LENDING AGENCIES HAVE BEEN CRITICEZED FOR THE LENGTH OF TIME WHICH IS NECESSARY TO OBTAIN LOANS FROM THEM. THIS IS LARGELY TRUE. AS FAR AS AID IS CONCERNED, THE TIME BETWEEN SUBMISSION BY THE ECUADOREAN GOVERNMENT OF A FORMAL LOAN APPLICATION TO SIGNATURE OF A LOAN AGREEMENT HAS IN SOME CASES

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BEEN NO MORE THAN A FEW MONTHS. FOR OVER HALF OF AID'S CURRENTLY
ACTIVE LOANS IT IS LESS THAN A YEAR. IN TOO MANY CASES, HOWEVER,
PARTICULARLY WHERE THE PROJECT TO BE FINANCED IS COMPLICATED AND
INVOLVED, NEGOTIATIONS HAVE GONE ON CONSIDERABLY LONGER. SPEAKING
FOR AID I CAN SAY THAT WE ARE AS MUCH CONCERVED BY THIS FROBLEM
ASTIS THE ECUADOREAN GOVERNMENT, AND WE ARE HOPEFUL THAT TOGETHER
WE WILL BE ABLE TO NEGOTIATE MUCH MORE QUICKLY IN THE FUTURE.

ANOTHER CRITICISM IS THAT LOANS UNDER THE ALLIANCE FOR PROGRESS HAVE REQUIREMENTS THAT ARE INCONVENIENT, ESPECIALLY IN THAT THEY REQUIRE NATIONAL SUPPORT. THE OBJECTION IS THAT IT IS ILLOGICAL TO EXPECT ECUADOR, WHICH LACKS CAPITAL, TO MATCH FOREIGN LOANS WITH A 40 TO 50 PERCENT CONTRIBUTION OF ITS OWN.

ECUADOR CERTAINLY DOES MAKE AN IMPORTANT CONTRIBUTION. BUT THIS CONTRIBUTION IS NOT A MIND OF PRICE THAT IT MUST PAY TO OBTAIN THE ASSISTANCE OF ITS ALLIANCE FOR PROGRESS PARTNERS. IT IS RATHER A REPRESENTATION OF ITS OWN WILLINGNESS AND ABILITY TO FINANCE ITS OWN DEVELOPMENT PROGRAM.

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LET ME EXPLAIN THIS FURTHER. ALLIANCE LENDING AGENCIES MAKE FUNDS AVAILABLE TO ECUADOR ON THE BASIS OF PROJECTS WHICH ECUADOR ITSELF SUBMITS TO THESE AGENCIES FOR FINANCIAL HELP. THE GOVERN-

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MENT OF ECUADOR INDICATES HOW MUCH IT WILL BE ABLE TO FINANCE THE
PROJECTS AND HOW MUCH ASSISTANCE IT WILL NEED. FOR EXAMPLE, LAST
DECEMBER THE ECUADOREAN GOVERNMENT THROUGH ITS PLANNING BOARD SUBMITTED A LIST OF PROJECTS FOR EXTERNAL FINANCING IN ITS PLAN FOR
THE COUNTRY'S ECONOMIC DEVELOPMENT. THIS LIST INCLUDES PROJECTS
COSTING A TOTAL OF \$450 MILLION. THE PLANNING BOARD PROPOSES THAT
ECUADOR PAY ABOUT \$170 MILLION OR 38 PERCENT OF THE TOTAL AND THAT
THE BALANCE OF APPROXIMANELY \$280 MILLION OR 62 PERCENT BE FINANCED
BY ALLIANCE FOR PROGRESS LENDING ASENCIES. ON THE BASIS OF DISBURSEMENTS, THE GOVERNMENT OF ECUADOR AND AID HAVE APPROXIMATELY MET
THESE PROPORTIONS.

REGARDLESS OF THE AMOUNTS INVOLVED, THE IMPORTANT THING IS THAT FOR EACH PROJECT THE EXACT DIVISION BETWEEN SCAL AND FOREIGN FINANCING IS WORKED OUT IN THE NEGOTIATIONS BETWEEN ECUADOR AND THE ALLIANCE FOR PROGRESS LENDING AGENCY INVOLVED. THESE NEGOTIATIONS PRESENT THE BEST OPPORTUNITY TO DETERMINE HOW THE FINANCIAL BURDEN SHOULD BE DIVIDED. ONCE THE NEGOTIATIONS HAVE LED TO A SIGNED AGREEMENT, IT BECOMES, OF COURSE, A BINDING OBLIGATION TO BE HONORED BY BOTH THE GOVERNMENT OF ECUADOR AND THE ALLIANCE LENDING AGENCY.

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ONE ALSO HEARS THAT THE FINANCIAL TERMS AND CONDITIONS

ENPLOYED BY ALLIANCE FOR PROGRESS LENDING AGENCIES ARE DISADVANTAGEOUS TO ECUADOR, AND THAT THEIR INTEREST RATES ARE JUST SEEMINGLY LOW. LOANS OF MY GOVERNMENT'S AGENCY FOR INTERNATIONAL
DEVELOPMENT (AID), FOR EXAMPLE, ARE TYPICALLY MADE FOR PERIODS
OF FORTY YEARS, WITH TEN YEARS' GRACE PERIODS BEFORE CAPITAL HAS
TO BE REPAID, AT 1 PERCENT FOR THE FIRST TEN YEARS AND 2-1/2 PERCENT THEREAFTER. BUT SOME PEOPLE BELIEVE THE COST OF THE LOAN IS
ACTUALLY HIGHER BECAUSE IT REQUIRES ECUADOR TO BUY GOODS FROM THE
UNITED STATES AT HIGHER PRICES THAN ECUDOR WOULD HAVE TO PAY
ELSEWHERE. LET'S TAKE ANOTHER LOOK AT THE FACTS. OF THE TOTAL
AMOUNT OF LOAN FUNDS MADE AVAILABLE TO ECUADOR UNDER THE ALLIANCE
FOR PROGRESS -- \$216 MILLION --, ONLY \$26.5 MILLION OR ABOUT 12
PERCENT ARE TO USED FOR PROJECT PURCHASES FROM THE UNITED STATES.
A 2000 PART OF THIS \$26.5 MILLION IS SPENT FOR GOODS WHICH WOULD BE

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BOUGHT IN THE UNITED STATES IN ANY CASE, SUCH AS ROAD CONSTRUCTION
EQUIPMENT THAT ECUADOREAN CONTRACTORS PREFER TO BUY IN THE UNITED
STATES BECAUSE OF QUALITY.

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BUT LET US LOOK AT THE HYPOTHETICAL CASE THAT WOULD EXIST IF THE TIED-AID REQUIREMENT DID RESULT IN AN EXTRA COST TO ECUADOR. LET US SAY THAT \$2 MILLION OF A \$10 MILLION LOAN HAD TO BE SPENT IN THE U.S. FOR GOODS WHICH COULD BE BOUGHT ELSEWHERE AT 15 PERCENT LESS. THE EFFECT WOULD BE EQUIVALENT TO INCREASING THE INTEREST PAID BY ECUADOR OVER 40 YEARS FROM AID'S USUAL ANNUAL AVERAGE OF 1.75 PERCENT TO 1.825 PERCENT. THIS STILL COMPARES FAVORABLY, I THINK, TO THE 6 TO 10 PERCENT CHARGED FOR MANY PRIVATE LOANS.

IT IS SAID ALSO THAT ALLIANCE FOR PROGRESS LOANS REQUIRE ECUADOR TO HIRE U.S.TECHNICIANS AT EXORBITANT PRICES. OF THE TOTAL AMOUNT OF LOAN FUNDS AVAILABLE TO ECUADOR FROM ALLIANCE LENDING AGENCIES, ONLY \$396 THOUSAND OR LESS THAN ONE-FIFTH OF 1 PERCENT IS REQUIRED TO BE SPENT FOR THE PAYMENT OF U.S. TECHNICIANS. SOME OF THEIR SALARIES MAY SEEM HIGH, BUT GOOD TECHNICIANS ARE CHEAP AT THE COST. A ROMINENT PRIVATE ECUADOREAN BANK RECENTLY ON ITS OWN INITIATIVE PAID \$20,000 TO TWO U.S. TECHNICIANS, ONE OF WHOM WORKED FOR TWELVE WEEKS AND THE OTHER FOR SIX --AN AVERAGE ANNUAL RATE

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OF MORE THAN \$50,000 A YEAR PER PERSON. THIS BANK FOUND THESE
SERVICES SO VALUABLE THAT IT IS ABOUT TO REPEAT THE EXPERIENCE.
I BELIEVE ALLIANCE FOR PROGRESS TECHNICIANS GENERALLY PERFORM
SERVICES EQUIVALENT TO THEIR COST AND I NOTE THAT THE ECUADOREAN
GOVERNMENT HAS VOLUNTARILY ENGAGED IN CONTRACTS WITH A LARGE NUMBER
OF U.S. TECHNICAL COMPANIES TO WORK ON LOA PROJECTS WHERE THERE
IS NO OBLIGATION WHATSOEVER FOR IT TO DO SO.

IT IS SAID THAT THE ALLIANCE FOR PROGRESS HAS FAILED OR IS DOOMED TO FAILURE AND FRUSTAATION IN ECUADOR, THAT IN THIS COUNTRY IT HAS BETRAYED THE HOPES THAT KENNEDY INSPIRED. BY WAY OF COMMENTARY, LET US LIST BRIEFLY SOME OF THE ALLIANCE'S ACHIEVEMENTS IN THIS COUNTRY. CENDES -- THE CENTER FOR INDUSTRIAL DEVELOPMENT -- CREATED WITH FINANCIAL AND TECHNICAL ASSISTANCE FROM AID AND FUNDS FROM THE ECUADOREAN GOVERNMENT, STUDIES INDUSTRIAL OPPORTUNITIES WITHIN ECUADOR AND MAKES ITS SUTDIES AVAILABLE TO INTERESTED INVESTORS. WITHIN ITS SHORT EXISTENCE IT HAS BROUGHT MORE THAN \$145 MILLION OF NEW PRIVATE INVESTMENT TO ECUADOR AND HAS LAID THE BASIS FOR MANY NEW JOBS FOR ECUADOREAN WORKERS. WHILE CENDES HAS

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PROMOTED NEW INVESTMENT, COFIEC ND THE COMISION DE VALORES HAVE HELPED FINANCE IT. COFIEC USES FUNDS FROM AN AID LOAN AND FROM

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PRIVATE AND FOREIGN INVESTORS WHO RELEND TO ECUADOREAN CORPORATIONS.
IT HAS HELPED FINANCE SUCH WIDELY DIVERGENT ECONOMIC ACTIVITIES
AS A NEW AIRCRAFT FOR AN ECUADOREAN AIRLINES, CATTLE FARMING IN
GUAYAS PROVINCE, PYRETHRUM PRODUCTION NEAR QUITO, A MEAT PACKING
PLANT IN SANTO DOMNGO, AND A MODERN HOSPITAL FOR THE JUNTA DE
BENIFICENCIA IN GUAYAQUIL. LAST WELK NEW INDUSTRY HELPED BY CENDES
AND COFIEC BECAME A REALITY IN GUAYAQUIL WHEN A NEW ECUADOREAN
CANNING COMPANY EXPORTED THE FIRST SHIPMENT OF NARANJILLA JUICE,
A PRODUCT OF POTENTIAL VALUE IN THE UNITED STAES MARKET. THE
COMISION DE VALORES, A GOVERNMENT-FINANCED INSTITUTION ALSO USING
AID AND ECUADOREAN FUNDS, HAS HELPED FINANCE THE ECUADOREAN RUBBER
COMPANY IN CUENCA, THE COMPANIA ECUATORIANA DE SAL IN SALINAS,
ARROCERIA THOMAS IN QUITO, AND THE HOTEL VICTOR MIRAGLIA IN
GUAYAQUIL.

BUT THE ALLIANCE HAS ACHIEVED SUCCESS NOT ONLY IN ECONOMIC BUT ALSO IN SOCIAL PROGRESS IN ECUADOR. THE MINISTRY OF ECUDATION, LOCAL AND PROVINCIAL GOVERNMENTS, SCHOOL PARENTS, AND AID HAVE JOINED FORCES TO BUILD, EQUIP AND STAFF SEVEN TECHNICAL HIGH SCHOOLS -- INCLUDING THE SIMON BOLIVAR IN GUAYAQUIL -- AND OVER 1,200 PRIMARY SCHOOL CLASSROOMS. THESE TECHNICAL SCHOOLS ARE ECUADOR'S MAIN SOURCE FOR TRAINING ELECTRICIANS, MECHANICS, PLUMBERS,

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CARPENTERS AND WELDERS. THE SCHOOL-ROOMS HELP IN THE BASIC
EDUCATION OF NEARLY 50,000 ECUADOREAN CHILDREN EACH YEAR.

SOME SUCCESSES OF THE ALLIANCE FOR PROGRESS COMBINE BOTH ECONOMIC AND SOCIAL GOALS. ONE EXAMPLE IS OCEPA, AN ECUADOREAN GOVERNMENT INSTITUTION AIDED BY NORTH AMERICAN TECHNICIANSN WHICH IS HELPING THOUSANDS OF ECUADOREAN ARTISANS TO MARKET THEIR PRODUCTS ABROAD, AND IN A RETAIL OUTLET RECENTLY OPENED IN QUITO

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AND ONE TO BE OPENED THIS SUNDAY IN GUAYAQUIL. ANOTHER EXAMPLE IS ECUADOR'S GROWING COOPERATIVE MOVEMENT IN WHICH THE COOPERATIVE MEMBERS THEMSELVES ADD THEIR SAVINGS TO THE FINANCIAL AND TECHNICAL ASSISTANCE-THEY RECEIVE FROM ECUADOREAN AND AID SOURCES. HELPED BY ECUADOREAN AND NORTH AMERICAN TECHNICIANS, AND IN MANY CASES BY VOLUNTEERS OF THE PEACE CORPS, CREDIT UNIONS HAVE RISEN FROM VERY FEW IN 1963 TO 200 AT PRESENT; AND IN THE PAST YEAR HAVE INCREASED THEIR MEMBERSHIP FROM 21,000 TO 28,000 AND SAVINGS FROM LESS THAN 18 MILLION SUCRES TO ALMOST 36 MILLION SUCRES. MORE THAN 50 YEARS AGO A GREAT NORTH AMERICAN, CHIEF JUSTICE BRANDEIS, WROTE A GREAT LITTLE BOOK, "OTHER PEOPLE'S MONEY," SUSTAINING THAT ORDINARY PEOPLE WORKING TOGETHER IN CREDIT UNIONS COULD HANDLE THEIR OWN MONEY WELL. HE HAS SINCE BEEN PROVEN RIGHT BY MILLIONS OF PEOPLE

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IN THE UNITED STATES AND IS NOW BEING PROVEN RIGHT BY MANY ECUADOREAN
S.
AIDED BY THE ALLIANCE FOR PROGRESS THESE PEOPLE ARE PROVING THAT
WORKING TOGETHER IN VOLUNTARY PRIVATE ORGANIZATIONS THEY CAN
ACHIEVE FOR THEMSELVES WHAT NONE OF THEM COULD ACHIEVE ALONE.

STUDENTS OF THE AMERICAN SCHOOL, I THANK YOU FOR YOUR COURTESY AND PATIENCE IN LISTENING WHILE I HAVE EXPLORED MATTERS THAT MAY HAVE LITTLE RELATION TO YOUR INMEDIATE FORMAL STUDIES, BUT MAY STRONGLY AFFECT YOU AS CITIZENS OF ECUADOR. JUST CRITICISMS OF THE ALLIANCE FOR PROGRESS COULD AND SHOULD BE MADE. IN FOOTBALL, IF YOUR COMPANION FAILS IN HIS TEAMWORK OR MISSES AN EASY GOAL, YOU MAY SHOUT AT HIM, BUT YOU DON'T GIVE UP THE GAME, AND YOU CLAP HIM ON THE SHOULDER WHEN HE MAKES A GOOD PLAY. I HOPE YOU WILL AGREE WITH ME THAT WE SHOULD FRANKLY RECOGNIZE BOTH THE SHORTCOMINGS AND THE SUCCESSES OF THE ALLIANCE FOR PROGRESS IN I HOPE ALSO YOU WILL SHARE MY STRONG CONVICTION THAT ECUADOR. IT IS TOO EARLY TO GIVE UP HOPE IN THIS COUNTRY REGARDING THE GREATEST DREAM THE AMERICAN CONTINENT HAS DREAMED. FOREFATHERS HAD GIVEN UP HOPE IN THE DAWN OF THEIR QUEST FOR INDEPENDENCE, THE AMERICAN REBEL ARMY WOULD NEVER HAR SURVIVED THE BITTER WINTER OF VALLEY FORGE, BOLIVAR WOULD NEVER HAVE CROSSED THE ANDES, AND SUCRE STARTING FROM GUAYAQUIL WOULD NEVER HAVE

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PAGE 7 RUESQI 1299/2 UNCLAS REACHED PICHINCHA THERE TO FIGHT THE BATTLE THAT MADE ECUADOR FREE.

THE BATTLE FOR PROGRESS IS LONGER AND MUCH LESS DRAMATIC THEN WERE OUR STRUGGLES FOR INDEPENDENE, AND CERTAINLY AS IMPORTANT. TO REVERT TO THE ANALOGY OF SPORTS, THE STRUGGLE FOR PROGRESS REQUIRES NOT ONLY THE TEAM WORK OF FOOTBALL BUT THE STEADY, COURAGEOUS ENDURANCE OF THE LONG-DISTANCE RUNNER. I BELIEVE THE QUALITIES DISPLAYED BY THE ECUADOREAN PEOPLE IN THE PROGRAMS IN WHICH THEY HAVE MOST PARTICIPATED CAN INSPIRE YOUR CONFIDENCE THAT THE ALLIANCE FOR PROGRESS WILL CONTINUE TO SAIN SUCCESSES IN ECUADOR.

COERR

Sunday, October 8, 1967 -- 11:50 a.m.

Mr. President:

fres file

Following is a draft message to Prime Minister Wilson on the occasion of the death of Lord Attlee.

"Dear Mr. Prime Minister:

I was saddened to learn of the death of Lord Attlee who in a long life served his country and the cause of freedom so faithfully and so well. Please accept my deepest sympathy and that of the American people in your loss.

Sincerely,

Lyndon B. Johnson"

You have already cleared the attached Presidential statement which George Christian will issue during the day.

W. W. Rostow

Messag	e,	OF	X	
Amend	M	es	sage	

WWRostow:rln

I have learned with deep sorrow of the death of Lord Attlee, one of the great leaders of the United Kingdom. His passing is a loss not only to his own countrymen, but to all men moved by democratic ideals and the spirit of freedom.

In a career of great distinction, he devoted his life to his country's service. As Deputy Prime Minister in the wartime National Government he powerfully contributed to the winning of the war. Afterwards, as Prime Minister of the postwar government, he made memorable contributions to the difficult task of reconstruction. When new perils required not only rebuilding, but rearming as well, he did not flinch at the prospect or at the sacrifices entailed. He was one of the pillars of the Western Alliance.

Lord Attlee was a strong defender and champion of democracy and freedom. As a political leader and a creative humanitarian, he earned the admiration and respect of the entire world.

We join in paying homage to a British statesman who was also a warm and valued friend of the United States. To his family, and to the British people, we extend our sympathy and condolences.

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THE WHITE HOUSE

Saturday October 7, 1967 7:43 PM

Print tile

MEMORANDUM FOR THE PRESIDENT

Our ambassador in Ecuador gave what is described as a factual speech on the history of our aid relations with Ecuador. As a result of this speech they have asked for his withdrawl within forty-eight hours. We do not have the text yet of what he said but will have it tomorrow.

I am told by Bob Sayre that Secretary Rusk thinks that we probably should not ask for the withdrawl of the Ecuadorean ambassador to Washington. I pelieve we should decide that tomorrow.

During the night Bob Sayre and Bill Bowdler will be studying the precedents and getting us more information from Ecuador.

I shall be in touch with Secretary Rusk tomorrow and will forward to you his recommendations plus all the materials we have bearing on the problem.

WWR

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Saturday, October 7, 1967 4:40 p. m.

Mr. President:

More on life in North Vietnam -- mainly due to evacuation.

W. W. Rostow

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E.O. 1995N, Sec. 3.6 NLJ/RAC 01-2 By cbm. NARA, Date 10-2-01

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DIST 7 OCTOBER 1967

COUNTRY: NORTH VIETNAM

DOI:

25X1C

SUBJECT:

COMPLAINTS OF HARDSHIPS AND DIFFICULTIES ENCOUNTERED

IN EVACUATION AREAS

25X1X

HAIPHONG, 26 AUGUST 1967. THE DESTRUCTIVE WAR HAS ESCALATED IN NORTH VIETNAM, PARTICULARLY IN HAIPHONG, BUT THE PLACE WHERE WE LIVE AND WORK IS STILL SAFE. IT IS ABOUT 20 KILOMETERS FROM THE CITY OF HAIPHONG. I HAVE ONLY BEEN HOME ONCE SINCE EVACUATION. MY WIFE WHO IS A DRESSMAKER HAS NOT BEEN EVACUATED YET. MY MOTHER AND MY SON ARE ALSO STILL IN THE CITY. IN THIS SITUATION WE MEET MANY DIFFICULTIES. IF ONLY WE COULD STAY TOGETHER IN ONE PLACE WE COULD CUT DOWN OUR EXPENSES, BUT SINCE WE HAVE TO LIVE APART THE COST OF LIVING IS VERY HIGH. IF YOU PITY US, PLEASE SEND

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US A LITTLE MONEY TO HELP US IN THIS TIME OF WAR.

- 2. NGHE AN, 29 AUGUST. WE HAVE EVACUATED TO A SECURE PLACE
 FAR FROM THE MAIN ROADS. IT IS VERY COOL IN SUMMER. WE HAVE A
 SMALL GARDEN IN WHICH WE CAN PLANT VEGETABLES FOR OUR OWN NEEDS.

 OUR FAMILY CAN BUY RICE FROM THE GOVERNMENT SO IT IS NOT SO

 DIFFICULT AS IF WE WOULD HAVE TO BUY IT FROM THE OUTSIDE. NOW I

 AM TRYING MY UTMOST, BUT I CAN STILL EARN ONLY 36 DONG A MONTH
 JUST ENOUGH FOR MYSELF. I CANNOT SEND MONEY HOME TO MOTHER TO BUY
 RICE. EVEN WHEN I TRY TO BE VERY ECONOMICAL I CAN ONLY BUY 10

 KILOGRAMS OF RICE FOR THE FAMILY. THAT IS WHY WE LIVE VERY POORLY.

 NEXT MONTH IS THE TIME TO BUY RICE, BUT I HAVE NO MONEY YET.

 25X1X

 BICYCLE WAS SOLD A LONG TIME AGO AND MINE HAS JUST BEEN SOLD, SO I

 NOW HAVE TO WALK 30 OR 40 KILOMETERS A DAY TO WORK. PLEASE BUY ME

 A PEUGEOT BICYCLE, A TRANSISTOR RADIO, SOME CLOTHING MATERIAL AND

 KNITTING WOOL.
- 3. VIET BAC, 24 AUGUST. A STUDENT. IN THIS SITUATION OF WARRING AGAINST THE U.S. TO SAVE THE COUNTRY WE CANNOT AVOID HARDSHIP AND DIFFICULTIES. IT IS THE COMMON SITUATION OF THE WHOLE PEOPLE. BECAUSE OF THE U.S. IMPERIALISTS MY SCHOOL HAS HAD TO EVACUATE TO THIS VIET BAC JUNGLE, WHERE THERE ARE ONLY MONKEYS AND

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25X1A

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BIRDS. THERE IS NO ELECTRICITY, NO SOUND OF TRAIN WHISTLES, NOT EVEN THE SOUND OF WOMEN'S FOOTSTEPS ON THEIR WAY TO WORK. IN VIET BAC THERE IS ONLY THE MOON AND THE STARS, AND THE THUNDERING OF MIG21'S AND 17'S ON THEIR WAY TO FIGHT JOHNSON'S F4H'S AND F105D'S. MY SCHOOL IS NEAR ONE OF OUR AIR BASES.

- 4. HANOI, 15 AUGUST. BECAUSE OF THE ESCALATION OF THE U.S. DESTRUCTIVE WAR IN NORTH VIETNAM, MY FAMILY HAS HAD TO EVACUATE AND WORK ABOUT 60 KILOMETERS FROM HANOI. WE ENCOUNTER MANY DIFFICULTIES IN THIS WAR SITUATION, BUT WE ARE STILL SAFE. MY LAST-BORN BABY WAS PREMATURE AND IS VERY WEAK. WE HAVE MANY FINANCIAL DIFFICULTIES BECAUSE OF HIM, BUT WE CANNOT DO ANYTHING TO OVERCOME THEM. 25X1C
- NO DATE. BECAUSE OF THIS DESTRUCTIVE WAR MY FAMILY HAS EVACUATED TO THE COUNTRY. THIS KIND OF WAR IS SO TERRIBLE. NO ONE CAN TELL WHEN IT WILL BE HIS TURN TO DIE. WE DO NOT KNOW WHERE WE CAN GO TO ESCAPE THE BOMBS AND ROCKETS BECAUSE THERE ARE PLANES EVERYWHERE, NIGHT AND DAY. SOMETIMES THEY DROP THEIR BOMBS AT RANDOM AS IF THEY ONLY WANT TO DESTROY AS MANY OF US AS POSSIBLE. IN THIS SITUATION OF DESTRUCTION PEOPLE SEEM TO FORGET MORAL AND FRATERNAL AFFECTION. THE SITUATION IS VERY

CONFIDENTIAL NO FOREIGN DISSEM

Approved For Release 2000/09/11: NLJ-002-057-3-4-3

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25X1A

PAGE 4 OF 4 PAGES

ONFIDENTAL NO FOREIGN DISSEM

(classification) (dissem controls)

DIFFICULT AND EVERYTHING IS LACKING.

6. HANOI, 6 JULY. LIFE IN THE COUNTRY IS VERY SELFISH. INDEPENDENT AND LONESOME. IT IS VERY HARD. WHEN WE NEED HELP FROM OUR BROTHERS AND SISTERS IT IS AS HARD AS IF WE ASKED AID FROM STRANGERS, EACH OF US HAS TO FOLLOW HIS OWN PATH. THERE IS NO ONE TO HELP OR ASSIST US ON OUR WAY. WE MUST BE SELF SUPPORTING.

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7. DISSEM: CINCPAC PACELT PACAF ARPAC REPORT CLASS CONFIDENTIAL NO FOREIGN DISSEM .

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Approved For Release 2000/09/11: NLJ-002-057-3-4-3

Prestile

SECRET

Saturday, October 7, 1967 4:05 p.m.

Mr. President:

PYTHON

I have sent a copy of this, eyes only, to Sec. Rusk.

I will solicit his recommendation. I suspect the best man to take it in hand is Foy Kohler who handled diplomaticmilitary matters on the 7th floor of State.

W. W. Rostow

SECRET

DECLASSIFIED

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

White House Guidelines, Feb. 24, 1983

By By, NARA, Date 10-22-91

Saturday, October 7, 1967 3:55 p.m.

Mr. President:

Herewith another in our series on manpower problems of the VC -- this time in I Corps.

W. W. Rostow

WWRostow:rln

pres tile

THE WHITE HOUSE

Thursday, Octber 5, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Viet Cong Difficulties in First Corps

A review of intelligence documents for July and August indicates! the Viet Cong are having increasing difficulty in replacing men lost in battle? and are relying more and more on the infiltration of soldiers from North. Vietnam. The morale of the population in the Viet Cong controlled area is low, increasing numbers are leaving for government-controlled areas and as a result not only is recruitment a problem but food collection is difficult.

An interesting result of using North Vietnamese as replacements is that the units efficiency appears to suffer -- both because of morale and the inexperience of these replacements.

In looking at the HES figures available from January through July it is interesting to note that the population in the First Corps under government control has increased from 52 percent in January to 57 percent in July; Viet Cong population has remained constant at 26 percent, although it had reached 28 percent in the February - May period.

The following are selected extracts from some intelligence reports and captured documents for July and August dealing with the First Corps.

First Corps (July)

Viet Cong problems center on those caused by successful allied military operations and programs. The Viet Cong in all provinces of First. Corps except Quang Tri have difficulty in replacing losses of personnel. While Quang Tri receives replacements from North Vietnam, the quality of these replacements has been dropping, The most important problem for the Viet Cong is retaining popular support. With more successful allied operations, more people are reluctant to cooperate with the Viet Cong.

In Trieu Phong district, Quang Tri province, 120 families moved from the Viet Cong-controlled portion of the district to the relatively safer a Revolutionary Development area.

First Corps (September)

During August nine North Vietnamese battalions were to be added to the six regular battalions of Tri Thien, thus increasing the Viet Cong forces to about twenty battalions, counting local and guerrilla forces already in the provinces.

The Viet Cong military operational plan considers Tri Thien the first boundary to protect North Vietnam, that is, a battlefield where Americans face North Vietnamese Army troops. Thus, the Viet Cong must conquer these two Government of Vietnam provinces at any price. That is the reason Viet Cong strength in Tri Thien is being increased to about twenty battalions for the rainy season. The Viet Cong want to make Tri Thien comparable to the Vinh Linh special zone in the Northern demilitarized zone, which is shelled day and night, including town, plains and other areas.

Quang Ngai Province (July)

A general shortage of farm workers has resulted from Government of Vietnam evacuation operations, causing a greatly increased flow of refugees to secure areas controlled by the Government of Vietnam.

During July many reports indicated a further reduction in Viet. Cong combat manpower and the hope that the infiltration of soldiers from North Vietnam would compensate for the casualties sustained. However, soldiers from North Vietnam have presented additional problems. A report of 22 July, the source of which was a number of members of Viet Cong penetration group 22, states that most of the soldiers of that unit are North Vietname's high school students from 16 to 19 years of age who were forced to enlist. A letter written 25 July from a Viet Cong squad leader to North Vietnam contains the statement that each time his unit is shelled or meets an opposing force the troops become so confused and dispersed that it is very difficult to concentrate enoughs troops to carry on a fight -- thus had the situation deteriorated since 1966 when his unit had achieved a great merit in Quang Tin province.

Quang Tri Province (July)

Local Viet Cong units continue to have trouble replacing their losses in personnel. Prisoners captured in an encounter on 3 July with the Viet Cong 808 battalion say that the 808 can no longer be considered a Viet Cong unit since the majority of the troops are now North Vietnamese Army.

Various reports indicate the Viet Cong may be having trouble maintaining the morale of the population under their control. One report describes the people in Trieu Lang village, Trieu-Phong district, as "tiredy of life under the Viet Cong" because of artillery harassment and high Viet. Cong taxes.

Thua Thien Province (July)

In Phong Dien district the Viet Cong are reported short of foodbecause they have been unable to collect sufficient rice and other agricultural products. Recent military operations have destroyed much of the crops and prevented the farmers from working. In addition many people are leaving for safer areas such as the city and the district headquarters area. This has created a labor shortage problem for the Viet Cong.

Thua Thien Province (August)

Two reports from Phong Dien district indicated a Viet Cong morale problem. One reported that Cadres ... frequently discuss in private ... the successes of the army of Vietnam and allied troops in the district since early 1967. Most agree that these victories have dealt with a severe blow to the Viet Cong fighting spirit. A second report indicated that the morale of "thinking" Viet Cong Cadres in Phong Dien suffered as a result of the Government of Vietname elections.

Quang Tin Province (August)

Reports on the apparently concerted \ iet Cong effort to recruit youths may indicate that the Viet Cong are losing their normal source of volunteers. Viet Cong failure to disrupt the recent Government of Vietnam elections

..., together with the military defeat sustained by the Viet Cong in Tam
Ky district, may now find the Viet Cong having to deal with a more confident,

less terrified population.

Arthur McCafferty

DORSONVATION DON'T

SECRETA

Saturday, October 7, 1967 12:00 meen

from file

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

Mr. President:

This study

may interest yeu.

You may wish to read the summary and thumb through the rest.

Personally, I would trust your antennae mere.

W. W. Rostow

W. 1975---

SANITIZED E.O. 12958, Sec. 3.6 NLJ/RAC 01-2 By cbm., NARA, Date 10-2-01

Prestile

Saturday, October 7, 1967 -- 12:00 noon

Mr. President:

You should know the following.

After our lunch with the Arab Ambassadors, I asked Luke Battle to give me a cold, hard appraisal of the lunch Ernie mounted in the Fish Room. Was it diplomatically helpful or not? What was wrong?

I have worked long enough with Luke Battle to know that he would give me an honest reply. He said it was "helpful and first rate." Your impact on them was strong and clear, although in diplomatic terms you had nothing new to say. The Vice President did an excellent job in his discussion of space and other scientific possibilities for assisting development.

Hal Saunders added that he has had playback from 4 of his clients. They were all pleased. They all felt it valuable to hear directly from the President his view of the Middle East problem.

W. W. Rostow

Prentile

LAITHERTHOSE

Saturday, October 7, 1967 10:45 a.m.

Mr. President:

This is what bombing of Haipheng and Hanel is really like -- with all due respect to intelligence analysts 10,000 miles away.

W. W. Rostow

EO 12958 6.1(c)>25Yrs

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SANITIZED E.O. 12958, Sec. 3.6 NLJ/24C 01-2 ByCom, NARA, Date 10-2-0 1

WENTRAL INTELLIGENCE AGENCY Intelligence Information Cable

ROUTINE

PAGE 1 OF, **PAGES** STATE/INR AIR) (SECDEF ARMY NAVY CIA/NMCC NIC OCR ONE ORR NPIC DDI /EXO NPIC/IAS 2

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THIS IS AN INFORMATION REPORT, NOT FINALLY EVALUATED INTELLIGENCE.

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EO 12958 6.1(c)>25Yrs

7 OCTOBER 1967

COUNTRY: NORTH VIETNAM

DOI:

22 AUGUST - 2 SEPTEMBER 1967

SUBJECT: ROAD AND BRIDGE DAMAGE IN HAIPHONG AND HANOI

E0 12958

ACQ:

5 OCTOBER 1967

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

SOURCE:

LETTERS.

- 1. HAIPHONG, 2 SEPTEMBER 1967. MY BROTHERS ONLY COME HOME ONCE IN EVERY TWO OR THREE WEEKS BECAUSE IT IS VERY DANGEROUS TO GO FROM PLACE TO PLACE. COMMUNICATION ROUTES ARE ALWAYS BOMBED. THERE ARE MANY BOMB HOLES IN THE ROADS. IT IS NOT SAFE AT ALL. - WHEN WE ARE ON THE ROAD IT IS VERY DANGEROUS WHEN THERE IS AN ALERT. THEY ALWAYS COME AND BOMB THE ROUTES. MOST TERRIBLE OF ALL! ARE THEIR FRAGMENTATION BOMBS.
 - 2. MILITARY POST BOX 74451 CS, 22 AUGUST. A SOLDIER. U.S. AGRESSORS ARE STRIKING OUR DEAR CAPITAL LIKE MAD. THEY HAVE ALREADY HIT LONG BIEN BRIDGE, DUONG BRIDGE AND MANY OTHER PLACES.
- FIELD DISSEM: CINCPAC PACFLT PACAF ARPAC (ALSO SENT SAIGON). CLASS CONFIDENTIAL NO FOREIGN DISSEM-

SANITIZED E.O. 12958, Sec. 3.6 NLJ/RAC 01-1 Bycom , NARA, Date 3-25-01. Saturday, October 7, 1967 10:25 a.m.

Pres file

Mr. President:

Even our public scorecard in the UN is not too bad, as the attached shows:

36 take positions acceptable to us, including silence (8).

7 against.

10 for a unilateral bombing halt as a "first step," with ambiguity on whether we have a prior agreement along the lines of San Antonio.

At worst, it's better than 2-1.

W. W. Rostow

DEPARTMENT OF STATE ASSISTANT SECRETARY

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W H 34a Rostow

The Secretary

THROUGH:

S/S DER

FROM

10 - Joseph J. Sisco

SUBJECT: Viet-Nam in the United Nations General Assembly

General Debate -- INFORMATION MEMORANDUM

Of the 45 speeches given in the Assembly's general debatte through Tuesday, October 3, which mentioned Viet-Nam, a slight majority have either limited themselves to deploring the war in general (16) or suggesting its settlement through negotiations in broad terms compatible with the US. position (10). Two (Greece, Philippines) have given explicit support to the Government of Viet-Nam. On the other hand, ten non-communist countries, including Canada, France, Indonesia and Denmark, have asked for a halt in U.S. bombing as an essential first step towards a peaceful settlement. Several Latin Americans (Brazil, Chile, Paraguay, Uruguay, Venezuela) have been notably reticent about Viet-Nam. Only Burundi among non-Communist speakers has attacked the United States.

A summary of positions taken by individual speakers is attached. The categories are necessarily somewhat arbitrary. For example, some of the countries listed as requesting a prior cessation of bombing (e.g., Canada, Denmark, Indonesia) did not otherwise express opposition to the U.S. role in Viet Nam.

We maintain on a current basis a collection of excerpts on Viet-Nam from the general debate speeches, which provide a basis for the comments above and which we can provide on request.

Attachment:

As stated.

IO:UNP:WKimball:cap

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IX S/S: CMS

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Attitudes on Viet-Nam expressed in JNGA General Debate through Tuesday, October 3, 1967

I. Explicit support for US and/or GVN.

Greece Philippines II. Acceptable formulation on war issues; implicit support.

Argentina
Costa Rica
Dominican Republic
El Salvador
Israel
Japan
Luxembourg
Netherlands
Turkey
United Kingdom

Neutral or general call for peaceful settlement; support for SYG or Pope's efforts (no specifics)

Belgium Burma Chile Colombia Ecuador Finland Gambia Ghana Guatemala, Iran Jordan Paraguay Sierra Leone Trinidad & Tobago Uganda Venezuela

IV.
Call for bombing
halt as unilateral
or "first step."
(non-communist)

Canada
Denmark
France
Indonesia
Kenya
Senegal
Somalia
Sweden
UAR
Upper Volta

V. Condemn U.S.

Albania
Bulgaria
Burundi
Czechoslovakia
Poland
USSR
Ukraine SSR

VI. No mention of VN.

Bolivia
Brazil
Ireland
Lesotho
Niger
South Africa
Tunisia
Uruguay

TOP SECRET -- PENNSYLVANIA -- SENSITIVE

Presfile

Saturday, October 7, 1967 -- 10:00 a.m.

Mr. President:

The attached letter (Tab A) to Kissinger from M has a few mildly interesting points.

- 1. The idea of an official, private declaration on the cessation of bombardment (alternative B in the attached (Tab B) and the idea of a simple end of bombardment, followed by an official but private communication (alternative C, Tab B) were very carefully discussed with Bo.
- 2. M, at least, has in mind a gap of 3 or 4 days between an end of bombardment and official contact; that is, a direct Kissinger-Bo contact or a contact somewhere else between a North Vietnamese and a U.S. official.
- 3. The "solemn engagement" phrase, which Bo retracted, arose from Bo's statement to M that various Hanoi official pronouncements could be regarded as a "solemn engagement before world opinion."
- 4. M appears to believe (last paragraph, first page, Tab B) that we will not get from Hanoi a flat commitment on the time period between the end of bombardment and the first official contact until after the bombardment ends; but he believes the "delay" can only be "very short."
- 5. M urges that there be "no escalation" and suggests a "substantial dezescalation" as the framework for the delicate period ahead.
- 6. M urges no further "public statements" at the present time -- a proposition with which I agree.
- 7. In a telephone conversation with Kissinger M said that Bo had stated that three days were required for communications from Hanoi to get to him in Paris.

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Authority ML & 89-110

By Aghap, NARA, Date 10-23,

W. W. Rostow

WWRostow:rln

TOP SECRET-SENSITIVE

TOP SECRET/NODIS/PENNSYLVANIA

October 6, 1967

W/d1/352

MEMORANDUM FOR THE RECORD

I received from Henry Kissinger in the mail today the attached letter dated October 2 from M to K, setting forth M's version of his meeting with Bo on October 2.

When K asked M by phone today why he had not received M's original notes showing Bo's interlineations on the meeting of October 2, M said that what he had mailed was his own handwritten version of the meeting (i.e., the attached letter in its original form). M said he would discuss with A tomorrow the advisability of mailing the original notes to K.

In Note: / today's phone conversation with K, M stated that in a recent conversation with Bo, Bo had said that "it took three days for communications from Hanoi to reach me."

BHRead

TOP SECRET/NODIS/PENNSYLVANIA

DECLASSIFIED

Authority 71 Cg 89-112

By 19 100p, NARA, Date 10-23-41

350

Rome October 2, 1967

My dear Henry:

The note that I sent you yesterday was written in cooperation with Raymond Aubrac on the basis of notes that I had taken and discussed at the time of my last interview of October 2, 1967 with Mai Van Bo. The discussion lasted one and a half hours. The greatest part of the time was devoted to making precise and full the different points of this note. More particularly point (a) is entirely written by Mai Van Bo as well as the preamble. Points (b) and (c) were written on my suggestion but practically controlled and reread phrase by phrase by Mai Van Bo. They were discussed at length more particularly from the point of view of the non-public declaration. Mai Van Bo is waiting for an answer from Hanoi to the notes taken by Raymond Aubrac at the time of our meeting with Pham Van Dong. I recalled to you that it is a matter of the cessation de facto with official message but non-public on the part of the USA. We also discussed the word official. It was understood on both sides that this term applies to a person mandated by the Government of the USA, and that Raymond and I in any circumstances could not be considered as official messengers.

Any communication made by our advice-can only be nonofficial. Although this has not been written in the note,
it appeared obvious to me that the official contacts, public
or non-public, could begin upon cessation of the bombardments,
within a short time (some 3 or 4 days??).

On several occasions Mai Van Bo told me that by the speech of the Minister of Foreign Affairs of February 28 and by the last speech of Pham Van Dong the RDVN had taken a solemn engagement before world opinion. A public declaration from the USA would be a reply having the same character of commitment.

I think that if the RDVN is not at present making any comment with respect to the delays, it is because of a position of principle on the cessation of the bombardments without condition, but it appears to Raymond Aubrac and to me that these delays can only be very short.

TOP SECRET/NODIS/PENNSYLVANIA

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Authority ML & 89-112

By NA /4, NARA, Date 10-23-91

It seems to us essential that starting now no escalation nor any compensation of any kind must occur. A substantial descalation would certainly be a factor of the highest importance.

The speech of President Johnson made a bad impression. Mai Van Bo, who was the first one to mention it to me, found it "insulting".

It is necessary to be very prudent with respect to the public statements. The least ambiguity is immediately interpreted in its most unfavorable meaning. The less public declarations are made the better it will be at this stage.

Very cordially,

October 3, 1967 1:00 p.m.

Kissinger/Read Telecon

K received inthe mail this morning the typed, unsigned communication set forth below from Rome on blank white paper without letterhead. The communication was in French, and K's verbatim translation follows:

"The position of the RDVN remains always the same. If the United States really wished to talk, let them stop first without conditions the bombardment of the territory of the RDVN.

"Starting from that position there are several eventualities:

- alternatives
- (a) A public declaration by the Government of the United States about the cessation. This declaration could take place either before or after the cessation.
- (b) An official declaration but non-public preceding the cessation of the bombardment. This declaration could be communicated by the channel K/A-M (officieusement) not quite officially, and after this indication it can be transmitted officially by an accredited person.
- . (c) An end of bombardment without preceding official declaration followed by an official but not public communication of the Government of the United States.

"Eventuality (a) would represent a public declaration replying to that made on the 28th of January by M. Trinh, Minister of Foreign Affairs of the RDVN, which constitutes a solemn engagement to talk after the unconditional end of bombing. This public declaration would be followed by the transmission of an official text by an accredited person.

TOP SECRET/NODIS/PENNSYLVANIA

Authority Mc g 89-112 By kg/pp, NARA, Date 10-35-71

TOP SECRET/NODIS/PENNSYLVANIA

-2-

"Eventualities (b) and (c) reflect the propositions of M and A as they result from their understanding of their conversation in July in Hanoi with the Prime Minister. A confirmation is expected soon." (End of message)

Upon receipt K phoned M in Paris to ask two questions:

(a) Where is the handwritten original, showing Bo's interlineations? and (b) What is the precise interpretation of (b)? M said he had mailed the handwritten original from Paris yesterday (October 3) by airmail special delivery.

M said everything in the message except (b) was approved word for word by Bo, and point (b) is based on M's notes of his October 3 meeting with Bo. M believes he has correctly stated Bo's views in (b) although that eventuality was reconstructed by M after the October 3 meeting. K asked M, who had not yet seen Bo today, to show formulation (b) to Bo immediately and get his views on its accuracy and meaning.

36

-CONFIDENTIAL

Prestile

Saturday, October 7, 1967 9:40 a.m.

Mr. President:

As you can see from the attached -- and the Indian speech in New York -- Hanoi's diplomats are systematically committing themselves to the proposition that a cessation of bombing would lead to talks.

They have often suggested this to journalists, etc. But I do not every recall a formal diplomatic campaign of this kind.

W. W. Rostow

Moscow 1364

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E.O. 12356, Sec. 3.4

NEJ 94-403

By up, NARA, Date 10-24-95

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Department of State

TELEGRAM

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FM AMEMBASSY MOSCOW

TO SECSTATE WASHDC 6251

INFO AMEMBASSY BELGRADE 235

AMEMBASSY BUCHAREST 232

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AMEMBASSY PRAGUE 244

AMEMBASSY SOFIA 208

AMEMBASSY WARSAW 294

AMEMBASSY SAIGON 398

AMEMBASSY SAIGON 398

AMEMBASSY PARIS 491

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CONFIDENTIAL MOSCOW 1364

1 . INDICATIONS NORTH VIETNAMESE DIPLOMATS ATTEMPTING SPREAD IMPRES = SION BOMBING CESSATION WOULD LEAD TO NEGOTIATIONS PASSED US BY AUSTRALIAN DCM 8

PAGE 2 RUEHCR 1364FD CONFIDENTIAL

A. ZAMBIAN AMBASSADOR REPORTS THAT DURING ONE HOUR CONVERSATION
LAST WEEK NVN AMBASSADOR DREW HIS ATTENTION TO TRINH INTERVIEW
IN MANNER SUGGESTING NVN "WOULD BE READY" TO ENTER TALKS AFTER
BOMBING CESSATION.

DECLASSIFIED E.O. 12958, Sec. 3.6 - NLJ /RAC DI- I Bycom, NARA, Date 3-25-01 CONFIDENTIAL



Department of State

TELEGRAM

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PAGE 02 MOSCOW 01364 061701Z

BO ON BASIS THEIR CONTACTS WITH NVN REPS HERE CAMBODIAN AND BURNESE AMBASSADORS HAVE SIMILAR VERSION PLUS IMPRESSION NEGOTIATIONS COULD RESULT MORE OR LESS IMMEDIATELY.

2. ACCORDING AUSTRALIAN REPORT, HOWEVER, CEYLONESE FOUND NVN
AMBASSADOR EXTREMELY EVASIV RE PRECISE STEPS WHICH MIGHT FOLLOW
BOMBING CESSATIONS. NVN AMBASSADOR ASSERTED DEFINITION OF STEPS
WOULD ANTICIPATE NEGOTIATIONS IN WHICH THEY IN FACT WOULD BE
ELEMENTS.

GP-3. THOMPSON

CONFIDENTIAL

CONFIDENTIAL

Saturday, October 7, 1967 8:45 a.m.

Mr. President:

Herewith Bill Leonhart presents the first of Bob Komer's pacification reports, covering August.

It is clear that with the elections over and the organization set up we've got to get some momentum going again.

The rise in Chieu Hoi and refugees (para. 10) continues the population movement in the right direction.

W. W. Rostow

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Authority NLJ-CBS 19
By in, NARS, Date 6-22-84

CONFIDENTIAL

WWRostow:rln

37 Prestile

THE WHITE HOUSE WASHINGTON

October 6, 1967

Villiam Leonhar

MEMORANDUM FOR THE PRESIDENT

- Bob Komer has just forwarded the monthly pacification assessment for August. It is in a new format based on field reporting of functional activities instead of Corps areas, and so is not directly comparable with Westmoreland's July report (my memorandum to you of September 6 - attached).
- Komer reports progress in intangibles -- public attitudes, appeal of the elections, pace of civilian and commercial activity. But his basic finding is that August was "an unimpressive month" in pacification activities, principally because of GVN preoccupation with the election campaign.
- 3. On control statistics, Komer's hamlet status figures show slight declines: 31 hamlets downgraded from GVN control to contested; 19 upgraded from VC control to contested.
- 4. Population control figures are 68.4% for GVN; 16.5% for VC; and 14.5% for contested -- again slight downward movements in both GVN and VC control in favor of the contested middle.
- 5. A summary of country-wide highlights prepared by my staff is attached, together with the full report.

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Authority NLJ- CBS

By ..., NARS, Date

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SUMMARY HIGHLIGHTS

AUGUST PACIFICATION ASSESSMENT

1. Attack on the VC Infrastructure

Only limited results achieved though much may be occurring of which we are unaware. This weakness in reporting base is being corrected. Some progress made as in Quang Tin Province where 46% of the infrastructure has been identified, but no effective action yet taken. Intelligence on the infrastructure continues to improve under the new ICEX program.

2. Expanding and Improving Territorial Security

a. Hamlet Status

	Number	
GVN Control (ABC Category)	5,188	41.4
Contested (DE Category)	2 _{1:} 723	21.6
VC Control	4,038	31. 9
Other	693	5.1
-	12,642	100.0

Compared with July the changes were not significant. Some 31 hamlets moved from GVN control mainly to the contested category and 19 hamlets moved from VC control, mainly to contested.

b. Population Status

		People	
GVN Control		11,610,000	68.4
Contested		2,476,900	14.5
VC Control	•	2, 821.400	16.5
Other		128,900	. 6
			
		17,037,200	100.0

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E.O. 12356, Sec. 3.4 NLJ 94-403

, NARA, Date 10-24-15

Compared with July, percentages show a slight downward trend in both GVN and VC control and an upward revision in the contested and other categories.

3. Corps RD Security Status

- a. I Corps security continues to be hampered by threatened enemy attacks in many areas throughout the Corps.
- b. II Corps security improved somewhat overall, except in Phuc Yen Province.
- c. III Corps security no major expansion. Military operations in Long Khanh and Binh Duong aided security along Highways 1, 13, and 20.
- d. IV Corps security little change except as temporarily evidenced in support of elections and during redeployment of ARVN battalions in support of new RD hamlet area's.

4. Expanding RD Team Effort and Associated Programs

Picture spotty, but RD teams and associated programs continued to make satisfactory progress. 491 RD and 120 Montagnard teams were in the field. Team morale and performance generally on the upswing; success noted from use of civil/military and quarter zone RD team variations. New recruitment techniques showing excellent results.

5. Accelerating the Chieu Hoi Effort

Perhaps brightest spot in the pacification effort. Rate of return continues double last year. III Corps shows the greatest improvement with triple the number of last year's returnees, thus eliciting three major VC attacks on Chieu Hoi installations during August. IV Corps program rated best administered.

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6. Improving the Refugee Effort

I Corps problems remain acute, as war's intensity has generated about 450,000 refugees who temporarily overburden material and personnel resources. Remedial efforts now being made. Elsewhere, program effort concentrated on distribution of commodities, improvement of living conditions, and resettlement.

7. Expanding Police Effort

August dominated by security preparations for the elections, which emphasized national shortage of police personnel. Resources control in I Corps and Field Force effort in IV Corps are inadequate and CORDS is reviewing both programs.

8. Public Administration, Public Works, etc.

Komer reports special progress in Quang Tri program for pig breeding, insecticide distribution, self-help and construction of maternity dispensaries. Public Works program has "generally uninspiring record" throughout the country.

9. Status of Pacification Resources

Direct support units increased overall, except for a reduction of one ARVN battalion and several hundred National Police. RF companies were up by 9; PF platoons up by 12; RD teams up by 39; Montagnard teams up 1; and Static Census Crievance teams up slightly.

10. Indicator Trends

Chieu Hoi returnees increased from 1,864 in July to 2,131 in August. Refugees from 24,575 to 62,700. VC incidents up from 3,096 to 3,191; terrorism up from 318 to 610; civilian casualties from 456 to 914. RD plans continued to be behind in all Corps, with

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- 4 -

I and III Corps lagging badly but II and IV Corps showing some hopeful signs.

ll. Enemy Reactions to Pacification Offensives

In I Corps, VC ability to conduct widespread attacks has thwarted the program although there were no major setbacks. In II Corps, the enemy assigned additional military forces to combat the election and disrupt the pacification effort. In III Corps, NVA/VC main force units avoided contact, but guerrillas retained a formidable capacity to deliver heavy rocket, mortar, and recoilless rifle fire against fixed installations. In IV Corps, VC continued to probe with violent small unit attacks.

12. Areas Requiring Special Attention

Komer cites refugees and effective action against the infrastructure as major concerns in August.

CONFIDENTIAL

Presple

Send LDX to Ben Read from Walt Rostow

Following is approved Presidential message to President Senghor.

Message to President Senghor of Senegal

Dear Mr. President:

Mrs. Johnson joins me in expressing warmest personal regards on the occasion of your birthday. We remember with genuine pleasure our visit to your country at the time of celebration of its independence, and how impressed we were with your leadership and progress. We hope fervently for your continued well being and for the growing prosperity of Senegal under your wise leadership.

Sincerely,

Lyndon B. Johnson

Saturday, October 7, 1967 g. Presfile Mr. President: The Reverend Martin Canavan, President of the American Baptist Association wrote to you recently offering support for your Vietnam policy and requesting briefings on the subject. I replied on your behalf and arranged for briefings here in Washington. In the attached letter, the Reverend expresses his appreciation and reports the enthusiastic response he has received to his defense of your policies. In view of the foregoing, and because the Reverend Canavan heads a significant segment of the Baptist Church, I believe a brief note, like that attached, would be in order. W. W. Rostow

39 a

October 7, 1967

Dear Dr. Canavan:

I am pleased and encouraged to learn of the affirmative response you are receiving when you speak on the United States position in Vietnam. I appreciate your efforts and your thoughtfulness in informing me of them.

Your prayers and support are a source of comfort to me.

Sincerely,

[5] Lyndon B. Johnson

Dr. Martin Canavan
President
American Baptist Association
2679 East Carson Street
Long Beach, California
90810

LBJ:State:RMM:cjf

MERICAN BAPTIST ASSOCIATION, President

2679 E. CARSON STREET LONG DEACH, CALIFORNIA 90810 September 23, 1967

16533

Honorable Lyndon Johnson White House Washington D.C.

Mr. President:

I want to express my appreciation for the briefings and information sessions accorded me on my recent trip to the capital. Mr. Seamans and Mr. O'Brien in the State Department did an excellent job and the information has proved invaluable.

I'm writing to tell you that I have had the privilege of addressing hundreds of people in different meetings on the subject of Viet Nam since my return home. In these meetings I have taken the position that the present policy of this administration is the only humane and responsible course that could be taken. I have been "cross examined" from the floor in some of these meetings and the only criticism that has been raised has been an expressed desire to increase the tempo of the war.

I just wanted you to know that in all the civic and religious groups to which I have spoken in California your present policy has an almost unanimous support of the people. I have many more such appointments and will send additional information on the response if you care to have it in the future.

Again let me assure you of my prayers and best wishes as you lead our nation in this most trying hour.

Sincerely

Martin Canayan

Friday, October 6, 1967 7:50 p.m.

frostile

Mr. President:

Will this do?

W. W. Rostow

WWRostow:rln

40a

Proposed Message to President Luebke of Germany

Dear Mr. President:

Mrs. Johnson and I feel a special satisfaction in wishing you a very happy birthday. I recall not only our useful talk in Bonn but your evident vitality. As you complete your 73rd year, may we wish you well and express our hope for many further years of good health and of service to our friends -- the people of Germany.

Sincerely,

Lyndon B. Johnson

WWRostow:rln

405

If we could, I'd like to r. ke it a bit warmer -remember seeing him looking so well and feeling
so good when I was in Germany -- Mrs. Johnson
and I wish you well -- and a very happy birthday...

something like that.

LBJ/mf 10-6-67 1:12p

41

Friday, October 6, 1967 7:45 p.m.

Partile

Mr. President:

Bill Moyers has asked Gen. Taylor to write an article in defense of our bombing policy. He has done so and showed us a draft on which I have given him certain comments. The question is: Do you wish him to proceed with an article in NEWSDAY on this subject?

You should also know that Gen. Taylor has had an article accepted for The New York Times entitled "The War That Can Be Won." (attached)

W. W. Rostow

WWRostow:rln

TOP SECRET/NODIS - Sandston

Por file

Friday, October 6, 1967 -- 7:35 p.m.

Mr. President:

Herewith Sec. Rusk requests approval for what may be the break in the Middle East situation.

Robert Anderson has been approached by Eban, as well as by the Egyptians, to act as a go-between on a Middle Eastern settlement on a private, secret, informal basis. He would wander around the Middle East on private business. It would be understood that how whom he talked that he was acting as a private citizen but that he would communicate with his government.

While Bob Anderson was working quietly one end of the street, we could be working on the resolutions and negotiations in the UN.

You will wish to read carefully these papers. My inclination is that we go ahead.

W. W. Rostow

DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 94-403

By ig, NARA, Date 10-24-95

WWRostow:rln

420

TOP SEGRET/NODIS

October 6, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Mr. Robert Anderson's conversation with Foreign Minister Eban Wednesday, October 4, 1967

Foreign Minister Eban had a conversation with Robert Anderson yesterday in New York. Eban had asked several times to see Anderson, who checked with Gene Rostow and me before he accepted the invitation.

Their talk is summarized in the enclosed memorandum.

In essence, Mr. Eban asked for Mr. Anderson's advice about how to initiate private, secret, and indirect contacts between Israel and some of the Arab states of the Middle East. The implication is that Israel would like Anderson to act as a mediator. Mr. Eban must have had Egypt in mind, because of Mr. Anderson's long connection with that country, and perhaps other countries in the Middle East as well.

Our advice is that we should encourage the possibility of Bob Anderson's undertaking to continue his talks with Eban, and undertaking also to act as a go-between on a private, secret, and informal basis. In this connection, you should also know that in Rio, the Egyptians approached Anderson about a possible visit to Nasser. His response was that he would discuss the matter with the government, but that he could not consider going without a direct invitation from Nasser.

This could be the break in the Middle Eastern impasse we have been seeking for a long time. It could be a crucial development - to start a real exchange going on real questions, while we continue to work away on Resolutions in the United Nations.

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DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 94-405

By , NARA, Date 3.29-9.

TOP SECRET/NODIS

- 2 -

There are risks of course in our undertaking even this limited responsibility for having an American act in this . capacity. But I believe the risks of refusing to participate, and allowing the situation to drift, are definitely greater.

If you agree, we shall discuss possible procedures for initiating these talks with Mr. Anderson before he sees Mr. Eban again.

Approved		
	Ý	
Disapproved		.1.
	8	

Dean Rusk

Enclosure:

Memorandum of Conversation

TOP SECRET / NODIS

TOP SECRET - NODIS

SANDSTCRM

Report of telephone conversation between Mr. Robert Anderson and Undersecretary Rostow (uncleared by Mr. Anderson), October 4, 1967

Mr. Anderson called and reported that he had met, as planned, with Foreign Minister Eban. Ambassador Rafael, the Israeli Ambassador to the United Nations, was also present.

Eban opened the conversation by reviewing the events immediately preceding the outbreak of hostilities. The Israelis were puzzled as to why Nasser had suddenly decided to close the Strait of Tiran, and why they had placed 900 tanks, and a large part of their army, in the Peninsula. They were also still puzzled by the sudden change in attitude at that point on the part of certain Arab countries, and by their decision to mobilize their troops and to advance towards Israel. They all knew that Israel had no intention of changing the arrangements that had been agreed upon in 1957. He asked if Anderson had any idea as to why these actions took place.

Anderson said he had frequently travelled in the area, and happened to be in Beirut when the Strait was closed. He decided to disclose his trip to Cairo, immediately before June 5th, knowing that the story had been in the papers (and had also been disclosed to the Israelis at the time). He reviewed the talks he had in Cairo, making the following points: (a) the Egyptian position was that the closing of the Gulf had been preceded by years of study, leading to the legal conclusion that the waters were entirely territorial; (b) that Nasser had been caught in 1956 without troops in the Sinai, and didn't want to repeat that mistake; and (c) that the Egyptians were, however, willing to leave the Strait open for Israeli cargoes, except for oil and war supplies, subject to a decision of the International Court, provided it did not take too long. Nasser was not willing then to consider

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E.O. 12356, Sec. 3.4

NEJ 94-405

By NARA, Date 3-25-55

U. N. arbitration. He also said that he would never initiate hostilities, and agreed that the Russians had given him inaccurate information about Israeli actions and intentions. Nasser generally took the view that the approaching war was the will of God, and that we (the Egyptians) would have to accept it.

The Foreign Minister said that it was his judgment looking back over these events that the real cause of the war was the lack of communication between his country and its neighbors. There was no communication at all between Israel and Syria, and almost none between Israel and the other Arab states. They had no way of knowing what was in each other's minds. Hence fears and suspicions grew without any check.

Early in May he had been instructed to find some way to stop the raids from Syria without destroying villages and without going to war. When the mobilization began later in May, their situation changed, and they too started to mobilize.

Now, however, he wanted to talk about the future rather than the past.

Mr. Eban said that in the future, his country did not want to rely on Resolutions of the United Nations, or on guarantees even by the United States, but on clear contractual understandings with the countries concerned. The reason for that feeling was obvious in the experience of the last twenty years. They wanted free passage in the Gulf of Aqaba and Suez, demilitarization of the Sinai and the Golan Heights, probably the Gaza Strip, and an agreement with Jordan that would include return of most of the West Bank to Jordan, a unified city of Jerusalem with an area under Jordanian sovereignty.

Mr. Eban asked Mr. Anderson to comment on these positions.

Mr. Anderson said that he hadn't looked anybody up, but he had been approached by many of the Arabs in recent weeks, and

TOP SECRET - NODIS

TOP SECRET - NODIS

- 3 -

they had talked about peace settlements. He thought that no treaty or comparable arrangements could be worked out publicly. These men were all afraid of their lives. Problems would have to be discussed in private. They could make a public announcement only after general agreement had been reached.

Eban said that he agreed with this evaluation.

Anderson said he thought it was a good moment for a decisive breakthrough. The restoration of territory was uppermost in the minds of the Arabs. It should be possible to move now because in the past the Arabs had had a rule of unanimity. But clearly this was not fully operative now. Israel after all had to find a basis for living in a world of 100,000,000 Arabs stretching all the way to Pakistan.

Anderson continued that he thought there would be no difficulty about free passage for Israel in the Gulf of Aqaba. Transit of the Suez Canal by Israeli flag ships would be a problem, but, on the basis of his talks, he thought it would not be an insoluble problem. Eban commented, "I want to assure you I won't stand on minor details". Eban agreed that procedural matters should not be an obstacle to reaching contractual arrangements between Israel and its neighbors. He did not eliminate the possibility of thrid party participation in the process of negotiation.

After reviewing many aspects of the problem of reconciling Israel's position as explained by Eban and that of the Arabs as it was known to Anderson, including Anderson's evaluation of Nasser's outlook and his position in Egypt, Anderson felt that a solution should be possible. He advised Eban strongly against the possibility of direct talks alone at this time. In his view, this was the definite state of thought in the minds of the Arabs. They were afraid of being killed. And he felt there was justification for their fear.

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- 4 -

Eban said that Israel's first goal was to achieve contractual relations with its neighbors. If this involved talking through a third country, Israel could find a way to do it. He wanted to discuss mechanics with Anderson. He asked whether Anderson would be willing for him to call again, and get into these mechanical problems, because "you know those people." He would rely to a great extent on whether Anderson thought some of these approaches were possible.

Anderson said he would be glad to have Eban call, and that he would pursue the matter. One thing that encouraged Eban was that Ali Sabri had been moved out of Cairo to the Canal Zone. He felt Nasser was moving away from the radical point of view towards a more moderate one. Eban concluded by saying he was going to be in touch with Anderson again shortly about "how we could open this channel of communication."

for file

Friday, October 6, 1967 -- 7:30 p.m.

Mr. President:

Attached is the deal Bob McNamara handed the Thais this afternoon to get a yea or no from their government.

The helicopters are in the proposed MAP increase to \$75 million.

W. W. Rostow

WWRostow:rln

- 1. The cost of training the additional 10,000 troops.
- 2. Equipment for the additional 10,000 troops. (Upon final withdrawal of Thai forces from South Vietnam, the Thai Government may retain this equipment.)
- 3. The cost of the incremental overseas allowances for the 10,000 additional troops (at rates currently paid to Thai personnel in South Vietnam) over and above their base pay and allowances.
- 4. Equipment for the rotational troops during their training period. (Upon final withdrawal of Thai forces from South Vietnam, the Thai Government may retain this equipment.)
- 5. You may announce that we have agreed to supply equipment for a HAWK battery and the training of Thai personnel to man such a battery if you determine that such battery is required for your national defense.
- 6. An increase in the MAP program for FY 68 from \$60 million to \$75 million.
- 7. An increase in the planned MAP program for FY 69 from \$60 million to \$75 million.

-TOP SECRET

Friday, October 6, 1967 6:15 p.m.

Mr. President:

Herewith Prime Minister Holt gives you the details about the increase in his forces in Vietnam -- an increase of 1700, bringing their total to 8,000.

Keith Waller asked that we take special pains to hold this communication secret with you, Sec. Rusk, Sec. McNamara and the minimum number of others who literally need to know. For example, he thinks we should not send word of this yet to Saigon.

It is a most sensitive political matter in Australia.

W. W. Rostow

TOP SECRET

WWRostow:rln

 fres file





AUSTRALIAN EMBASSY
WASHINGTON, D. C.

6th October, 1967

Dear Mr President,

I have been instructed by the Prime Minister to deliver the following message to you urgently.

Yours sincerely,

w. Tollen

(J.K. Waller)

The President,
The White House,
WASHINGTON D.C.

TOP SEUKET

DETERMINISTRATIVE MARKING ADMINISTRATIVE MARKING E.O. 12356, SEC. 1.1(a)





AUSTRALIAN EMBASSY WASHINGTON, D. C.

6th October, 1967

Dear Lyndon,

I was glad you were able to have a talk with my colleague and Treasurer, Bill McMahon. But before I refer further to his meeting with you I would like to tell you that I have today read the full text of your San Antonio speech and that it impressed me as the best statement I have seen on the Vietnam issue.

Mr McMahon cabled me immediately after his talk with you, giving me the substance of the discussion and describing you as being obviously in good form and determined to continue the job in Vietnam until it is satisfactorily completed. He told me also that he conveyed to you some of our thinking on a further contribution in Vietnam and that he explained the problems I have had to meet in timing the announcement of an increased Vietnam contribution.

I can now outline to you what has transpired since Mr McMahon saw you. Paul Hasluck will be in a position to fill in this narrative in greater detail when he confers with you and Dean Rusk next week. But, as I said, I will give you an outline.

Keith Holyoake came to Canberra on Monday hight at my invitation. He had earlier told me of his desire to have some discussion with me about our defence planning but, at the time, we had not carried this far enough in my own Cabinet, so I waited until we felt ready to talk to him.

It was important for him to know the extent of any further contribution we might be making in Vietnam, and we felt it important to know where his Government's thinking had taken it in relation to the future role of our two countries in Malaysia/Singapore.

My own Government had come to the conclusion that, while it would be beyond the strength and resources of Australia and New Zealand to fill the gap the British will leave, there would be value to the common cause of stability and security in that region in each of us retaining a visible military presence.

As we know, one of the merits of the fighting which is going on in Vietnam is the time and opportunity it affords us to be making and securing progress in political, social and economic directions in other parts of South-East Asia.

We found from Holyoake that his Government had not so far adequately discussed what their future course should be, and he therefore stopped short of commitment. But he nevertheless showed a ready disposition to recognize the desirability of Australia and New Zealand marching in step. Each of us would, of course, need to feel that the Malaysians and Singaporeans would be making a growing contribution. To this end my Government has decided to make defence aid available to Malaysia and Singapore over the next three years to the value of \$20 million. It is continuation of a programme begun a few

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E.O. 12958, Sec. 3.6

NLJ OI-1

By Si , NARA Date 7-31-01

years ago and specifically related to the expansion of their own forces. My Minister for Defence, All A Fairhall, made our announcement about it yesterday.

We would not, in our desire to continue our presence in Malaysia, see ourselves as necessarily involved in any increase in our forces there, and in any event, we would not want our continued participation there to prevent us from doing something more in Vietnam.

In the short term in Malaysia and Singapore we shall aim to avoid any fundamental changes in our disposition and commitments, working through the existing defence arrangements and basing ourselves on the presence for the time of British forces. This may not prove practicable, but it will be our objective. What will happen in the longer term will be determined in large part by the outcome in Vietnam and by the extent of co-operation by the countries of the region in maintaining their own security. We could not, as you will yourself recognize, regard it as practicable to continue indefinitely a military presence without some understanding with the United States in the event of serious trouble developing there.

From the statements made by yourself and others, we have gathered that the United States firmly intends to maintain its interest in the security and stability of South-East Asia generally, and we would need to talk with you about the bearing of this on the security of the Malaysia/Singapore region and the part in this security which Australia and New Zealand can play.

We have looked very thoroughly into the question of what more we can do. You are supplying another 45,000 troops and we have been informed that the South Vietnamese have undertaken to provide another 60,000. What other members of the Manila group will contribute remains uncertain, but we would now wish to declare ourselves at this point without waiting until they have all made up their minds.

As far as Australia is concerned, we have decided to contribute an additional infantry battalion group (including helicopter support), thus providing a third battalion in the Australian task force and almost doubling its offensive capability. The battalion would be available in Vietnam in November or December. In addition we propose to add a tank squadron (involving about -250 men all ranks), extra helicopters and pilots, extra engineer construction capacity (about 50 all ranks), some ten Sky Hawk pilots for loan service with the United States Marine Corps in operations over South Vietnam, Sky Hawk maintenance personnel, and variation in existing establishments adding up to a further 125 all ranks. The total additional contribution will amount to 1,200 in the battalion and about 500 otherwise. This will bring our total contribution in South Vietnam to over 8,000.

This, I can assure you, puts us at the full stretch of our present and planned military capacity. To attempt to go beyond this would involve us in military, economic and political decisions which my colleagues and I would regard as publicly unacceptable in the existing climate of opinion, apart from other considerations of national policy.

As to the timing of our announcement, I felt we should give Holyoake time to let his Cabinet colleagues now

TOP SECRET

what we were doing, as no doubt this will have some influence on what they decide.

The Parliament here would expect to be publicly informed first on a matter of this sort, and it is in recess throughout next week. My present intention, therefore, is to make a statement on the first day of resumption which will be Tuesday, 17th October. I shall be doing so in terms which not only give details but make it clear that we too are determined, in collaboration with our allies, to see the Vietnam issue through, and that we are resolved to make a continuing contribution with the United States and others to the security, stability and economic progress of the free countries of the Asian and Pacific region.

We have the Prime Minister of Japan with us next week. I am looking forward to talks which should give us some indication of how far, and in what directions, Japan is willing to involve itself in the problems and opportunities of the area.

My warm regards,

Yours sincerely,

(Harold Holt)

The President, The White House, WASHINGTON D.C.

Friday, October 6, 1967 -- 4:50 p.m.

Mr. President:

Herewith my analysis of the attached proposal which went out today.

- "Without expression of condition." This formulation is meant to do two things. It is an important cosmetic concession to Hanoi. If they go into this it will permit them to say: We accepted their formula of an unconditional cessation of bombing. On the other hand, "without expression" means that we will reserve by silence the whole of our position as formulated by you, including, especially, the San Antonio formulation. It follows that we would simply, in the first instance, announce the fact that bombardment of North Vietnam would not take place on a certain day; and continue to announce it until we had something else to say -- stonewalling in the government and avoiding leaks.
- 2. "Promptly." This means that we must settle -- if possible before the cessation takes place -- the time and place when direct contacts would begin. The compromise may be that Bo would see Kissinger before the cessation actually occurred but when we had communicated the time when we were prepared to have it occur. They may make it a sticking point, however, that they not actually accept a time and place until after bombardment had stopped.
- "Productive discussions." This is our hedge on a Panmunjom. It means that we will have to make an assessment as soon as possible on whether they are moving towards peace or merely creating a situation in which they can prosecute the war without the burden of bombing. (As I discuss below, an equally important hedge is that we use our military resources, during the cessation, to our military advantage to the maximum: in Laos and within South Vietnam.)
- "In accordance with its proposal of August 25th." This means that we stick by the "assumption" that neither side "will take advantage" of the cessation. This is a phrase to which you will be able to point positively if we have to deal with shelling across the DMZ or other major moves which you judge to be "taking advantage."
- "To transmit in advance...the precise date" etc. This provision gives them and us lead time for international consultation, preparation of the military, etc. (One critical aspect for us is a formulation of the whole position in Vietnam which would make the pause rational if it fails and gives us good grounds on which to proceed. I discuss this problem and a possible solution below.)

-TOP SECRET-SENSITIVE-

- 6. "A date and a place for the commencement of discussions." The date must give us time to get Westy, Bunker, and Thieu aboard as well as our fighting allies. I lean to a time close to Thieu's inaugural so that we can gear our framework for the pause to a new phase in Vietnam, whether the pause succeeds or fails. This is discussed below. As for a place, it is clear that if and when discussions begin, it will be difficult to keep that fact secret. What we do wish to avoid is a Panmunjom atmosphere. By that I mean formal negotiations with each side coming out of a building, meeting the press, and distorting the whole exercise. I talked about this with Sec. Rusk. He leans to Moscow and says that the Russians could handle the press problem. I'm not sure the Soviet government would want Moscow; I'm sure Hanoi would me want Moscow; I'm not sure I want Moscow, because the final deal would have to meet their criteria as well as ours and Hanoi's and this could be a conflict. On the other hand, if there is any chance of success, Moscow might want this feather in their cap for the 50th anniversary. My first choice would be Rangoon, because there is virtually no resident press and Ne Win's government has very tight visa laws and could create a quiet -- almost private -- setting, with good communications for both sides. We would also have to decide on the negotiator. Sec. McNamara thinks that Averell Harriman is too old and sick. He leans to Kissinger whom we would have to swear in as Ambassador at Large for this purpose, if we wanted him to do it. Tommy Thompson is an attractive choice if the locale is Moscow; but he would need very strong support. There may be other candidates about whom we should be thinking.
- October 4 and with the proposal of the USG of August 25." This is meant to be facesaving for them and for us and reflects a fundamental principle for any subsequent negotiation, which is important; namely, that each side be able to come out of the negotiation claiming that the outcome was consistent with the positions it took all along.
- 8. "Observations by the USG on August 25 with respect to secrecy of the fact of discussions between the DRV and the USG." In our message of August 25 we noted the difficulty of maintaining secrecy of discussions in the face of total cessation of bombing. We suggested the DRV "may prefer to consider the alternative of cutting back in the magnitude and scope of the bombing while secret discussions are in progress." They have never responded to this possibility.

- 9. "The USG had taken note of a reduction of military activities in the vicinity of the DMZ. Undoubtedly, the DRV had noted the absence in recent weeks of aerial bombardment in the immediate vicinity of Hanoi." This notation does two things. It introduces the principle of reciprocity by the back door; and it underlines the importance of quiet on the DMZ during negotiations.
- 10. Military problems and possibilities. Sec. McNamara has told me of the plan to get Andy Goodpaster to work on the military aspects of this arrangement. We shall have to think through, of course, the kinds of military responses we would make against North Vietnam if there were various kinds of "taking advantage" of the bombing cessation. I suggested to him a supplementary task for Andy Goodpaster and his group; namely, that they examine systematically how we might use to best advantage militarily the period when North Vietnam is not being bombed. Specifically:
- -- the most intense and effective use of airpower, in conjunction with road watchers and the barrier, against the corridors in Laos, including the full lessons of our experience thus far.
 - -- acceleration of the barrier;
- -- the transfer of forces from protecting the DMZ to applying strength against the VC units in I Corps and, in general, an intensification of pacification activities in I Corps;
- -- future measures to limit infiltration through the mountainous western end of the DMZ on the South Vietnamese side of the line or through the Ashau Valley.
 - -- intensification of COMPATRIOT;
- -- contingency measures for full protection of the DMZ if the talks break down; massive pressure on the DMZ is resumed; and we resume bombing;
- -- plans for intensified pressure against North Vietnam if the talks break down, including targets, raids, or patrols across the DMZ to the north, etc.

I told bob that to the extent we can get our military engaged in ways of exploiting positively a stand down to our advantage, we will diminish pressure on you to break off the talks prematurely.

- ll. A new perspective on Vietnam and a possible pause. I have been designing the kind of speech that I believe you should make, in any case, in the wake of Thieu's inaugural. It should, in my view, give our people a fresh view of the war; one that we can live with over the whole next year, if necessary; provide the basis for a new information policy strategy in Saigon and in Washington. The essence of it is this:
- -- Hanoi has already failed in its purpose in South Vietnam and in Free Asia.
- -- In South Vietnam self-determination has asserted itself and a program has emerged for building a new nation based on constitutionality, social justice, and economic progress. This has been permitted by substantial progress in the war. The task now is to protect this new constitutional government and the nation which created it; if possible, to persuade the Viet Cong to join this nation under the protection and responsibilities of the constitution; and bring peace; if persuasion is impossible to press on with the progress already under way in bringing security to the countryside.
- -- With respect to Free Asia, we can see the domino theory in reverse. Because of what has happened in Vietnam, the Asians have turned their back on communism and committed their future to freedom and to regional cooperation. They have decided that we shall see it through; that we shall see the aggression defeated; and they have staked their lives and the lives of their nations on that proposition. They have made great constructive progress since 1965. Our job is to help them continue and to achieve their own purposes.
- The North Vietnamese military units have been driven towards the north and they can no longer conduct major operations from within South Vietnam. That is why in recent months they have pressed across the DMZ. Our hope now is that we can persuade them with dignity to make peace and to encourage their friends in South Vietnam to make peace. That is the purpose tof the bombing cessation. It is the result for which we pray. If the negotiations do not succeed, however, we must continue to drive the North Vietnamese out of South Vietnam and keep them out. That is why, in the past, we have conducted the bombardment of North Vietnam. That is why we are building the barrier. That is why it was necessary to hold at Con Thien. That is what we shall have to continue to do if negotiations fail.

But right now is the time for peace to be made: among the South Vietnamese themselves and between North Vietnam and ourselves. Now is the time to restore and make effective the international framework of the Geneva Accords of 1954 and 1962. Now is the time for Hanoi to join in the constructive development of Southeast Asia.

TOP SECRET -- SENSITIVE

-5-

We have clear ly turned the corner in this struggle for Vietnam and the future of Southeast Asia. We hope that through negotiations we are very nearly the end. But, if negotiations do not succeed, we can be confident that we are already well on the road to success and to peace.

W. W. Rostow

PROCESSING NOTE

Document #45a was incorrectly numbered as #44a when this file was processed. It has been correctly re-numbered as of this date.

REGINA GREENWELL Senior Archivist

October 30, 1995

TOP SECRET/NODIS/PENNSYLVANIA

10/5/67

The following message from Kissinger should be delivered to M:

M should tell B that K would be authorized to deliver to B in writing the following message whenever B is prepared to meet with him officially or unofficially:

"The USG understands the position of the DRV to be as That upon the cessation by the United States of all forms of bombardment of the DRV, the DRV would enter promptly into productive discussions with the United States. The purpose of these discussions would be to resolve the issues between the United States and the DRV.

"Assuming the correctness of this understanding of the position of the DRV, the USG is prepared, in accordance with its proposal of August 25th, to transmit in advance to the DRV the precise date upon which bombardment of the DRV would cease and to suggest a date and a place for the commencement of discussions. "

In addition, M should convey to Bo the following oral points from Kissinger:

- 1. K believes that this understanding is consistent with B's statement to M on October 4 and with the proposal of the USG of August 25.
- 2. When B meets with K, K would also be prepared to state the precise date on which cessation would occur and to give the suggestions of the United States with respect to the date and site of the discussions following cessation of bombardment, and K would be authorized to receive the views of the DRV with respect to these and other modalities.
- K noted that the DRV had not commented on observations by the USG on August 25 with respect to secrecy of the fact of discussions between the DRV and the USG.
- 4. K observed that officials of the USG had taken note of a reduction of military activities in the vicinity of the DMZ. Undoubtedly, the DRV had noted the absence in recent weeks of aerial bombardment in the immediate vicinity of Hanoi.

TOP SECRET/NODIS/PENNSYLVANIA

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Authority 2 989-110

By 18/19, NARA, Date 10-23 11

THE WHITE HOUSE

46

Friday, October 6, 1967 -- 3:40 p.m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Your Ambassador to Indonesia

sup

Ambassador Marshall Green is back from Indonesia. He will be here until October 14.

You may wish to have a brief report on this most important country which has turned around remarkably in the past two years. It is in many respects a heartening story.

Moreover, your seeing him would underline, both here and in Jakarta, your personal interest in Indonesia. It would also serve to strengthen Marshall's hand in establishing closer links between you and General Suharto, something the Indonesian leader sems very much to want.

I recommend that you see Ambassador Green for a short visit.

W. WR ostov

Approved	
Preferred date	
Disapproved	
See me	

-CONFIDENTIAL-SENSITIVE



Friday, October 6, 1967 -- 1:50 p.m.

Mr. President:

A somewhat wild idea.

The Mangla Dam will be dedicated on November 23: a year ahead of schedule and \$300 million less in cost than estimated.

It is a great project. The Indians have been invited by the Paks, since it releases other water from the Indus complex to India.

How about gearing the Asian summit meeting to permit you to turn up there; also go to New Delhi; and do a little politicking to bring India and Pakistan closer together?

As you know, the Paks have asked for the highest level representation possible.

In the wake of the good rains both countries are in an upbeat mood and this may be the time to push them towards normalization.

Besides, it would balance your accounts before the world: Vietnam and development.

W. W. Rostow

WWRostow:rln

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E.O. 12356, Sec. 3.4

NEJ 94-403

By NARA, Date 10-24 55

-CONFIDENTIAL

- 48

Prestile

-CONFIDENTIAL-

Friday - October 6, 1967 - 12:00 noon

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Panamanian Developments.

Encouraging Economic Outlook

A year ago we were concerned about public unrest in Panama arising from sluggish economic conditions. You will recall that you authorized a high impact economic assistance program.

We are a long way from solving Panama's basic problems of unemployment and maldistribution of income, but the short term gains are encouraging. Our Embassy reports that Panama has achieved a remarkable annual growth rate of 8%, which is expected to continue. Business is booming. Growth in the manufacturing sector is higher than the overall average. Exports are up, but so are imports. The deficit is made manageable by higher earnings from the Zone. The Embassy says that much of the growth stems from confidence by the business community that satisfactory treaties will be negotiated which will bring larger income to Panama.

Further Slippage on the Treaties

With respect to the treaties, we have more slippage in the Panamanian timetable. Robles is still consulting key persons on the drafts. This process will not be completed until the end of October. During November, Robles and Eleta expect to consolidate all the changes recommended by the Council, Cabinet and ex-Presidents. The Panamanian negotiating team would return to Washington around mid-November. Talks on the changes they want -- Eleta says about 70 -- are expected to last until the end of January. According to their schedule, signature would take place in late January or February, with ratification to follow in a special session of the National Assembly after their May Presidential elections.

All of this hinges, in the first place, on the nature of the treaty changes they propose. Eleta says most of them are "drafting" changes. Assuming this hurdle is passed, there remains the question of who the Presidential candidates will be and who wins the elections. Beyond that arises the question of whether we want to seek ratification in the middle of our presidential campaign. The prospects for the treaties continue to be "iffy".

W. W. Rostow

ec ma Godstein GONFIDENTIA

49

Friday, October 6, 1967, 11:45 A.M.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Informing Cabinet Members of Eisenhower-Kennedy Discussion on Southeast Asia

The Clifford memorandum on the Eisenhower-Kennedy discussion of Laos and Southeast Asia in January 1961 can be brought to the attention of Cabinet members by

- 1. Asking Secretary Rusk to read the memorandum to the Cabinet members who will be attending his dennar Tuesday evening,
- 2. Circulating copies, Eyes Only, to Secretary Rusk and Secretary McNamara and copies to other Cabinet officers to read and return to my office.

I recommend the first alternative. If handled in this way, we could avoid unnecessary risk of compromise of a privileged Presidential document.

Bto

WWR:BKS:amc

Prestile

CONFIDENTIAL

Friday, October 6, 1967 9:30 a.m.

Mr. President:

You will wish to note the marked suggestion in the attached about your talk with Pote and Thanat today.

W. W. Rostow

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WWRostow:rln

DECLASSIFIED

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

White House Guidelines, Feb. 24, 1983

By 19, NARA, Date 10-15-9-1

Pres file

CONFIDENTIAL

October 5, 1967

MEMORANDUM FOR MR. WALT ROSTOW THE WHITE HOUSE

For the President's meeting with Pote and Thanat, I have the following report from Clark Clifford on his lunch with Pote today.

Clifford stressed to Pote that there had been a significant drop in public support for our Viet-Nam policy in the past two months, and that this made it all the more important to get Thai and other additional forces. In reply, Pote said that some elements in the Thai Government were drawing the opposite conclusion from what they were reading about US opinion. He concluded by telling Clifford that it would be extremely helpful to Thanom, and to all those who believe in the additional force contribution, to have the President tell Pote and Thanat in the strongest terms that we felt terribly strongly about it and renewed our request that the Thai act urgently if they possibly could.

Clifford has asked me to pass this suggestion to the President, with his strong concurrence. Could you take necessary action?

William P. Bundy

DECLASSIFIED

E.O. 12356, Sec. 3.4

NLJ 94-405

By NARA, Date 3-25-95

COMPT DE SERVICE

Friday, October 6, 1967 9:15 a.m.

Mr. President:

Herewith Amb. Dobrynin responds to your album of HOLLY-BUSH photographs.

W. W. Rostow

WWRostow:rln

Der tile

Washington, D.C., October 4, 1967.

Dear Mr. President:

Thank you very much for the album of photographs taken during the meetings at Glassboro.

I will keep it as a vivid souvenir of that memorable occasion.

I do believe that such meetings are important for better understanding between our nations.

Sincerely yours,

A. Dobeson

The President
The White House
Washington, D.C.

Mr. Rostow

 Fres few

SECRET

Friday, October 6, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Visit by Thai Minister Thanat and Pote Sarasin

Foreign Minister Thanat and Development Minister Pote Sarasin will call on you at 12:30 P.M. today.

Thanat delivered a strong defense of our Viet-Nam position in a UN speech yesterday. Pote is a long-time friend of the U.S. You have met them both before.

You may wish to:

- 1) welcome them to Washington and express appreciation for Thailand's economic progress and its cooperation with us.
 - 2) congratulate Thanat on his good speech yesterday.
 - 3) ask for their impressions of the UN.

Items of interest that may come up:

1) Thai troop contribution

Their 2300-man unit has arrived in Viet-Nam. We are discussing an additional 8500 in Bangkok. You may wish to underline the desirability of a prompt Thai decision and announcement. I suggest this be discussed not as a U.S. request, but as a step important to Thailand's own security.

2) Regional Development

Thanat played a key role in forming ASEAN (Association of Southeast Asia Nations). Congratulations are in order. You may wish to refer to your message to Congress asking \$200 million for the Asian Bank Special Fund.

SECRET

3) Thai Economic Development

Minister Pote has been the chief architect of Thai economic policies. Their growth rate has averaged 9% over the last 5 years. You may wish to congratulate them on their achievements and promise continued U.S. cooperation with others in helping them.

4) Thai Internal Security

You may wish to ask them for their estimate of the insurgency. They are determined to deal with it as a Thai responsibility. They are integrating civil, police and military elements. We strongly approve their approach.

They may raise the question of <u>U.S. security commitment</u> to Thailand. They are somewhat nervous about our staying power in Southeast Asia.

You may wish to state:

Our commitment to Thailand is clear and we intend to keep it.

The above matters are covered in more detail in Secretary Rusk's memo (attached).

Regarding a press release, it is the Thai's strong wish that there be no press release or joint statements. But we can be sure that Thanat's and Pote's statements in the U.S. will be strong and positive and useful.

W. W. Rostow

Att.

SECRET-

THE SECRETARY OF STATE WASHINGTON

5da

October 4, 1967

SECRET/EXDIS

MEMORANDUM FOR THE PRESIDENT

Subject: Your Appointment with Minister of National Development Pote Sarasin and Minister of Foreign Affairs Thanat Khoman of Thailand.

You have agreed to meet these two Thai civilian leaders on Friday, October 6, at 12:30 p.m. You will recall that you met with the same two leaders together just a year ago. Thanat is here for the UN, and Pote is here to speak at a major economic meeting in New York.

Enclosed are talking points for your possible use, together with biographical material, and a possible press release.

You should also know that Clark Clifford will be lunching with Pote on the preceding day. We will arrange with Mr. Clifford to pass on any special points that arise at that meeting.

DesuRusk

Dean Rusk

Enclosures:

- 1. Talking Points
- 2. Biographical Material
- 3. Possible Press Release

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E.O. 12356, Sec. 3.4

NLJ 91-524

By NARA. Date 6-5-9.2

GROUP 3 - Downgraded at 12-year intervals; not automatically declassified.

DECLASSIFIED

E.O. 12356, Sec. 3.4

NLJ 9/-524

NARA. Date 6-5-152

TALKING POINTS FOR MEETING WITH THAT MINISTER OF NATIONAL DEVELOPMENT POTE SARASIN AND THAT FOREIGN MINISTER THANAT KHOMAN

- 1. You may wish to lead by recalling their call of a year ago, and Thanat's being at the Summit at Manila as well.
- 2. Thanat will have spoken in the General Assembly on October 5, and his speech is sure to be a strong defense of all that we and the Thai are doing in Viet-Nam. You might wish to congratulate him and to get his impressions of the UN. He will probably be sharply critical of the many nations who have been calling on us to stop the bombing as the single key to peace. (In their talks with Messrs. Clifford and Taylor, the Thai generally urged that we intensify the bombing.)

3. Thai Troop Contribution

Background

Following the Clifford/Taylor visit, the Thai have presented proposals to send an additional 8500-man force to Viet-Nam. We believe that we can work out the immediate military assistance required to obtain their firm agreement to such an addition, and are aiming to do so by the end of October if possible. However, there are major questions affecting our long-term military assistance and the modernization of the Thai forces on a broad basis.

Thanat and Pote probably will not expect you to comment in detail on the present status of these discussions, which are proceeding in Bangkok between Ambassa or Unger and the Thai military and Prime Minister Thanom. However, this is certainly an ideal occasion to stress again the great importance of a prompt Thai decision and announcement, both for its effect on Hanoi and for its favorable impact on our

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GROUP 3

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own Congress. Affirmative Thai action can have a most useful leverage effect in securing resources many times greater than the size of the Thai contribution itself. Since the Thai have shown some tendency to think of their contribution as being "at US request," we suggest you discuss this very much in the sense that it is of great importance to the security of Thailand itself--which both Thanat and Pote will recognize.

4. Asian Regional Development

Thanat played a key role in the formation during the summer of the Association of Southeast Asian Nations (ASEAN). It has brought in Indonesia and Singapore to join Malaysia, the Philippines, and Thailand. We have treated this wholly as an Asian matter, but general congratulations would certainly be in order. As evidence of our support for such Southeast Asian regional activities, you may wish to refer to your message to the Congress of September 26 requesting the \$200 million authorization for special funds under the Asian Development Bank. Both Pote and Thanat will undoubtedly be familiar with this, and ask what its prospects are.

5. Thai Economic Development

Minister Pote has been the chief architect of Thai economic policies, which for almost a decade have devoted about 60% of the Government budget to economic and social development, while shouldering growing security expenditures. As a result, Thailand has experienced a remarkable growth rate which has averaged 9% over the last five years.

You may wish to commend Pote on this impressive performance and indicate that the United States will continue to join with other nations and international organizations in assisting Thailand's economic and security development programs so that the momentum of this development is maintained.

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SECRET/EXDIS

-3-

6. Thai Internal Security

Communist insurgency is the most serious internal problem presently confronting the Thai Government. Determination to deal with it as a Thai responsibility and avoid U.S. involvement accounts for Thai insistance on modernizing their armed forces if they are to send a ditional troops to Viet-Nam. In the last five months there has been a perceptible decrease in Communist terrorist activity in Northeast Thailand due in part to accelerating Government counterinsurgency programs. Thai leaders recognize that much remains to be done and that it is too early to speak of "success" on the basis of current, limited evidence. It does appear, however, that the Thais' approach to the problem--integrating civil, police and military elements of the Government--is on the right track.

You may therefore want to indicate to the Thai Ministers our approval of their approach to the problem and assure them of our continued strong support for their efforts to defeat the insurgency. In so doing, you might stress the great importance of full integration of all parts of the effort—there have been recent indications that the army may be moving to take over in some areas, and this could throw the balance of the effort off.

Following are points the Thai Ministers may raise:

1. U.S. Security Commitment to Thailand

While your reaffirmation of U.S. commitments to Thailand made in Bangkok last October removed Thai pressure for a bilateral security treaty, Thai leaders, and Thanat in particular, are still sensitive to Congressional and public criticism of our involvement in Viet-Nam. Thanat is scheduled to appear on U.S. television and reportedly is prepared to rebut U.S. critics by name.

SECRET/EXDIS

Suggested Response

Since we have repeatedly told the Thai that we regard the SEATO Treaty as a bilateral obligation on our part, specifically reaffirmed by you last October, we suggest you respond simply that our commitment to Thailand is clear and that we intend to keep it. As you do so, you may wish to express our thanks for the excellent cooperation that we have had with the Thai in the use of SEATO bases on Thai territory—again putting this in the context of an effort that is wholly in the Thai interest.

Press Coverage

One of our objectives is to have this call receive publicity in Bangkok and elsewhere. Last year you took the two Ministers to the White House door and then left them to make statements to the press and TV. Undoubtedly both men would speak helpfully if you were to do this again, and USIA is standing by, as well as the networks.

Possible Press Release

Last year, a press release was issued following the visit. While we would not regard this as essential-- especially if you go to the door with the two Ministers-- we enclose a draft for use if you desire.

SECRET/EXDIS

520

THAILAND

THANAT KHOMAN
(Tah-not Koh-mahn)

Minister of Foreign Affairs

Thanat Khoman, Minister of Foreign Affairs since February 1959, was born on May 9, 1914. He was educated in Thailand and later in France where he received a docteur endroit in 1939. He speaks fluent English and French.

Thanat entered the Thai Foreign Service in 1939, first serving in Tokyo. During the early years of World War II he left for Ceylon, contacted the Southeast Asian Command, and joined the resistance movement against the Japanese. Before becoming Ambassador to Washington in 1957, Thanat served in India, in Bangkok with the Foreign Ministry, and at the United Nations in New York.

Foreign Minister Thanat is recognized as one of the most outstanding Asian statesmen. He is a strong supporter of U.S. policy in Vietnam, and a leader in promoting the new spirit of regional economic, cultural, and political cooperation. He was instrumental in mending relations between Malaysia and Indonesia, reviving the Association of Southeast Asia, and assuring the success of the ASPAC meeting in Seoul. Recently he proposed an Asian peace conference on Vietnam which won the support of a number of Asian states, including Japan. He deserves a major share of the credit for the successful negotiations with Indonesia and other Southeast Asian nations which culminated in the organization of the Association of Southeast Asian Nations (ASEAN) in Kuala Lumpur in August 1967.

Thanat is an excellent speaker and an experienced and capable negotiator. Particularly in dealings with Indonesia during the Sukarno regime and subsequently, and with other more or less neutral Asian and African nations, he has displayed great tact and willingness to play a self-effacing and helpful role in bringing such nations together. On the other hand, his volatile temper has caused him, on several occasions, to speak out with extreme candor and boldness in

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GROUP 3 - DOWNGRADED AT 12-YEAR INTER-VALS; NOT AUTOMATICALLY DECLASSIFIED.

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 01-2 By 5 , NARA Date 5-7-01 defense of U.S. (and Thai) policy in South Vietnam and in defiance of Communist critics of that policy. Although he has apparently had some friction with leading members of the military, Thanat enjoyed the trust and respect of the late Prime Minister Sarit Thanarat, and he appears to be equally secure in his position in the government headed by Thanom Kittikachon. He has on several occasions offered his resignation, perhaps partly as a tactic to confirm his support at the cabinet level, and has always been prevailed upon to continue as Foreign Minister.

He is married and has two daughters and one son, all of whom are studying in the United States.

CONFIDENTIAL

THAILAND

POTE SARASIN (Pote Sarah-sin)

Minister of National Development of Thailand

Pote Sarasin has had a distinguished career in law, business, diplomacy, and government. Born on March 24, 1904, he was educated abroad, attending the Wilbraham Academy in Springfield, Massachusetts, and studying law in London.

He served as Deputy Minister and later as Minister of Foreign Affairs from 1948 to 1950. He served as Ambassador to the United States from 1952 to 1957. In 1957, he became Secretary General of SEATO. He left that post to serve as Prime Minister of Thailand in the interim government which followed the 1957 military coup. He returned to the SEATO position in 1958, and served in that capacity until he was named as Minister of National Development, one of the most important posts in the government.

A good friend of the United States, Pote has endeavored to strengthen Thailand's position as a strong, free government in Southeast Asia. He is widely respected internationally for his broad and sound knowledge of international law and diplomacy. Known domestically as an effective leader, he has been responsible for many of the policies which have facilitated Thailand's impressive economic growth.

DECLASSIFIED
E.O. 12958, Sec. 3.5
State Dept. Guidelines
By W, NARA, Date 9-25-00

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GROUP 3 - Downgraded at 12-Year Intervals; not automatically declassified.

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DRAFT WHITE HOUSE PRESS RELEASE

The President met today with Thailand's Minister of National Development Pote Sarasin and Foreign Minister Thanat Khoman. They discussed U.S.-Thai relations, and Thailand's role in the present struggle in Southeast Asian and in regional development in that area.

Minister Pote described Thailand's successful economic development which, despite heavy demands for security expenditures, has resulted in an average national growth rate of 9% in the last five years. The Minister also described Thailand's growing programs to counter externally-inspired Communist insurgency. The President indicated that together with other nations and international organizations the United States would continue to assist Thailand's economic development in order to maintain the momentum of this growth. The United States would also support the Thai Government's efforts to defeat subversion and insurgency.

The discussion covered the growing movement toward regional development in Southeast Asia, its importance for the future of the region, and the important role which Thailand is playing in these activities.

The Thai Ministers expressed their strong support for the United States position in Vietnam, noting its direct relationship to the security of Thailand. The President responded by reiterating the statements he made during his visit to Bangkok last October, paying tribute to the Thai contribution to our collective defense against Communist aggression in Southeast Asia and reaffirming that the commitment of the United States under the SEATO Treaty was not of a particular party or administration, but a commitment of the American people, and that America keeps its commitments.

Declassified upon release by the White House

LIMITED OFFICIAL USE

Friday, October 6, 1967

Pros file

MEMORANDUM FOR THE PRESIDENT

Mr. President:

Attached is today's situation report on Vietnamese politics.

W. W. Rostow

Att.

-SECRET-EXDIS Attachment

SECRET-EXDIS

Viet-Nam Political Situation Report

October 6, 1967

DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 94-405

By , NARA, Date 3-39.5

Formation of the Government

Thieu has reiterated to Bunker that he hopes to form a Cabinet by mid-October and to hold inauguration ceremonies on November 1. Thieu also says he intends to install the new Senate next week. Thieu has confirmed the latter publicly, and has also reiterated publicly that the new Prime Minister would be a civilian.

On the same occasion, Ky stated publicly that he had asked Thieu to give him the necessary power to "liquidate all corrupt elements" in Vietnamese society. Semi-official Viet-Nam Press has carried reports of government moves against corrupt provincial officials, but the Embassy comments that it is too early to judge whether this is a temporary flurry or a beginning of a real anti-corruption program.

The Embassy also reports that the Senators-elect are sorting themselves out, clarifying their views on national problems, and seeking electoral alliances with Lower-House candidates. At this stage these groupings are likely to be loose, front-type organizations. The Embassy believes that they could ultimately provide the nucleus for political party development, but we doubt that they have this potential in the short run on the basis on which they are now being organized.

Buddhist-Student Agitation

The Embassy judges that the Assembly's validation of the presidential elections results has removed much of the steam from the efforts of militant Buddhists and students to agitate against the government. Thieu has told Bunker that he hopes to deal firmly with Tri Quang but at the same time to give him a face-saving way out of his present position. Tri Quang remains in front of the presidential palace and press reports this morning say he has begun a hunger strike, but this is unconfirmed. Student activity appears to have died down at least for the time being everywhere but in Hue.

- SECRET-EXDIS

THE WHITE HOUSE

WASHINGTON

-1 Prupie

Friday, October 6, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: October 10 Ceremony on the Outer Space Treaty

I have just talked with Secretary Rusk about next Tuesday's ceremony on the Outer Space Treaty. He would like me to ask you if you wish to invite Dobrynin, Dean and the Secretary himself to make brief remarks.

Secretary Rusk leans toward a simple ceremony, perhaps with only you speaking. You remember we had the signing last January. This ceremony involves the deposit of ratifications and your proclamation of the Treaty.

On the other hand, the Secretary can see the utility in getting Dobrynin to participate and wants to know what you would prefer. (While the eleven other signers might also want a chance at the microphone, there are good protocol grounds for limiting remarks to the three depositary powers)

The additional remarks would add an estimated 8-10 minutes to the 12.45 minute ceremony presently planned.

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Invite Dobrynin, D to make brief rem		k		•
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THE LEGAL ADVISER DEPARTMENT OF STATE WASHINGTON

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S/S 17027

October 5, 1967

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MEMORANDUM FOR MR. WALT W. ROSTOW THE WHITE HOUSE

Subject: October 10 Ceremony on Space Treaty

Scenario

The planning for the ceremony of deposit of ratifications of the Space Treaty at the White House next Tuesday is reflected in the following scenario:

- 1. The six States that have already deposited with the United States their ratifications of the Outer Space Treaty, and others that indicate before the date of the ceremony their readiness to do so, will be invited to participate with the United States, the United Kingdom, and the U.S.S.R. in the signature of a protocol of deposit of ratifications at the White House on October 10.
- 2. The President will be seated at a table to the north of the rostrum.
- 3. Participants who will sign the protocol will be seated at tables on each side of the rostrum as follows (a chart is attached at Tab A):

South table - left to right:

Czechoslovakia
Hungary
Finland
Sierra Leone
Denmark
Canada
Japan

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E.O. 12356, Sec. 3.4

NEJ 94-405

By App., NARA, Date 3-29-95

- CONFIDENTIAL

North table - left to right:

Niger
Bulgaria
U.S.S.R.
U.K.
U.S. (at the right of the President)

Except for the three depositaries -- U.S.S.R., U.K., and U.S. -- the order of seating corresponds with the order in which the States mentioned have already deposited their ratifications or have indicated their readiness to do so.

- 4. The ratifications that have already been deposited and those deposited that day will be placed in front of the Secretary of State. The Legal Adviser, Mr. Leonard C. Meeker, will inform the Secretary of State that (1) instruments of ratification of the Outer Space Treaty required for its entry into force have been received and found to be in proper form, and (2) the Protocol of Deposit will now be signed.
- 5. The Assistant Legal Adviser for Treaty Affairs will have the Protocol of Deposit signed in a single copy by each of the representatives seated at the table in the order named, ending with the Secretary of State.
- 6. The Legal Adviser will then present to the Secretary of State the President's proclamation of the treaty.
- 7. The Secretary of State will then inform the President that the treaty is ready to be proclaimed as being in force between the United States and other countries that have deposited ratifications, and he will present the proclamation to the President for his signature.
- 8. The President will sign the proclamation while seated at the table and will then make such remarks at the rostrum as he considers appropriate.

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Statements by Participants

The above scenario contemplates a statement by the President alone. A draft of remarks for him to make is attached at Tab B. The question is presented whether any other representatives of the States participating in the ceremony should make statements. For a ceremony of this kind, it does not seem appropriate to invite all participants to make statements, and the President's schedule on Tuesday morning is such that this might not be practicable in any event. It would be possible to draw a distinction between the three depositary Governments and the others, and to have statements by the Secretary of State, the British Ambassador, and the Soviet Ambassador, in addition to the President. This would probably be understood but might not be appreciated by the other participants. the President should wish to invite statements from the British and Soviet Ambassadors, the Secretary believes that it would be preferable for the President alone to speak at the ceremony. It would be appreciated if you will secure the President's decision on this point.

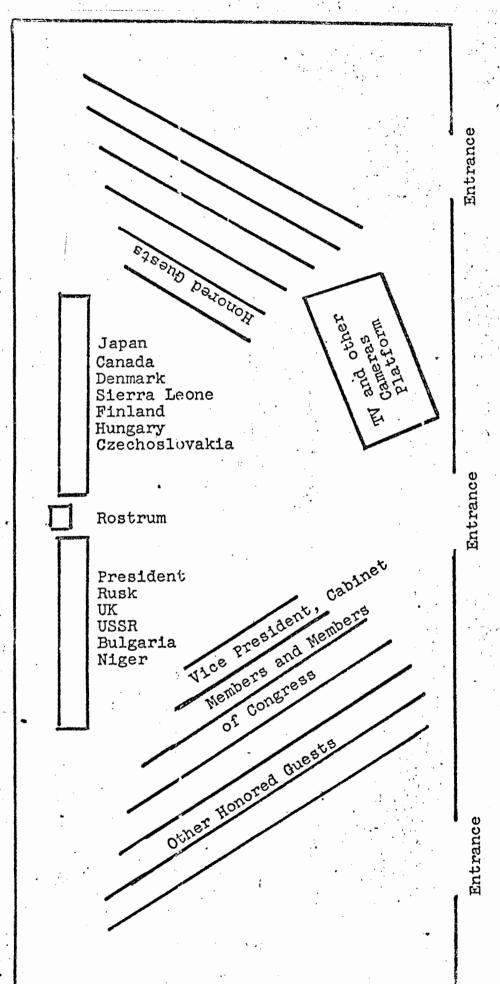
> Benjamin H. Read Executive Secretary

Enclosures:

Tab A - Seating chart.

Tab B - Draft remarks for President.

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DRAFT STATEMENT FOR THE PRESIDENT AT THE SPACE TREATY ENTRY INTO FORCE CEREMONY

Distinguished Friends:

Today, with the deposit of the required ratifications, the Space Treaty enters into force as part of the law of nations.

This Treaty has become law four years after the Limited Test Ban Treaty took effect on October 10, 1963. Each is a momentous step in the effort to build a sane and livable world -- a world in which man may concentrate on using science and technology in the ways of peace and for the benefit of all.

The Space Treaty seeks sanity by outlawing the orbiting of nuclear weapons. It limits military activities on the moon and other celestial bodies. It extends the civilizing influence of international law to man's activities in space. The exploration of space -- with all its prospects and all its demands on human, technical and financial resources -- offers immense possibilities for international cooperation. There are great opportunities ahead in both practical applications and in the more distant realm of interplanetary exploration. We should act on these opportunities.

Every age is one of turbulence and tension. Only when one generation looks back beyond the generation of its fathers is the past sometimes mistaken for a golden age of tranquility. Thus we, living in a difficult and perplexed present, may see as uniquely disturbed these years of strife in the Far and Middle East.

It is heartening that existing troubles in the world have not made impossible the kind of international cooperation that the Space Treaty represents. Instead, a strong and positive effort was made to extend the rule of law into space. Thus we have succeeded in a noble beginning.

This Treaty was negotiated in only six short months. It was signed less than a year after May 7, 1966 when I proposed a treaty to ensure that, when man lands on the moon, he lands in a field of peace, not human conflict. At that time I asked Ambassador Goldberg to undertake the task of negotiation for the United States.

I want to express my profound appreciation of the Senate's prompt and unanimous advice and consent to this Treaty.

I hope that we will take other important steps in the days ahead. A treaty guarding against the proliferation of nuclear weapons has been the subject of intensive negotiation for more than a year. It is my earnest hope that these efforts will soon be crowned with success. Let us hope that other steps, enabling nations to turn their swords into plowshares, will follow.

This is a day of accomplishment. I welcome all of you to the White House.

SECRET

October 6, 1967 Prestile

M. President:

In the attached memorandum, Paul Nitze requests that you approve the PROVOST Sensor Program, which covers the development of certain sensors for use in Vietnam, as a program of highest national priority so that it can be assigned a DX industrial priority rating. This program involves for emanate sensors that may be suitable to improve target acquisition in the DMZ. This request has been cleared with the Bureau of the Budget.

If you approve, the agencies that have programs on the highest national priority list or are otherwise concerned will be informed of the action by the attached NSAM.

W. W. Rostow

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- 1. Nitze memo 9/30
- 2. NSAM

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DECLASSIFIED E.O. 12356, Sec. 3.4(b) White House Guidelines, Feb. 24, 1983 By 18, NARA, Date 10-15-41

THE SECRETARY OF DEFENSE WASHINGTON

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8 0 SEP 1967

MEMORANDUM FOR THE PRESIDENT

I recommend that you approve the PROVOST Sensor Program as a program of highest national urgency which would make it eligible for use of the automatic DX industrial priority rating.

This program consists of development of certain selected sensors vitally needed at the earliest possible time for use in Southeast Asia. These sensors will enable our military forces to locate the elusive enemy forces in Southeast Asia on 24 hour-perday basis and in all types of weather.

The DX authority requested for this program will be limited to \$188.9 million during FY 1968.

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SECRET

THE STATE OF

NATIONAL SECURITY ACTION MEMORANDUM NO.

TO

The Vice President

The Secretary of State
The Secretary of Defence
The Secretary of Commerce

Chairman, Atomic Energy Commission

Administrator, National Agreeautics and Space Agency

Director, Contral Intelligence Agency

Director, Bureau of the Budget

Director, Office of Emergency Mauning

Swiject: PROVOST Sannor Program

in response to the recommendation by the Deputy Secretary of Dafense, the President, under authority granted by the Defense Production Act of 1990, today established the PROVOST Sensor Program as being in the highest national priority category.

V. V. Rostow

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bcc: SMK file and chron
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SPERET

Authority NSC 79F 00059

By 13/cgp, NARA, Date 10-15-91

Mr. Rostow

LIMITED OFFICIAL USE October 6, 1967

Mr. President:

As you recall from the Shah's visit here, his coronation takes place on 25 October.

I recommend you approve the attached message to be delivered to him that morning.

W. W. Rostow

Approve Disapprove ____

LIMITED OFFICIAL USE

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LIMITED OFFICIAL USE

DRAFT MESSAGE TO THE SHAH

Your Imperial Majesty:

Your Majesty's coronation will be a brilliant event in Iran's long and rich experience.

I salute you at this historic moment. The ceremony you are about to begin is both a fitting celebration of successes past and an hour of dedication to new decades of progress.

Mrs. Johnson joins me in sending to Her Majesty the Empress Farah special wishes at this time of her own participation in a joyous moment. Our salute to her is both an expression of esteem for Her Majesty and an expression of respect for your own wise policies that have enabled so many other women of Iran to share in their country's greatness.

Not the least among many causes for happiness is the occasion of Your Majesty's birthday. May this be for you an especially blessed one. May many years follow for you to enjoy the happiness you so richly deserve and succeed in the mission for your country you have pursued with such energy and skill.

Our wishes are all the warmer for the lingering pleasure of your recent stay with us. May God bless you in your work. Sincerely,

LYNDON B. JOHNSON

October 6. 1967

Fres file

MEMORANDUM FOR THE PRESIDENT

In the attached report to you on his recent trip to Vienna as head of the U. S. Delegation to the International Atomic Energy Agency General Conference and incidental visits to the Netherlands, Switzerland. Austria and Italy. Chairman Seaborg gives his personal impressions of a number of matters, of which the following are the most interesting highlights:

- (1) Your message to the General Conference was very well received and expressed the sentiments of a large number of the delegations. It helped preserve the nature of IAEA as a technical body relatively free of political debate and maneuvering. The large issues -- Vietnam, the Middle East and East-West competition were touched on only lightly.
- (2) The Conference completed its agenda in a constructive manner and in accordance with positions supported by the U. S. Delegation.
- (3) Important exchanges with the Soviet Bloc took place. The Czechs expressed an interest in developing a technical exchange and this will be followed up.
- (4) The new Commission of the European communities is off to a good start with renewed enthusiasm for European integration. In relation to the safeguards issue, Seaborg feels that we must still press the EURATOM member states to recognize realities and to ultimately accept IAEA inspectors on their territories.
- (5) Seaborg was particularly impressed with the Swiss nuclear energy program for their future energy requirements. They are determined to avoid atmospheric pollution from coal or oil burning power plants and the spoilage of their remaining unexploited river valleys by hydroelectric projects.

Chairman Seaborg was particularly complimentary of the work at and outside of the Conference of the four members of the Joint Committee who were in the U. S. Delegation -- Senators Pastore and Hickenlooper and Congressmen Hosmer and Andersen.

fres file Thursday, October 5, 1967 -- 6:00 p.m. Mr. President: I gather Sec. Rusk and Sec. McNamara have now formed views on the Radio Free Europe and Radio Liberation issue. If you wish to talk about this matter at 6:45 p.m., they are prepared. Otherwise, it could hold for a special meeting -- or next Tuesday's lunch. The rather powerful board of directors (Frank Stanton, etc.) are anxious for a decision; and there is a certain urgency. W. W. Rostow

WWRostow:rln

SECRET

Thursday, October 5, 1967 5:00 p.m.

from file

Mr. President:

You may be interested in the attached status report on troop contributions from Asia.

W. W. Rostow

SECRET_

ce: mu Goldstein

WWRostow:rln

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By Ag., NARA, Date 1075-91

THE WHITE HOUSE



Wednesday, October 4, 1967

SECRET

MEMORANDUM FOR MR. ROSTOW

THROUGH: MR. JORDEN

DECLASSIFIED

B.O. 12356, Sec. 3.4

NEJ 94-403

By 10-34.95

SUBJECT: Additional Troop Contribution to Viet-Nam

You asked for a status report on this subject. The situation is as follows:

Australia

The Australians will certainly make an additional contribution. The best guess has been that they would provide another battalion. However, Treasurer McMahon implied this week that the Australian contribution might run to two battalions.

We expect that Foreign Minister Hasluck will give us the details on the numbers and the timing during his visit to Washington next week. (Hasluck is calling on the President Tuesday, October 10.) Although previously the Australians had wished to withhold any announcement on this until after their November senatorial elections, McMahon's letter of October 3 to the President indicated that the Prime Minister will make an announcement to the Parliament on October 17 or 19.

New Zealand

The New Zealanders are less forthcoming than the Australians, but will probably be pulled along in the wake of the Australian contribution. In any event, the New Zealand contribution would be extremely small, at best not more than a Rifle Company.

Korea

Things have not moved beyond the situation as described in President Park's letter to President Johnson of September 8. It is clear that Park anticipates making a substantial additional contribution, but will not make a decision until he has the report from his Ministry of National Defense. The best guess is that the Koreans will provide another Division.

SECRET

Korea (continued)

However, Park has two serious problems which must be faced before he can make the troops available. First, he has a political crisis with his National Assembly, which must be solved because the departure of additional troops from Korea requires Assembly approval. Second, there is genuine widespread concern in South Korea about the high level of North Korean infiltration. Park will need some help on this in order to allay public concern that Korean security is being endangered by the contribution to South Viet-Nam. Ambassador Porter is pursuing this problem vigorously and is ready to talk turkey as soon as Park is willing to do so.

Thailand

The Thai submitted to us their requirements for sending an additional 8,500 troops. This would raise the Thai contribution in Viet-Nam to about 11,000.

We expect to send a State/DOD team to Bangkok this weekend to iron out the problems. Ambassador Unger is pushing for a quick U. S. response so as to permit a public Thai announcement by the end of this month.

However, additional Thai forces would have to be trained almost from scratch. Therefore, although we may get a public announcement within a month or so, the level of Thai forces in Viet-Nam would not actually be raised before July 1968, and the entire force would not be in place until January of 1969.

Philippines

Marcos has refused even to discuss this issue until after the November elections. Even then, the prospects are not bright.

Marshall Wright

Parshall

SECRET

-CONFIDENTIAL

Thursday, October 5, 1967 4:50 p. m.

Mr. President:

The marked passage on page 2 I find interesting.

If they really believe the election of 1968 won't solve it for them, then it is possible they could decide to end the war now.

Over five years, there is no serious reason to believe time will be their friend,

W. W. Rostow

E0 12958 6.1(c)>25Yrs

4 October 1967

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WWRostow:rla

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SANITIZED E.O. 12958, Sec. 3.6 NLJ/RAC 01-2 By com, NARA, Date 10-2-01

Intelligence Information Cable

• ROUTINE 60 a

PAGE 1 OF 4 PAGES OCR ORR DCS CGS CIA/NMCC AID USIA SDO ONE STATE/INR DIA ARMY NAVY AIR JCS SECDEF NEA NIC This material contains information affecting the National Defense of the United States within the meaning of the Espionage Laws, Title 18, U.S.C. Secs. 793 and 794, the transmisson or revelation of which in any manner to an unauthorized person is prohibited by law. THIS IS AN INFORMATION REPORT. NOT FINALLY EVALUATED INTELLIGENCE. E0 12958 6.1(c)>25Yrs Oct # 22 35 Z DIST 4 OCTOBER 1967 COUNTRY VIETVAM DOI MID-SEPTEMBER 1967 SUBJECT COMMENTS OF MEMBER OF NORTH VIETNAM DELEGATION IN PARIS ON VIETNAM WAR E0 12958 3.4(b)(1)>25Yrs ACQ "ELD NO. (29 SEPTEMBER 1967) SOURCE EO 12958 3.4(b)(1)>25Yrs E0 12958 3.4(b)(1)>25Yrs (C) 2. THE FOLLOWING IS THE SUBSTANCE OF TRAN'S REMARKS: "WE HAVE THE INITIATIVE IN THE SOUTH AND WE CONTINUE TO STRIKE. THE SUCCESSES THERE ARE OURS. (US SECRETARY OF DEFENSE) MCNAMARA'S STATEMENT IS THE BEGINNING OF TIAL/NO FOREIGN DISCEN (dissem controls)

SANITIZED E.O. 12958, Sec. 3.6 NLJ /R4C 01 1 Bycbm, NARA, Date 3:250:1

PAGE 2 OF 4 PAGES

C-O-N-F-I-D-F-N-D-I A L/NO POREIGN DISSEM/

(classification) (dissem controls)

REALISTIC INSIGHT-BOMBING THE CITIES WILL CHANGE NOTHING. IN THE LONG RUN
THE WILL POWER OF THE UNITED STATES WILL BE SUFFICIENTLY UNDERMINED, THEIR
PUBLIC OPINION TIRED, AND THEY WILL GIVE IN."

- 3. IN RESPONSE TO A QUESTION REGARDING THE BOMBING OF THE DYKES, TRAN HESITANTLY REMARKED WITH A SHRUG: "THE RAINY SEASON WILL SOON PASS AND THEN THE DANGER IS NOT GREAT ANYMORE."
- 4. TRAN SAID "WE HAVE NOTIFICIENTLY WHEREBY IT WILL BEGIN TO INFLUENCE EVENTS IN THE UNITED STATES."

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

5. UPON QUERY REGARDING THE SUFFERING OF THE VIETNAMESE
PEOPLE, TRAN MADE AN ANALOGY BY REFERRING TO THE GERMAN OCCUPATION OF SMALL
EUROPEAN COUNTRIES DURING WORLD WAR II. "THE SUFFERINGS AND HUMILIATIONS
FORCED UPON THESE PEOPLE BY THE GERMANS DID NOT DETER THEM FROM FIGHTING BACK."

- 6. ACCORDING TO TRAN, THE UNITED STATES WISHES TO STAY IN VIETNAM AND THEREFORE ANY COMPROMISE IS IMPOSSIBLE.
- 7. "WE ARE SUPPLE ENOUGH", TRAN REMARKED IRONICALLY. "YOU KNOW HOW

 E0 12958
 3.4(b)[1]>25Vrs CLUMEY AMERICAN DIPLOMACY IS. THEY (THE AMERICANS) ONLY UNDERSTAND COARSE

 MANEUVERS." COMMENT: APPARENTLY TRAN MEANT TO IMPLY THAT SOME

 DELICATE MANEUVER OF THE NORTH VIETNAMESE HAD MISFIRED BECAUSE OF "CLUMSINESS"

C-O-N-F-I-D-F-N-T-I A-I/NO FOREIGN DISSEN/

(classification) (dissem controls

PAGE 3 OF 1 PAGES

(classification)

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OF THE AMERICANS.)

- 8. THE SEPTEMBER 1967 ELECTIONS IN SOUTH VIETNAM HAVE NOT PROVED ANY-THING, INASMUCH AS THEY ARE ONLY THE OUTCOME OF AMERICAN PRESSURE ON THE SOUTH VIETNAMESE POPULATION.
- 9. CONCERNING THE PROBLEM OF UNIFICATION IN VIETNAM, TRAN SAID IT WAS A PROBLEM FOR THE VIETNAMESE TO SETTLE THEMSELVES. WHEN REMINDED THAT THE NORTH IS ALREADY STABILIZED AND CONSOLIDATED AS A COMMUNIST COUNTRY AND THAT IT FOLLOWS THAT UNIFICATION COULD MEAN THAT THE WHOLE OF VIETNAM WOULD BECOME COMMUNIST, TRAN RESPONDED AS FOLLOWS: "UNIFICATION WILL BE BROUGHT ABOUT GRADUALLY -- IT MAY TAKE TWENTY YEARS AND WHO CAN PREDICT WHAT THE NORTH WILL LOOK LIKE AFTER TWENTY YEARS? " COMMENT: D'IRING THE CONVERSATION. TRAN CAME BACK REPEATEDLY TO THIS PREMISE, BUT EMPHATICALLY STATED THAT UNIFI-CATION WAS THEIR (THE VIETNAMESE) BUSINESS AND THAT HE NEED NOT DISCUSS THE ISSUE WITH OTHERS. TRAN BECAME HEATED AND PROBABLY EMBARRASSED.)
- 10. TRAN SAID THAT NORTH VIETNAM IS INDEPENDENT -- ALSO FROM COMMUNIST CHINA. "CHINA IS A GOOD ALLY BUT HAS NO DIRECT INFLUENCE." THE CULTURAL REVOLUTION, ACCORDING TO TRAN, HAS NOT SHAKEN CHINA SO MUCH THAT -- AT THIS MOMENT--IT CAN NO LONGER PLAY A ROLE IN WORLD POLITICS. "MAO WILL WIN AND IS ALREADY WINNING."
- 11. TRAN DEFENDED THE GENEVA ACCORD OF 1954 BUT WITHOUT MUCH WARMIH. HOWEVER HE OBVIOUSLY THINKS THAT IT IS THE BEST SOLUTION FOR THE PRESENT. N P I D B N T I A L/NO POREIGN DISCEN

ED 12958

3.4(b)(1)>25Yrs

Thursday, October 5, 1967 3:45 p.m.

Aver file

Mr. President:

The letter for your signature has been revised along the lines you directed.

W. W. Rostow

WWRostow:rln

Mr. Rostow

6/2

2 Pur plu Wednesday, October 4, 1967 MEMORANDUM FOR THE PRESIDENT SUBJECT: Exchange of letters between you and Indonesian President Suharto Indonesian President Suharto has sent you a personal letter (Tab A) expressing thanks for U.S. economic assistance in the past, and the hope for continued generous assistance for the next few years. The letter was delivered by Indonesia's Finance Minister, Frans Seda. Seda is leaving the U.S. Thursday evening, and it would be good to put in his hands your reply prior to his departure. A suggested reply is attached (Tab B). It is intended to express the widespread American respect for the courage with which the Suharto government has faced its awesome problems and to assure Suharto of your continued interest without making any specific commitments at this time. The letter is also intended to encourage the developing relationship between Suharto and Ambassador Green and gently to discourage the Indonesian penchant for trying end-runs around the Embassy into the U.S. Treasury. I recommend that you sign the letter. W. W. Rostow Atts. MWright:hg cc: Mr. Jorden

THE WHITE HOUSE WASHINGTON

October 5, 1967

Excellency:

I was delighted to receive your letter of September 18 along with the informative memorandum on Indonesia's economic situation. I congratulate you and your government on the solid achievements of your stabilization effort in the past year. I know they are due in large part to your resolute leadership.

I am conscious, as I write this letter, that it is the second anniversary of a dramatic turning point in the history of Asia. The courage with which you and your people faced those crucial days in October, 1965, is still evident in your bold and farsighted efforts to reconstruct a shattered economy. Your government has earned the respect and the support of free peoples everywhere. I am sure that Ambassador Suwito and other members of your government visiting the United States have reported to you on the strength of these sentiments in the government, the Congress, the press, and the general public of the United States.

As you know, the American people speak both through me and through their representatives in Congress, and together we decide on the resources that will be available for foreign assistance. This process is still in progress. I cannot, therefore, make any firm commitment on what we will be able to do in the year ahead. I can, however, assure you that we will continue to show an active and sympathetic interest in your country's needs, and to do our part in the common effort of the international community to support the stabilization and rehabilitation of the Indonesian economy.

DECLASSIMED

E.O. 12356, Sec. 3.4

NEJ 94-403

By 10-34-95

I have followed with great interest the frank and detailed conversations you have had with Ambassador Green on the problems that arise in connection with Indonesia's economic needs. Through him, I trust that you and I can maintain close and regular contact on these important matters.

Please accept my heartfelt and personal best wishes for your continued success.

Sincerely.

[5] Lyndon B. Johnson

His Excellency
General Suharto
Acting President of the
Republic of Indonesia
Djakarta

LBJ:MWright:hg