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

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OCT 10 1967

Honorable Walter W. Rostow
Special Assistant to the President
for National Security Affairs
The White House

Dear Walt:

Your memorandum of May 5, 1967, stated that the President had approved the rescheduling of Cabriolet for the fall of 1967 and pointed out that this approval covered only the preparation for the test. Specific execution authority for Cabriolet is now requested.

As you recall, Cabriolet is a nuclear cratering experiment which we have designed and planned to further develop nuclear excavation technology. It is a necessary part of the development of excavation technology and is in support of the program of the Atlantic-Pacific InterOceanic Canal Study Commission established by Public Law 88-609. Enclosed you will find a brief background statement on Cabriolet.

We submitted several analyses in support of our request for authority to execute Cabriolet in 1966. These analyses provided background for the Presidential authorization to execute Cabriolet contained in your memorandum of December 21, 1966. The later decision to defer Cabriolet, of course, necessitated planning for a new target date. We are, therefore, proceeding with preparations for Cabriolet and expect to have a readiness date of November 16, 1967. In order to meet this schedule, we will need approval two weeks in advance of that date to permit assembling of the explosive and its emplacement in the hole. Execution of the Cabriolet experiment this fall is necessary if the Canal Study Commission schedule is to be met.

It may be of interest that, since the deferral of Cabriolet, we have had more experience with the Cabriolet-type explosive. Nuclear explosives of this same type have been tested successfully in two recent device development tests.

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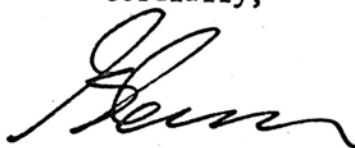
70 Hon. Walter W. Rostow

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As indicated in the attached background statement, then Acting Secretary Katzenbach in a memorandum to the President dated April 11, 1967, recommended that "we aim at maximum feasible openness in the conduct of Cabriolet." The AEC would be willing to allow a limited number of foreign observers for Cabriolet if the Department of State still believes this to be desirable. Upon approval of this experiment and having achieved adequate readiness, we would plan to make a public announcement at some appropriate time prior to the detonation. The timing and text of this announcement together with any plans for foreign observers would, of course, be coordinated with the Department of State and the White House.

I recommend that Cabriolet be approved for execution.

Cordially,



Chairman

Enclosure:
Background Facts on Cabriolet (S/RD)

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THE UNDER SECRETARY OF STATE
WASHINGTON

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October 20, 1967

MEMORANDUM FOR: Walt W. Rostow

Subject: CABRIOLET

Walt:

I have carefully examined the pros and cons of going ahead with CABRIOLET next month, and have reluctantly decided that we should postpone once again. The same conditions that led me to recommend the earlier postponement still pertain. If anything, they are now more pressing.

The NPT negotiations are at a critical stage. We simply cannot chance giving the FRG, the Italians, Indians, etc., an opportunity to charge us with playing games with our own treaty obligations. It can only make an already difficult negotiation more arduous.

There is at least a 50-50 chance that radioactivity from the shot would be picked up outside the U.S. Charges of a violation of the LTBT would be unpleasant at any time, but particularly so at a time when the ENDC and the General Assembly will be dealing with disarmament and nuclear weapons problems. We would also open ourselves to criticism at home--particularly from those who are already giving us a hard time on Viet-Nam.

But you and the President should know that postponement would raise some unpleasant issues. The Joint Committee has made it clear that they are already upset about previous CABRIOLET postponements. Pastore has warned Bob Anderson that if there are further delays there will be no more money for the program. Whether he and the Committee would stick to this is debatable, but we can't exclude the possibility. Also the

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E.O. 12356, Sec. 3.4
NIJ 94-450
By CL, NARA, Date 1-4-95

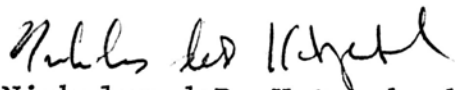
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President may come in for some hard words from the Committee if we do decide on another postponement (although Pastore's strong support for an NPT may be enough to keep the Committee quiet).

If this is further postponed, it will also mean the end of the Colombian Canal option. This virtually dictates an expansion of the present Canal, which will reduce our leverage with the Panamanians on the Canal Treaty (I'm not sure we have much now).

Thus, this is not an easy decision either way. But I am persuaded that the possible dangers to the NPT--which is vital to the President--and the hell we would probably catch in the UN (and at home) if we went through with the test, are simply not worth the price.


Nicholas deB. Katzenbach

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THE SECRETARY OF DEFENSE
WASHINGTON

OCT 20 1967

MEMORANDUM FOR SPECIAL ASSISTANT TO THE PRESIDENT
FOR NATIONAL SECURITY AFFAIRS

SUBJECT: Cabriolet Nuclear Excavation Test

This memorandum is in reply to your request for comments on or concurrence in the proposal of the Atomic Energy Commission to conduct the Cabriolet test on or about November 16, 1967.

The question of the timing of this test is, I believe, primarily a foreign policy problem. The views of the Secretary of State should, therefore, be given the greatest weight. I will support him in this matter.

Robert S. McNamara

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

20 October 1967

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E.O. 12356, Sec. 3.4
NJ 94-455
By cb, NARA, Date 9-6-95

The Honorable Walt W. Rostow
Special Assistant to the President
for National Security Affairs
The White House
Washington, D. C.

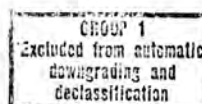
Dear Walt:

I see no objection to the execution of the Cabriolet project from an intelligence viewpoint. As you are aware, the USSR continues to make steady progress in their peaceful-use program.

Sincerely,

Richard Helms
Director

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CHAIRMAN OF THE JOINT CHIEFS OF STAFF
WASHINGTON

18 October 1967

Dear Walt:

In regard to your memorandum of 12 October 1967 on execution authority for Project CABRIOLET, I support the views expressed by Chairman Seaborg in his letter of 10 October 1967 and recommend that authority for execution be granted.

The Joint Chiefs of Staff have considered CABRIOLET as part of a review of the PLOWSHARE program and have concluded it should proceed because further delay could adversely affect US national security.

I do not consider that a meeting of the Review Committee is necessary to review CABRIOLET since the merits of the test have been discussed in considerable detail in various government forums, including the Review Committee, over the last eighteen months.

Sincerely,

Bws

EARLE G. WHEELER
Chairman
Joint Chiefs of Staff

The Honorable W. W. Rostow
Special Assistant to the President
for National Security Affairs
The White House

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E.O. 12958, Sec. 3.6
NLJ 96-273
By us, NARA Date 5-11-78

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THE WHITE HOUSE

WASHINGTON

October 20, 1967

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MEMORANDUM FOR MR. ROSTOW

Subject: Project CABRIOLET

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E.O. 12356, Sec. 3.4

NIJ 94-453

By cb, NARA, Date 4-11-95


In response to your memorandum of October 12, 1967, requesting my views on the AEC request for authority to execute CABRIOLET, I believe the political considerations that led the President to postpone the test in February appear to be a matter of even more concern now than they were at that time. I am particularly impressed with Ambassador Goldberg's concern about the problems CABRIOLET could cause in the UNGA. I do not, therefore, feel that I am in a position to recommend proceeding with the test at this time.

Although CABRIOLET is a useful experiment that will contribute to our knowledge of nuclear excavation, I think it important to recognize that CABRIOLET is only one of an extended series of nuclear cratering tests of increasing size that will have to be performed before we will be in a position to undertake any significant nuclear excavation projects -- certainly before we undertake the sea-level Atlantic-Pacific Canal. Even if we go ahead with CABRIOLET without undue political repercussions, it is clear that we cannot go very far in this experimental program under the existing provisions of the Limited Test Ban Treaty. I question, therefore, how much political risk we should take on CABRIOLET until we have resolved the broader question as to how to conduct the whole program of nuclear cratering shots on an internationally acceptable basis.

At the same time, I am concerned about the waste of scarce R&D funds and resources in the continued postponement of this project. If a political decision is made not to conduct CABRIOLET at this time, I think consideration should also be given to deferring the greater part of the nuclear cratering program until we have an acceptable political base on which to proceed. I understand that, while there is comparatively little money to be saved from CABRIOLET at this point, there is some \$25 million associated with the nuclear excavation program in FY 1968-69.

GROUP I

Excluded from automatic downgrading and declassification.


Donald F. Hornig~~SECRET~~

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SUBJ: PROJECT CABRIOLET

1. I UNDERSTAND A NUCLEAR CRATERING SHOT, PROJECT CABRIOLET, IS BEING CONSIDERED FOR NOV. 16. ALSO UNDERSTAND THAT WE BELIEVE VENTED RADIOACTIVE DEBRIS FROM THIS SHOT ALMOST CERTAIN TO GO BEYOND OUR BOUNDARIES AND IS LIKELY TO BE DETECTABLE OUTSIDE US, THUS POSSIBLY OPENING US TO CHARGES THAT WE HAD KNOWINGLY COMMITTED A VIOLATION OF THE LIMITED TEST BAN TREATY (LTBT).

PAGE TWO RUEHDT 1524 ~~SECRET~~

2. I HAVE CONSIDERABLE QUESTION RE DESIRABILITY US ENGAGING IN PEACEFUL NUCLEAR EXPLOSIVE PROJECTS, HOWEVER LAUDABLE FOR OTHER REASONS, WHICH INVOLVE HIGH PROBABILITY VIOLATION LTBT UNTIL TREATY IS AMENDED TO ACCOMMODATE SUCH PROJECTS. I CAN SEE THAT SECURITY AND LEGAL CONSIDERATIONS MIGHT BE DIFFERENT TAKING INTO ACCOUNT PAST SOV VIOLATIONS, WITH REGARD TO WEAPONS TESTING INVOLVING THE NATIONAL SECURITY INTEREST, BUT THIS IS NOT CASE IN THIS INSTANCE. I GATHER CABRIOLET SHOT WOULD PRODUCE ONLY LIMITED AMOUNT (OF NO HEALTH SIGNIFICANCE) RADIOACTIVE DEBRIS LIKELY TO PASS BEYOND US

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BOUNDARIES AND SUPPOSE EXPLOSION COULD BE RATIONALIZED ON GROUND RADIATION DISPERSION OVER INTERNATIONAL BOUNDARIES NOT CERTAIN OR AT LEAST DE MINIMUS; BUT I SEE NO REASON TO PUT OURSELVES IN THIS POSITION IN DEFENDING A VIOLATION OF TREATY UNLESS NATIONAL SECURITY INTEREST IS INVOLVED. MOREOVER, IT IS MY UNDERSTANDING PROBLEM

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OF TREATY COMMITMENT WOULD ARISE IN INESCAPABLE FORM WITH NEXT IN TENTATIVELY PLANNED SERIES CRATERING SHOTS, WHICH WOULD INVOLVE CONSIDERABLY LARGER AMOUNT OF VENTING AND THUS BE CERTAIN TO SEND MORE EASILY DETECTABLE DEBRIS OVER OUR BORDERS. THUS THERE IS AN IMPORTANT QUESTION OF PRINCIPLE WITH RESPECT TO TREATY WHICH WILL HAVE TO BE RESOLVED AT LEAST BY THEN.

3. IN ANY CASE I WOULD URGE WE NOT UNDERTAKE AN EXPLOSION DESIGNED TO VENT AND ALMOST CERTAIN TO INVOLVE PASSAGE RADIOACTIVE DEBRIS OVER OUR BORDERS AT TIME WE ARE LIKELY TO BE DISCUSSING NPT IN GA. I AM INFORMED CABRIOLET WAS POSTPONED LAST FEB TO AVOID ADVERSE AFFECT ON NPT AND LANFZ TREATY NEGOTIATIONS. EXPLOSION ON NOV 16 SIMILARLY COULD HARDLY BE AT MORE INOPPORTUNE TIME WITH RESPECT TO OUR DISARMAMENT OBJECTIVES IN GA. IN PARTICULAR NPT WILL PROBABLY THEN EITHER BE AT MOST CRITICAL PHASE OF DISCUSSION OR

PAGE FOUR RUEHDT 1524 ~~SECRET~~

JUST STARTING TO BE DISCUSSED. BOTH WE AND SOVS ARE UNCERTAIN ABOUT REACTION WE WILL FACE IN GA ON NPT. WHETHER SUCH EXPLOSION WOULD IN ITSELF CAUSE ANY POSITIONS TO CHANGE PROBABLY WILL DEPEND ON ITS ACTUAL EFFECTS. EVEN IF IT DID NOT IT COULD WELL HARDEN CONVICTIONS OF SOME NATIONS IN THEIR CONCERN ABOUT NPT, AND ALSO GIVE A POLITICAL WEAPON TO NON-NUCLEAR WEAPON NATIONS TO CHARGE US WITH VIOLATING EXISTING NUCLEAR TREATY AT SAME TIME WE URGING THEM TO ACCEPT MORE FAR-REACHING OBLIGATIONS UNDER NPT.

4. WHILE RECOGNIZING DESIRABILITY OF US PROGRESS ON DEVELOPING PEACEFUL NUCLEAR EXPLOSIVE DEVICES, I BELIEVE WE SHOULD TAKE NO AVOIDABLE RISKS WITH HIGH PRIORITY NPT OBJECTIVE, AND WOULD ACCORDINGLY RECOMMEND THAT THERE BE CAREFUL REVIEW OUR

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POLICY TOWARD TREATY AND SUCH TESTS ALONG LINES PARA 2 ABOVE, AND

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THAT IN ANY CASE CABRIOLET ITSELF BE AT LEAST POSTPONED UNTIL CON-
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GP-3.

GOLDBERG

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ATLANTIC-PACIFIC INTEROCEANIC CANAL STUDY COMMISSION

1815 H STREET NW.
WASHINGTON, D.C. 20006

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October 20, 1967

Honorable Walt W. Rostow
Special Assistant to the President
The White House
Washington, D. C. 20500

Dear Walt:

Inclosed is a copy of a letter from Chairman Pastore of the Joint Committee on Atomic Energy asking for a report on developments in our investigation of nuclear canal excavation, together with my proposed reply.

Although my reply accurately reflects the developments as seen by the Commission, it should not be dispatched as drafted if CABRIOLET is not to be approved for execution this November. Therefore, I would like your concurrence before it is dispatched.

I understand that, in spite of assurances given us last July, the Arms Control and Disarmament Agency is again opposing CABRIOLET. If you feel that there is any likelihood that the President will not approve it for execution as requested by the AEC, I would like to discuss it with the President before the decision is made. Notes covering the points I would like to discuss are inclosed for your information.

Respectfully yours,



Robert B. Anderson
Chairman

Inclosures

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CARL T. CURTIS, NEBR.
JOHN T. CONWAY, EXECUTIVE DIRECTOR

Congress of the United States
JOINT COMMITTEE ON ATOMIC ENERGY

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October 11, 1967

Mr. Robert B. Anderson
Chairman
Atlantic-Pacific Interoceanic
Canal Study Commission
1815 H Street, N.W.
Washington, D. C.

Dear Mr. Chairman:

I would appreciate receiving a letter report on the latest developments concerning possible use of nuclear explosives to excavate another Atlantic-Pacific canal. I would like to be brought up-to-date on the Canal Commission's deliberations on this matter in its July meeting and subsequent developments.

In addition to the general status of the consideration of a new canal, I would appreciate any specific information you may have developed concerning the schedule for going ahead and its relation to the need for having developed the technology for the use of nuclear explosives in building the canal. Basically the Committee is becoming concerned with the delays which are being incurred in the conduct of Plowshare excavation experiments. In this respect I would like to invite your attention to pages 44-45 of the enclosed Joint Committee's recent authorization bill report which comments on the Plowshare Program.

I appreciate your assistance in this matter.

Sincerely yours,

John O. Pastore
John O. Pastore
Chairman

Enclosure:
JCAE Authorization Report

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IX. CIVILIAN APPLICATIONS OF NUCLEAR EXPLOSIVES (PLOWSHARE)

A. AEC request

The AEC has requested authorization of \$21,865,000 for Plowshare operating funds for fiscal year 1968, an increase of \$8,530,000 over the presently estimated fiscal year 1967 expenditures for the program. The AEC's recently revised estimates for fiscal year 1967 expenditures for Plowshare are lower than what was anticipated at this time last year because several excavation experiments have been postponed. The Commission has advised the committee that it proposes to carry over to fiscal year 1968 unused fiscal year 1967 Plowshare funds amounting to \$2,365,000. This latter amount is reflected in the AEC's fiscal 1968 authorization request.

Included in the AEC request of \$21,865,000 for fiscal year 1968 is \$12.2 million for excavation experiments. It is planned that the Cabriole experiment, which was postponed from fiscal year 1967, will be carried out during the coming fiscal year, in addition to a row charge excavation experiment designated "Buggy." Also included in the Commission's budget request is \$1.5 million for Project Gasbuggy, a fully contained underground explosion to investigate the feasibility of stimulating the production of gas in low permeability formations.

The Commission has requested \$350,000 for capital equipment obligations for the Plowshare program for fiscal 1968.

B. Committee action

The committee feels compelled to point out this year, as it did last, its deep concern that planned Plowshare excavation experiments have

not been conducted. Two experiments planned in this connection were not carried out in fiscal 1966. Again, in fiscal 1967—despite the expenditure of nearly \$6 million for excavation experiments—no cratering experiments were executed. Approximately \$2,000,000 has been totally wasted in getting ready for the Cabriolat cratering event. A hole for this event was dug, the device was emplaced and on February 10, 1967, the event was postponed "... in order"—in the words of the executive branch—"to avoid any possibility of complicating the current discussions concerning a nonproliferation treaty ...". Shortly thereafter the President informed the Eighteen Nation Disarmament Conference considering the nonproliferation treaty in Geneva that "The United States is prepared to make available nuclear explosive services for peaceful purposes on a nondiscriminatory basis under appropriate international safeguards. We are prepared to join other nuclear states in a commitment to do this."

Quite apart from the apparent inconsistency of these actions—offering to other nations something which is not now available while at the same time and in the context of the same nonproliferation treaty negotiations postponing the effort to develop the promised technology—the committee is disturbed by the overly strict interpretation which the executive branch continues to place upon the Limited Nuclear Test Ban Treaty. Despite assurances given to the Senate in 1963, prior to ratification of the Treaty, that Plowshare cratering experiments could be performed notwithstanding existence of the treaty, no such experiments have been conducted since early 1965 although several were planned. It is abundantly clear to the Joint Committee that if we do not actively pursue the development of this technology, we will not be able to make it available to anyone—even ourselves. The Soviet Union, meanwhile, has conducted a vigorous underground nuclear testing program, and it is believed that some of these tests have been for the purpose of developing nuclear explosives and techniques for civilian application. Several underground events detonated by the Soviets have produced radioactivity that was detected in the atmosphere beyond the territorial limits of the Soviet Union. The committee indicated last year that detection by sensitive instruments of a few radioactive atoms which have vented from an underground explosion does not, in our opinion, constitute a violation of the Limited Nuclear Test Ban Treaty.

Prior to the ratification of the Treaty, Secretary of State Rusk, in response to a query by the chairman of this committee, advised this committee as follows:

It is the position of the United States Government that if the Soviets should interpret the Treaty more broadly than the United States now envisages, the U.S. Government will consider itself free to extend its underground testing program to limits observed by the Soviets.

It does not appear to us almost four years later that the assurances to the Senate or the statements made to this committee are being upheld with the same vigor with which they were first propounded.

Since the date of the President's announcement a number of non-nuclear nations have indicated interest in being able to use the nuclear explosive services which the President has said the United States would be prepared to make available for peaceful purposes. In view of

this interest it would seem that a concerted effort on our part to develop the underlying technology would be in direct furtherance of our announced goals relative to the non-proliferation treaty.

The committee recommends to the Congress approval of the entire amount requested by the AEC for Plowshare for fiscal year 1968 and urges the executive branch to get on with the task of developing the technology for civilian applications of nuclear explosives. If the funds provided are not to be expended for experiments, but instead are to be consumed in delays, then the committee believes that the administration should cancel the excavation portion of the Plowshare program. Of course, one logical result of any such action would be the necessary withdrawal of the President's offer to share this technology with the world. The committee would very much regret such negative action being taken, but it cannot stand idly by while the taxpayers' money is being wasted.

One area of the Plowshare program that does seem to have witnessed some progress in fiscal year 1967 involves the use of fully contained nuclear explosives in the recovery and storage of natural resources. Specifically, on January 31, 1967, the contract for execution of Project Gasbuggy—a joint Government-private industry experiment to test the ability of nuclear explosives to stimulate the recovery of natural gas from a low-permeability formation—was consummated by the AEC, the U.S. Bureau of Mines, and the El Paso Natural Gas Co. Work at the New Mexico site is progressing and, assuming no unexpected complications, execution should occur early in the coming fiscal year. If the Gasbuggy experiment is detonated successfully, the committee believes that either or both the Dragon Trail or Rulison projects (both being joint Government-industry gas stimulation experiments but in different media and locations from that of Gasbuggy) should be initiated as a program during fiscal 1968. To accomplish this within the funds available to the AEC for the year, the committee would recommend that the AEC at the appropriate time take reprogramming action as necessary after consultation with the Joint Committee concerning any proposed cost-sharing arrangement with private industry.

ATLANTIC-PACIFIC INTEROCEANIC CANAL STUDY COMMISSION

1815 H STREET NW.
WASHINGTON, D.C. 20006

20n

Honorable John O. Pastore
Chairman, Joint Committee
on Atomic Energy
Congress of the United States
Washington, D. C.

Dear Chairman Pastore:

This is in reply to your letter of October 11, 1967 asking for a report on the latest developments in regard to the possible use of nuclear explosives to excavate a sea-level canal across the American Isthmus.

The Canal Study Commission welcomes this opportunity to report to you on the current status of our studies and inform you of our preliminary views. We are aware of the encouragement that the Joint Committee on Atomic Energy and you personally have given to the PLOWSHARE Program of the Atomic Energy Commission. We share your concern over delays in the conduct of the nuclear excavation experiments requisite for determination of the technical feasibility of nuclear canal excavation.

In mid-1964 when the Congress held the original hearings that led to the passage of Public Law 88-609, Department of the Army and Atomic Energy Commission witnesses testified that the minimum time required for the completion of the proposed sea-level canal investigation would be three years after initiation of the site surveys and the supporting program of nuclear excavation experiments. In the law, the Congress established a final reporting date of June 30, 1968. This left no leeway for unforeseen delays that occurred in the appointment of the Commission and organization of its investigation, in the negotiation of access rights to the routes in Panama and Colombia, in the mobilization of the survey forces, and in the AEC's planned three-year program of nuclear excavation experiments.

For reasons beyond U. S. control, delays in obtaining access rights to the canal routes in Panama and Colombia caused the field surveys to fall two years behind the planned schedule. In the parallel program of nuclear excavation experiments, the AEC is now at least two years behind schedule as a result of successive postponements of CABRIOLET, the first of a minimum of six experiments needed to determine the technical feasibility of nuclear canal excavation. The AEC has advised us that the

results of each experiment will affect the planning of the next and no more than two per year can be carried out efficiently. Therefore, completion of this minimum program could not now be accomplished before 1970.

Our site surveys on the isthmian canal routes suitable for nuclear excavation are now fully underway. These studies involve extensive data collection and evaluation activities in two remote regions, Route 17 in the Darien Province of Panama, and Route 25 in northwest Colombia. Base camps, airstrips, and weather stations have been constructed along both routes, data recording instruments are installed, all necessary survey personnel are on duty, and our planned geological and bioenvironmental studies are well advanced. Fortunately, most of the data needed for the evaluation of the conventional routes were already available as a result of earlier studies. Because the data needed for evaluation of the possible nuclear routes are more extensive than those needed for conventional excavation, most of the planned \$24 million total expenditure on our studies has been or will be devoted to investigation of the nuclear routes.

Upon the third postponement of CABRIOLET last February, after it had been approved for execution, it became evident that it would not be possible for the Commission to determine the feasibility of nuclear canal excavation and make a report to the President for transmission to the Congress before late 1970. We then requested legislation amending Public Law 88-609 to postpone the final reporting date to December 1, 1970, and to provide additional funds needed for the completion of its investigation. This amendment was passed by the Senate on June 12, 1967, but has not as yet been reported out of Committee in the House.

At its meeting on July 14, 1967, we reviewed the situation with representatives of the White House, the Department of State, the Arms Control and Disarmament Agency, and the Atomic Energy Commission. We informed them that further slippage in the nuclear excavation experiment program could force the Canal Study Commission to abandon consideration of nuclear excavation and limit its study to the feasibility of a conventionally excavated canal in Panama in or near the existing Canal Zone. We were

assured then that the evaluations that had resulted in the previous approval of CABRIOLET remained unchanged; and that, barring unforeseen developments, we could plan upon its execution in the fall of this year. However, we were cautioned that CABRIOLET and each subsequent nuclear excavation experiment would continue to be evaluated individually at the time of proposed execution. On the basis of this advice we have continued all our Study programs in the expectation that our reporting date will be extended by the Congress to December 1, 1970 and that the minimum program of six nuclear excavation experiments will be carried out during Fiscal Years 1968-1970. Should developments by the end of this year not confirm these two expectations, we may be forced to confine our report to an evaluation of the feasibility of a conventionally excavated sea-level canal in Panama.

Although we have not yet reached any definite conclusions, it has become apparent that need will develop for additional canal capacity between 1980 and 1990 unless the rate of growth in canal traffic that has been experienced since World War II should diminish substantially. Inasmuch as lead time of almost 15 years will be required for design and construction of any sea-level canal, the United States will soon be required to decide whether such additional capacity should be provided and where and how this should be done.

Past studies and our preliminary considerations show possible savings in costs on the order of \$1 billion if nuclear excavation can be used. Such savings in construction costs have important foreign policy, financial, defense, and shipping implications. Whether such savings are possible can be established only through nuclear excavation experiments and concomitant technical studies. Should the determination of the feasibility of nuclear excavation not be made possible at a reasonably early date, the potential advantages it offers in the construction of an isthmian canal may never be realized. In the absence of a proven nuclear excavation technology, the imminent requirement for additional canal capacity may force an early decision to proceed with conventional construction.

The United States and Panama are currently engaged in negotiating new treaties for the continued operation of the Panama Canal, the continued presence of our Canal Zone military bases, and an option for the United States to build and operate a sea-level canal in Panama. When final agreement will be reached between the two countries cannot be predicted. In any event, the comprehensive evaluations of all promising canal routes envisioned in Public Law 88-609 are essential to the United States ultimate decision on its canal policy. The most promising alternative to a canal in Panama is one in Colombia, but the Colombian route appears to be financially attractive only if the economies offered by nuclear excavation can be realized. Obviously, the canal alternatives available to the United States will be very limited if the nuclear excavation technology cannot be proven feasible.

The promise of economical earth moving through the use of nuclear explosives is so great that I am convinced that the technology will be fully explored sooner or later. It appears to me to be highly desirable that the United States pioneer in this application of nuclear energy for constructive purposes.

Enclosed is a copy of our recent annual report which covers all areas of our investigation. Your interest is greatly appreciated, and I will keep you informed of specific developments in our investigation of the feasibility of nuclear canal excavation.

Respectfully yours,


Robert B. Anderson
Chairman

Enclosure

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NOTES FOR DISCUSSION OF NUCLEAR EXCAVATION EXPERIMENTS

1. Public Law 88-609 requires the Canal Study Commission to determine, among other aspects of the feasibility of a sea-level canal, the feasibility of nuclear excavation.
2. The Canal Study Commission undertook to examine in detail two routes, one in Panama (Route 17) and one in Colombia (Route 25), suitable only for nuclear excavation. Concurrently, the AEC undertook to develop the nuclear explosives and, with the Corps of Engineers, the nuclear excavation technology necessary to permit the Canal Study Commission to determine the feasibility of nuclear excavation. The routes under investigation considered financially feasible for conventional excavation are all in Panama, in or near the Canal Zone.
3. The Commission's preliminary traffic estimates indicate that additional canal capacity could be needed as early as 1980 and almost certainly will be needed by 1990. With a fifteen-year lead time for authorization, design, and construction of a conventional canal, there is little time left for decision. If nuclear excavation is to be considered, its feasibility must be determined soon. Otherwise, capacity requirements must be met by conventional construction.
4. Water shortages in some years already require draft limitations in the present canal to less than its design depth. The total available fresh water supply is not enough to sustain much more than the current traffic through the canal. The addition of a third, larger set of locks will require the pumping of sea water into what is now a fresh-water lake to provide adequate water for lockages, further increasing the operating costs of the lock canal.
5. Additional locks, additional water supply, and other improvements to the existing canal to meet forecast requirements would cost in the neighborhood of \$1.3 billion. This would increase capacity about 50 per cent. A sea-level canal would increase capacity 400 per cent, would cost less than a lock canal to operate, and would be relatively invulnerable to sabotage and military attack. The imminent choice between a large expenditure on the present canal (which could revert to Panama in 1999)

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E.O. 12356, Sec. 3.4
NJ 94-453
By CB, NARA, Date 4-11-95

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and a smaller expenditure in Panama for a nuclear sea-level canal of greater capacity (that would extend U. S. control 60 years from its opening date) requires an early determination of the feasibility of nuclear excavation. Equally important, nuclear construction in Colombia would cost less than conventional construction in Panama.

Estimated Construction Costs (Preliminary)

Nuclear, Route 17, Panama	- \$1.0 billion or less
Nuclear, Route 25, Colombia	- \$1.5 billion
Conventional, Panama	- \$2.5 billion

6. Conventional construction of a sea-level canal at an early date could rule out for all time the construction of a wider and deeper nuclear canal across the American Isthmus with its promised advantages of lower cost, greater capacity, and greater military security.

7. The field surveys and the development of nuclear excavation technology have not progressed as expected. The Canal Study Commission has requested an extension of its reporting date from June 30, 1968 to December 1, 1970 to provide time for data collection in Colombia, which was delayed in starting, and to provide time for the AEC's minimum program of excavation experiments if they start in the fall of 1967. If they do not, the Commission sees no possibility of determining the feasibility of nuclear canal excavation by December 1, 1970.

8. The development of nuclear devices for use in excavation has progressed as expected, but the program of cratering experiments needed to determine the feasibility of nuclear canal excavation has been postponed three times. It is now more than two years behind the schedule originally planned in support of the canal study. Some \$2 million has been expended and irretrievably lost in three separate preparations for the initial experiment of the series, CABRIOLET. This experiment was given final approval for execution February 8, 1967. While waiting for the proper weather conditions necessary for execution, it was postponed on February 9. The reason given publicly was the imminent resumption of the Non-Proliferation Treaty (NPT) discussions and the then on-going Latin American Nuclear Free Zone treaty negotiations. Because of operational considerations, the earliest possible time for execution is late October 1967.

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9. The Commission is currently of the opinion that its study of the nuclear alternatives should be terminated if CABRIOLET is not executed before the end of calendar year 1967. As the routes outside Panama are more than twice the length of the Panamanian routes, it appears that canal construction outside Panama would be financially attractive only if nuclear excavation can be used. The most promising route outside Panama is in Colombia, but it remains a credible alternative to construction in Panama only as long as nuclear excavation remains a possibility.

10. In undertaking nuclear excavation experiments, the interpretation of the existing Limited Test Ban Treaty (LTBT) and, less directly, the negotiations on an NPT must be considered. The LTBT specifically prohibits underground nuclear explosions which cause radioactive debris to be present outside the territorial limits of the state under whose jurisdiction or control such an explosion is conducted. The language of the treaty is not precise; however, during hearings on the ratification of the treaty Secretary Rusk said:

"It is the position of the United States Government that if the Soviets should interpret the Treaty more broadly than the United States now envisages, the U. S. Government will consider itself free to extend its underground testing program to limits observed by the Soviets."

11. Radioactivity from several Soviet underground nuclear explosions has been detected in Japan and Sweden on separate occasions since the signing of the LTBT. The USSR has never admitted that these explosions and resulting radioactivity constituted treaty violations. Those USSR underground nuclear explosions have caused more radioactivity to be present outside her boundaries than the maximum expected to cross U. S. boundaries from any of the AEC's planned excavation experiments.

12. There is evidence that, subsequent to the signing of the LTBT, the Russians have executed many more nuclear experiments that resulted in craters than have been carried out by the United States. They have also constructed a number of useful projects using very large conventional explosive charges, indicating great interest and progress in the explosive excavation technology. A strong possibility exists that the Russians will be first to demonstrate to the world the employment of nuclear explosives for peaceful excavation projects.

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13. The Joint Committee on Atomic Energy, in recommending approval of the AEC fiscal year 1968 funds for nuclear excavation experiments, stated:

"The committee feels compelled to point out this year, as it did last, its deep concern that planned Plowshare excavation experiments have not been conducted." *** "...the committee is disturbed by the overly strict interpretation which the executive branch continues to place upon the Limited Nuclear Test Ban Treaty." *** "The Soviet Union, meanwhile, has conducted a vigorous underground nuclear testing program, and it is believed that some of these tests have been for the purpose of developing nuclear explosives and techniques for civilian application. Several underground events detonated by the Soviets have produced radioactivity that was detected in the atmosphere beyond the territorial limits of the Soviet Union." *** "The committee recommends to the Congress approval of the entire amount requested by the AEC for Plowshare for fiscal year 1968 and urges the executive branch to get on with the task of developing the technology for civilian applications of nuclear explosives. If the funds provided are not to be expended for experiments, but instead are to be consumed in delays, than the committee believes that the administration should cancel the excavation portion of the Plowshare program."

14. In connection with the NPT, a partial draft of which was presented in Geneva on August 24, 1967, the U. S. has proposed that the nuclear powers provide nuclear explosion services to the non-nuclear nations who sign the treaty and thereby give up the option to develop and manufacture their own nuclear explosives. This offer was designed to assure those nations who do sign that they would not have to forego the potential economic benefits of peaceful nuclear explosion technology. The treaty draft presented by both the U. S. and the USSR contains the following statement in the preamble:

"Declaring their intention that potential benefits from any peaceful applications of nuclear explosions should be available through appropriate international procedures to non-nuclear weapon States Party to this Treaty on a non-discriminatory basis and that the charge to such Parties for the explosive devices used should be as low as possible and exclude any charge for research and development."

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It should also be recognized that the provisions of the NPT currently being discussed in Geneva do not in any way affect the testing, development, or manufacture of nuclear weapons or other nuclear explosive devices by the nuclear weapons states. Consequently, failure of the U. S. to develop nuclear excavation technology could be considered inconsistent with the U. S. proposal and raise doubts as to its sincerity.

15. It is of interest to note that each signatory nation of the Latin American Nuclear Free Zone Treaty, which has been signed by all the Latin American countries except Cuba and Argentina since February 1967, reserved the right to arrange for the employment of peaceful nuclear explosives on its own territory. Brazil, in addition, has reserved the right to develop its own peaceful nuclear explosives.

16. The negotiation and ratification of the NPT will continue for many months, perhaps even years. Consequently, there will be no time in the near future when some activity on this treaty will not be pending or in progress. These and similar arms control activities have been cited in the past as reasons for not conducting a nuclear excavation experiment. For example, the risk that a cratering experiment will result in an allegation that the U. S. violated the LTBT has been cited as having a possibly adverse effect on the then current negotiations. This same general possibility could well be cited again this fall as a reason for not executing CABRIOLET, although proceeding with development of the nuclear excavation technology would be entirely consistent with the U. S. proposal to provide this service to the non-nuclear powers, and would, in fact, increase the viability of the proposal.

17. Failure to undertake the necessary nuclear excavation development experiments or failure to include the requisite follow-on experiments in future budgets will force the Canal Study Commission to cease consideration of the nuclear alternatives and require the termination work on Route 17 and Route 25. Thus, the loss of the nuclear option will essentially determine the "how" and "where" to build a sea-level canal. Only the "when, if ever," will remain to be answered. Specifically, the effective elimination of routes outside of Panama will be clearly recognized in Panama.

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18. In addition to carrying out nuclear cratering experiments, it is also necessary to proceed with political moves to establish a clear authorization under the LTBT for the use of nuclear cratering in large-scale projects such as the canal. U. S. efforts to initiate discussions with the USSR on peaceful nuclear explosion technology and on the question of interpretations of the LTBT should be continued. The USSR has not rejected the idea of such talks, but has indicated that they do not wish to enter into them until the negotiation of the NPT is completed. The USSR has also indicated that the climate for such cooperation would be unfavorable while the war in Viet Nam continues.

19. Further development of the U. S. offer to provide a nuclear explosion service could provide an opportunity, even while negotiations of the NPT are underway, to obtain an accommodation broadening the scope of peaceful nuclear excavation experiments and projects under the LTBT. In this effort the U. S. would have the backing of many countries interested in the nuclear excavation technology. Inasmuch as reaching a bilateral agreement with the USSR does not appear imminent, the U. S. should take advantage of any such opportunity to overcome obstacles to the use of peaceful nuclear excavation. Further, agreement could become more difficult to obtain at some later date, if sought in connection with a specific U. S. project such as the canal.

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Tuesday - October 24, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Diaz Ordaz Visit

As part of the Diaz Ordaz visit program, Secretary Rusk and Foreign Minister Carrillo Flores will sign an act legalizing the transfer of Chamizal on Friday, October 27.

The ceremony will be in the Fish Room starting at 5:30 p.m. The timing corresponds with the end of your second visit with President Diaz Ordaz so that you and he can drop in. Neither you nor the Mexican President are expected to make remarks.

At the start of the ceremony, Secretary Rusk will describe the significance of the document to be signed. George Christian can put out a short statement covering the event (Tab A).

Subject to your approval, I propose to invite the persons on the list at Tab B.

Given the space available, I recommend that press coverage be handled by US and Mexican pools. Since the principal actors will be the Foreign Secretaries, the Mexican press group should be agreeable to this arrangement.

W. W. Rostow

Attachments - Tab A, suggested press statement.
- Tab B, list of persons to be invited.

Approve press
statement (Tab A) _____

See me _____.

Approve guest list _____

See me _____.

cc - Jim Jones
George Christian

Draft Press Statement

This afternoon Secretary of State Dean Rusk and Mexican Secretary of Foreign Relations Antonio Carrillo Flores signed an Act concluding the legal requirements for relocation of the United States Mexican boundary at El Paso and Ciudad Juarez. The United States and Mexican Governments agreed to this change in the Chamizal Convention of 1963.

On October 19, 1967 the International Boundary and Water Commission concluded an agreement, called Minute 228, which records in detail the demarcation of the new boundary. The 1963 Convention provides that when the minute is approved by the two governments, the relocation of the boundary takes place. Under a treaty of 1944 between the Governments of the United States and Mexico, the Department of State and the Mexican Secretariat of Foreign Relations approved minutes of the Commission in behalf of their governments. In this case, the Secretary of State and the Mexican Secretary of Foreign Relations, in the presence of the Presidents of the two countries, are expressing approval simultaneously by signing the Act. They are approving the minute

as of 12:01 a.m. MDT, October 28. At that moment the new international boundary will be effective.

The two governments expect to complete relocation of the Rio Grande along that boundary in the spring of 1968.

GUEST LIST

for

Ceremony of the Signing of the Act Legalizing Transfer of the Chamizal

Held in the White House Fish Room,
Friday -- October 27, 1967

Mexican Delegation - in the Diaz Ordaz Party:

President Gustavo Diaz Ordaz
Foreign Secretary Carrillo Flores
Ambassador Hugo B. Margain
Director General of Foreign Relations Alfonso Rosenzweig - Diaz
Chief of Ceremony Jose Munoz Zapata
Chief Military Staff Aide Colonel Luis Gutierrez Oropeza
Public Relations Director General Francisco Galindo Ochoa
Son-in-law of the President, Salim Nasta
Son of President, Gustavo Diaz Ordaz Borja
Son of the President, Alfredo Diaz Ordaz Borja.

United States Delegation to the Chamizal Ceremony:

Secretary Rusk
Assistant Secretary Covey Oliver
Ambassador Fulton Freeman
Ambassador Sol Linowitz
Ambassador James Symington
Mr. Thomas Mann
Deputy Assistant Secretary Robert Sayre
Senator Mike Mansfield
Senator Wayne Morse
Senator Ralph Yarborough
Senator Burke
Congressman Richard White
Congressman James Wright
Congressman Armistead Selden
Congressman William Mailliard

US Congressional Representation

House Speaker McCormack
Senator William Fulbright
Congressman Thomas Morgan

Congressman Gerald Ford
Congressman Frances Bolton (Ohio)

Tuesday - October 24, 1967

Pres file

Mr. President:

Mike Manatos has indirectly received word that Senator Montoya would like to go with you to the Chamizal Ceremony.

Mike recommends that you consider taking him because of his loyal support and the fact that he is the only Senator of Mexican American extraction.

Armistead Selden has had to regret your invitation to El Paso. You could add Senator Montoya without adding to the total.

W. W. Rostow

OK to add	
Senator Montoya	_____
Prefer not to	_____
See me	_____.

Free file

Tuesday - October 24, 1967

Mr. President:

Herewith a memo from Ray Telles describing the recent joint session of the Border Development Commission in Mexico City. It tells how far they have advanced in developing a joint study program.

He has still not given us the list of specific projects you asked for by mid-September. He assures me that it will be ready very soon.

We are considering how to marry the joint Presidential statement Telles proposes with the communique which you and President Diaz Ordaz will issue.

W. W. Rostow

Attachment

Telles memorandum,
10/23/67.

October 23, 1967

MEMORANDUM FOR THE PRESIDENT

Subject: US-Mexico Commission for Border Development
and Friendship

We held our first full meeting of the Commission on October 19 and 20 in Mexico City. It was a very successful and productive meeting, marked by extreme cordiality and cooperation on all sides.

It is significant that the Mexicans broadened their representation and in some cases increased the rank of their representatives to the level of Under Secretary. They are also planning to broaden their section even further and tentatively have agreed to give my counterpart, Sr. Jose Vivanco, the personal rank of Ambassador.

The Commission agreed on a permanent title, operating procedures, scope of interest, and--most importantly--a plan of action. For your more immediate attention, it also agreed on and recommended a joint statement to be released by you and President Diaz Ordaz during his visit here this week.

Following are the significant actions recommended by the full Commission to you and to President Diaz Ordaz. Foreign Secretary Antonio Carrillo Flores endorsed these actions and informed me that they have received the approval of President Diaz Ordaz subject to your concurrence:

I. Joint Rehabilitation of Hurricane Beulah Area

The Commission agreed to set up immediately a joint technical group to look into the rehabilitation of the area affected by Hurricane Beulah. After preliminary studies by each side, the joint group will meet in Brownsville on November 13 to confer and to recommend necessary action to their respective governments.

II. Joint Emergency Disaster Planning

The Commission agreed that the United States and Mexico would develop cooperative plans and procedures for handling future disasters. This is something that the Office for Emergency Planning (OEP) has been trying to accomplish for many years. It is interesting to note that the United States Section had

suggested the phrase "natural disasters" but the Mexicans broadened the concept by eliminating the word "natural", saying that "man-made" disasters also should be considered. This broadens the cooperative area from such things as floods, hurricanes, and earthquakes to fires, explosions, losses of airplanes, ships, etc. A joint working group in this area is scheduled to meet in Brownsville immediately following the working group on rehabilitation cited above.

III. Joint Projects

The Commission agreed to set up working groups to study and to accelerate projects in the following areas:

- A. Economic and social development in general.
- B. Parallel friendship parks on the border--such as the Big Bend and the Amistad Dam areas with neighboring Mexican areas.
- C. Cultural centers on both sides of the border.
- D. Industrialization.
- E. Joint health programs--eradication of communicable diseases and improvement of environmental health.
- F. Tourism on the border.
- G. Transportation study of the border.
- H. Encouragement of sports activities.
- I. Improvement of customs and immigration procedures.
- J. Technical and vocational training.
- K. Joint conference of border city planners.
- L. Beautification of the border area.

Each joint working group will select its own chairman, who can be either an American or a Mexican. All groups are scheduled to meet, select their chairman, and decide on specific procedures and work schedules in Ciudad Juarez, Mexico on November 27, 1967. They are to present their findings and recommendations to the chairmen no later than March 1, 1967 in San Diego.

IV. Official Designation of Commission

The Commission agreed to the following official designation:

US-MEXICO COMMISSION FOR BORDER DEVELOPMENT AND FRIENDSHIP

V. Joint Presidential Statement

The Commission approved the attached statement and recommended that you and President Diaz Ordaz issue it jointly during his visit.

Foreign Secretary Carrillo Flores informed me that President Diaz Ordaz

approved the statement subject to your concurrence.

The Foreign Secretary further suggested that mention be made of the Commission work in the Washington communique, and that the full statement on the Commission be released in El Paso. I respectfully recommend your agreement. The statement underlines the active interest of the two Governments in the border area and it is further proof of the deepening friendship and cooperation between the two countries.

Funding

The members of the United States Section, representing their respective Departments, have approved the above program. They agree that the work contemplated in this initial program can be accomplished within their present resources.

The central staff of the Commission has been funded to date by the Office of Economic Opportunity (OEO) and the State Department. Other agency members have provided representatives and financed their activities. I now propose to work out more equitable financing with all of the agencies represented.

Raymond Telles
Ambassador

JOINT PRESIDENTIAL STATEMENT

RECOMMENDED BY

U.S.-MEXICO COMMISSION FOR BORDER
DEVELOPMENT AND FRIENDSHIP

Agreed to in Mexico City, October 20, 1967

The two Presidents reviewed the work of the United States-Mexico Commission for Border Development and Friendship which was created as a result of their meeting in Mexico City in April 1966 to study means of improving relations between border communities and of raising the standard of living in the border region. They noted with satisfaction the Commission's coordinating role in the relief and rehabilitation of the border areas affected by Hurricane Beulah. Based on this experience they authorized the Commission to continue its role in rehabilitation and in addition to develop cooperative plans and procedures for handling future disasters. Other specific areas of the Commission's activities were reviewed as follows:

Health. They authorized the acceleration of joint programs in such areas as the control and eventual eradication of communicable diseases such as tuberculosis, rabies and others; they endorsed the work already being done jointly in environmental health and urged the acceleration of this work. They noted with special approval the close cooperation of the Commission with the Pan American Health Organization in public health programs and cited this binational cooperation with a multinational institution as a model for other areas of endeavor.

Education. The two Presidents agreed that education is a most important area for cooperative work by the Commission and that initially priority should be given to a study of technical and vocational training, linking it to the pressing needs currently being felt on both sides of the border.

Social and Cultural. They warmly endorse the idea of cooperative cultural centers on both sides of the border where each country could learn to appreciate the contributions and greatness of the other's language and

understand its values, and where communities can work together to solve mutual social problems.

Sports. Having in mind the XIX Olympic Games to be held in Mexico City in 1968, the Presidents agreed that sports have always been an effective way of promoting friendship and understanding between peoples and urged the development of cooperative sports programs on both sides of the border.

Friendship Parks. The two Presidents authorized the study of the feasibility of creating parallel friendship parks on both sides of the border to help meet the recreational needs of both populations and to provide additional opportunities to deepen the friendship existing between them in areas of natural beauty or historical significance. Some areas are under consideration, among others, the areas around the Amistad Dam as well as the Big Bend National Park and neighboring areas on the Mexican side.

Economic and Social Development. The Presidents agreed that one of the greatest hopes of the people who live in the border region lies in economic and social development which will begin to alleviate the problems of unemployment and underemployment and to establish stable sources of income. They agreed that the creation of new opportunities for significant employment and the expansion of training programs would go far to raise the general levels of living of the people. They noted with satisfaction the studies being made in areas of industrialization, tourism, transportation, and public facilities along the border, especially those that would provide long-term employment opportunities.

Expression of the Spirit of Punta del Este, 1967. The Presidents declared that the activities of such an organization as the Commission are a concrete and inspiring demonstration of the spirit of the Meeting of the Presidents in Punta del Este in which multinational, cooperative social and technical projects were stressed.

~~SECRET~~

Tuesday - October 24, 1967

File

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Diaz Ordaz Visit: Haiti.

25X1A

Over the past two months, Covey Oliver has exchanged private messages with President Diaz Ordaz on the Haitian situation. He has used the highly confidential and personal channel [REDACTED] Copies of the messages are attached.

25X1A

3.4(b)(1)

Covey has been concerned that if Haiti or some other country blows up and we have to act, we don't want our friends like Mexico blasting us publicly and saying, "well done" privately. The message he wanted to get across to President Diaz Ordaz was that if Mexico could not back our position, we would hope that public criticism would be muted.

Diaz Ordaz's cautious response reflects traditional Mexican foreign policy. He said Mexico could not participate in collective action. He could not guarantee that Mexican functionaries would not criticize US action, but he assures us that he could hold criticism down.

Covey wanted you to know about this background in case President Diaz Ordaz raises the subject. He also hoped that you would reinforce his initiative during your conversation.

I think if President Diaz Ordaz brings up his exchange with Covey you should support Covey's stand. I question the wisdom of your taking the initiative.

W. W. Rostow

Attachment

SANITIZED

Authority RAC-NLJ DD1-062-2-2
By js, NARA, Date 5-18-82

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~~SECRET~~
~~SECRET~~

24a

1. IN MEETING WITH ASSISTANT SECRETARY OLIVER 28 AUGUST HE STATED HE STRONGLY DESIRES PUT ACROSS THOUGHT TO PRESIDENT DIAZ ORDAZ THAT, IN EVENT OF A BLOW UP IN HAITI OR ELSEWHERE IN LATIN AMERICA, USG CANNOT STAND FURTHER TRAUMA OF PUBLIC GOM CONDEMNATION WHILE AT SAME TIME RECEIVING PRIVATE ASSURANCES OF UNDERSTANDING. OLIVER REQUESTED THAT [REDACTED] [REDACTED] TELL PRESIDENT DIAZ ORDAZ THIS IS A SUBJECT WHICH HE HAD ASKED [REDACTED] TO TAKE UP PRIOR HIS DEATH. OLIVER STILL DESIROUS GETTING THIS POINT ACROSS. THE QUESTION IS WHETHER ASPECTS OF THIS THEME SHOULD BE DEVELOPED MORE APPROPRIATELY WITH CARRILLO FLORES IN WASHINGTON IN SEPTEMBER OR WITH PRESIDENT DIAZ ORDAZ PERSONALLY WHEN HE ARRIVES LATER. OLIVER WOULD LIKE [REDACTED] TO ASCERTAIN PRESIDENT DIAZ ORDAZ'S PREFERENCE.

1.4(c),
3.3(b)(1)

2. IN DISCUSSING THIS MATTER AND AS BACKGROUND

1.4(c),
3.3(b)(1)

[REDACTED] OLIVER HAS STATED THAT IN THE

SANITIZED
E.O. 13292, Sec. 3.5
NLJ/RAC 03-36 ISCAP Appeal
By isl, NARA, Date 2-27-08

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- 2 -

EVENT OF A NEW EXPLOSIVE SITUATION SUCH AS HAITI THE
USG WOULD IMMEDIATELY CONSULT OTHER WESTERN
HEMISPHERE COUNTRIES AND THE OAS AS LATIN AMERICAN
VOICES CALLING FOR COLLECTIVE ACTION WOULD BE NEEDED.
ALTHOUGH OLIVER RECOGNIZES GOM MIGHT NOT BE ABLE TO
GO SO FAR AS TO BACK USG POSITION, WE WOULD NEED TO
HAVE IRRESPONSIBLE PUBLIC CRITICISM MUTED.

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~~SECRET~~

Mr. Rostow

25

Pres. file

~~SECRET~~

October 24, 1967

Mr. President:

Attached are Nick Katzenbach's quick comments on Prime Minister Eshkol's message to you. I sent the letter up in my earlier package. You may want to scan Nick's comments before your meeting with Eban.

W. W. Rostow

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DECLASSIFIED

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

White House Guidelines, Feb. 24, 1983

By 18, NARA, Date 11-5-91



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25a

DEPARTMENT OF STATE
WASHINGTON

~~SECRET~~

IN REPLY REFER TO:

MEMORANDUM FOR THE PRESIDENT

Subject: Letter from Prime Minister Eshkol

Attached is a note containing the text of a letter to you from Prime Minister Eshkol, which was handed to me this morning by Foreign Minister Eban.

I would suggest that you tell Mr. Eban that the letter will receive a considered reply. However, I would like to call your attention to several points in the letter that may be raised by Mr. Eban.

1. An advanced delivery date for the 48 Sky Hawks is requested. If queried, you might wish to suggest this would be impossible because of a) production schedules and b) our own requirements.
2. On the Weizman request for additional aircraft, to which Prime Minister Eshkol refers, you may wish to affirm that his request is receiving careful consideration, though you may note we consider that Israel continues to enjoy a margin of military safety over the Arab countries.
3. The letter emphasizes the need for direct negotiations and formal contractual agreements in any peace settlements.

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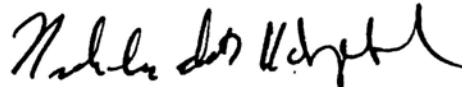
Downgraded at 12-year intervals;
not automatically declassified.

DECLASSIFIED
E.O. 12958, Sec. 3.5
State Dept. Guidelines
By ju, NARA, Date 5-4-00

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I would suggest that, if this point is raised, you urge that the Government of Israel not be rigid about means. The overriding goal, as you stressed on June 19, is acceptance of the principle that every nation in the area has a fundamental right to live and to have this right respected by its neighbors. As you said then, we are ready to see any method tried and believe that none should be excluded.



Nicholas B. Katzenbach

Enclosure:

Letter from Prime Minister Eshkol.

~~SECRET~~

EMBASSY OF ISRAEL
WASHINGTON, D.C.

4059
256
שגרירות ישראל
ושייטמן

The Ambassador of Israel presents his compliments to the Honorable the Secretary of State and has the honor to transmit the following communication from His Excellency the Prime Minister of Israel Levi Eshkol to His Excellency the President of the United States, Lyndon Baines Johnson:-

"Over the past months my mind has often reverted to our meeting three years ago. I have drawn deep encouragement at moments of peril and anxiety from the knowledge that we have your understanding and friendship.

"I am permitting myself to write to you because I feel that we are facing a possible turning point in the history of the Middle East. For the first time in twenty years there may be a hope that our Arab neighbors will realise the futility of their policies of hostility and aggression. For the first time, too, since the Soviets began their massive penetration of the Middle East, one may perhaps hope that they will realise the danger inherent in the continuance of their policies. This is one possibility. The other possibility is that the Arabs will engage in further provocations, such as the Egyptian attack on an Israeli destroyer on the high seas last Saturday, or the sending of murder gangs into Israel through Jordan, leading inevitably to further hostilities. At the same time, the Soviets, for their part, may feel that their global needs will be served by such a course.

"Mr. President, the policies of your Government are likely to be decisive in shaping the history of our area. Action on three fronts would seem to be called for:

"First, Israel's deterrent capacity must be maintained and strengthened. I was most gratified to learn of the decision to end the suspension of the follow-on military supplies from the United

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E.O. 12958, Sec. 3.6
NLJ 00-194
By CB, NARA Date 10-25-00

2.

States to Israel and to transfer the 48 Sky Hawk planes to us. It would be of great importance to us that their scheduled delivery be advanced.

"General Weizmann has reported to me on the detailed discussions he had in Washington on our urgently needed additional requirements for a minimum air capability. I was pleased to learn that these requests are receiving speedy consideration. A positive and timely response to them will be an important step towards the reinforcement of the prospects of peace.

"Secondly, the Soviets must be made to realise that the United States will not tolerate action on their part designed to rebuild tension in the area to a danger point. The United States posture in May and June was of decisive consequence in this connection.

"Thirdly, it is essential that the United States and the United Nations make clear to the Arabs that the Arab-Israel issue can only be solved through direct negotiations between Israel and the Arab countries. Any departure from this principle, so basic to the Charter of the United Nations, may raise further illusions in the Arab mind and open a new chapter of dilatory tactics which may result in providing the Arabs with a respite to prepare for a new war. This in a sense was the record of Arab-Israel relations from the signing of the Armistice Agreements in 1949 until June 1967. The proceedings in the United Nations since June demonstrate that the great majority of Governments, outside of the Soviet Union and the Arab blocs, have realised the inadmissibility of a return to previous conditions. I feel confident that if the United Nations maintains its refusal to endorse the renewal of the situation as it was prior to June 4th, our neighbors will open their minds to new

3.

ideas, with the prospect of a stable and peaceful Middle East. Already there are some indications that the work which your delegation has done in the United Nations is beginning to generate greater realism and moderation. We, for our part, are unanimously resolved fully to maintain the cease-fire situation until it is replaced by genuine peace, based on the most direct and formal contractual agreements. This position is one which we cannot waive for at stake is the future and survival of our people.

"The immediate task at hand, therefore, is the blocking of the Soviet-Arab effort to impose on the United Nations resolutions aimed at isolating Israel.

"The problems which lie ahead of us are complex, but I cannot help feeling that the situation is incomparably better than it was in the dark hours at the beginning of June. Israel, at a great cost of lives to herself, and without the direct involvement of her friends, has emerged from a situation of mortal peril. The power and prestige of President Nasser, who provoked the main June confrontation, have suffered severely, while the Soviet Union has seen its policies discredited. I believe that the cause of freedom has been advanced in our area, and not for Israel alone. This development can and should continue.

"For my people a New Year has just begun. As I look back on the past year I find much cause for sorrow, but also much for which to be thankful. I can repeat with a full heart the words of the Psalmist: "The Lord has afflicted me but he has not given me to death."

EMBASSY OF ISRAEL
WASHINGTON, D.C.

שגרירות ישראל
ושינגטון

4.

"I hope Foreign Minister Eban will have an opportunity to convey to you my thoughts in detail.

"I send you my heartfelt wishes for success in all your endeavors.

"Sincerely yours,

Levi Eshkol
Prime Minister"

The Ambassador of Israel avails himself of this opportunity of renewing to the Honorable the Secretary of State the assurances of his highest consideration.

Washington, D.C.
October 23, 1967.

DECLASSIFIED

Authority State Sec 11/30/78

By reg/isp, NARA, Date 11-12-91

~~CONFIDENTIAL~~

Tuesday - October 24, 1967

26

Pres file

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Ford's Difficulties in Mexico

The attached memorandum from Tony Solomon describes a serious problem the Ford Motor Company is having with its operations in Mexico. He suggests that you mention the matter to President Diaz Ordaz.

The difficulty in a nutshell is this:

Ford built a plant in Mexico City to produce sophisticated assembly-line production tools. It exports about \$5 million worth of these per year. Part of the deal was that in exchange for this investment the Mexicans would add 5000 units to Ford's basic quota of automobiles (20,000) produced in its car plant. The tool plant is a marginal operation. The car plant is profitable only with the additional quota.

The Mexicans, in a move to force Ford to allow Mexican capital to buy into the company, (i.e., Mexicanization program), has told Ford that it can no longer have its extra quota of cars. Ford has gained a temporary reprieve, but says that it will close down its tool plant operation unless it is allowed to retain its additional quota.

We feel that Ford is being unfairly treated. They built the tool plant in the understanding that they could produce more cars. This understanding is being withdrawn. We think it is bad for Mexico and our whole Alliance for Progress effort to have private enterprise in an attractive venture as tool-making squeezed out.

Consequently, Tony suggests that you propose to President Diaz Ordaz that he appoint someone from his personal staff to go into the problem quietly with your representative*. As Tony notes, it would not be productive to have Secretary Rusk raise this with Carrillo Flores, since he would have to turn it over to his Cabinet colleague who is behind the squeeze.

*For example, Tony Solomon

I concur in Tony's suggestion.

W. W. Rostow

Attachment

I'll make the proposal _____. Prefer not to _____. See me _____.

26a

DEPARTMENT OF STATE


Washington, D.C. 20520

October 19, 1967

Mr. Bowdler
The White House

Per our conversation.

Bob Sayre and Leonhardy in agreement.


Anthony Solomon

~~CONFIDENTIAL~~

BRIEFING PAPER ON
FORD PROBLEM IN MEXICO

Problem:

Ford officials have proposed that the Mexican and United States Governments appoint a joint committee to study the application of pressures by GOM to force foreign investors into Mexicanization (participation of Mexican equity capital in conjunction with foreign capital, usually on a majority basis); the export of this philosophy to other Latin American countries; and the recent move by Mexico to withdraw an additional production quota based on Ford tool exports.

Discussion:

Mexicanization is a key economic policy of the Mexican Government. In several instances direct pressure to force Mexicanization has been exerted on foreign investors. In other situations, the pressure is more indirect, and is mainly applied through the system of import permits, production quotas, tax concessions, etc. Mexico has also tried to persuade other hemisphere countries that preferential treatment in any future economic integration be only given to products of firms with domestic majority ownership.

In the past Ford officials have complained of discriminatory treatment to force it to Mexicanize and of the fact that Mexicanized automobile companies have been favored in allocation of production quotas. Ford had been receiving partial relief from this handicap because it was receiving in accordance with an agreement with the GOM a supplementary production quota equal in value to exports of its tool plant in Mexico. This supplementary quota made the difference between operating at a slight profit or at a loss. This year this supplementary quota was withdrawn. After direct negotiations Ford managed to get the arrangement continued but only on a decreasing percentage basis to be cancelled completely in two years.

Action Taken:

On October 12 Messrs. Watson, Bowdler, and Assistant Secretary Solomon discussed with Ford officials their specific proposals.

Tony Solomon explained that our diplomatic missions in Latin America have been instructed to point out, discreetly but firmly, to host governments that a Mexicanization-type policy in their countries might result in

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NARA, Date 11-12-91

CONFIDENTIAL

-2-

a loss of foreign investment. This argument had been very effective at Punta del Este in getting a Mexicanization-type resolution defeated and in general these tactics were better than any new committees or reports. The Ford officials were satisfied on this point.

With regard to the problem of Mexicanization within Mexico, Tony Solomon explained that there was little that could be done on a government-to-government basis which had not already been tried by Tom Mann and others. Private foreign investors had much more leverage with the Mexican Government through their own investment projects than any foreign government could have through a direct approach. Ford officials seemed to accept the correctness of this judgment.

Regarding the narrower question of Ford's position in Mexico Tony Solomon felt that the best way to approach this was on the issue of the cancellation by Mexican Minister Campos Salas of the agreement between Ford and the GOM which had resulted in Ford agreeing to build the tool factory to help Mexican exports. Following prior agreement with Bowdler and Watson, we told Ford that we would consider how the U.S. Government might be of help in this matter.

Action Suggested:

That in your private conversation with President Diaz Ordaz, mention that Ford feels the cancellation of the agreement once Ford built the export tool factory is unfair and that you would appreciate Diaz Ordaz appointing someone from his personal staff to go into this matter quietly with someone appointed by you.

NOTE: It is recommended that you discuss the matter with the Mexican President rather than having Secretary Rusk discuss it with Secretary Carrillo Flores, as the latter would not be able to avoid turning the matter over to his fellow Cabinet Secretary, Campos Salas, Secretary of Industry and Commerce.

CONFIDENTIAL

27
Pres file

Tuesday, October 24, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Letters of Credence for Your Representatives to
Viet-Nam Inauguration

Attached are letters of credence for the Vice President as your personal representative, and for Ambassador Bunker, William Randolph Hearst and William A. Suffridge as your representatives with the rank of Special Ambassador to the Presidential inauguration in Saigon on October 31st.

I recommend that you sign the letters of credence.

W. W. Rostow

Atts.

Approve _____

Disapprove _____

See me _____

WMWright:pas:10/24/67

DECLASSIFIED
E.O. 12956, Sec. 3.4
NIJ 94-453
By CG, NARA, Date 4-11-95

Pres file

~~SECRET~~

Tuesday, October 24, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Your Talk with Eban--5:30 p.m. Today

Our original plan was to tell Eban frankly that we've been disturbed by Israeli actions that make Israel look as if it is being so hard-nosed that it doesn't care whether it kills chances for a peace settlement or not. While we had no intention of lowering the boom and provoking a sharp reaction, we did not want Eban to go away feeling that our silence amounted to a blank check.

With Secretary Rusk yesterday, Eban turned aside discussion of thorny issues and talked out the clock. He made just about the same pitch to Secretary Rusk as he had to me. While Eban did most of the talking, the Secretary did manage to put across the following: We understand Israel's desire to maintain a common front, but this depends on our knowing where that front is. Israel has gone its own way, consulting us little. The Secretary also made clear that our support for secure permanent frontiers doesn't mean we support territorial changes. (Memcon at Tab A of the attached.)

Nick Katzenbach this morning was able to take the offensive. He argued against too great Israeli rigidity on the mechanics of negotiation. He pressed Israel's obligation to assure Hussein that Israel wanted to live in peace with Jordan, since some of Israel's acts since the war left doubt in Jordanian minds. He pointed out that Israel's position on boundaries creates the impression that Israel feels free to keep everything it has conquered. He reminded Eban of Arab interests in Jerusalem. (Memcon at Tab B of the attached.)

The one surprise in this morning's meeting was a message for you from Eshkol (Tab C of the attached). This is designed to undergird Eban's presentation with a formal statement of Israel's position, which boils down to this: (1) Israel needs arms to take care of itself; (2) Israel hopes we can convince the Sovs that they must not continue to fan the flames of tension; (3) Israel wants the kind of security it believes only direct negotiations with the Arabs will provide. The best tack until you've had a chance to study the message is probably just to say you've read it. You might want to say we're studying the arms requests urgently.

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- 2 -

Nick's memo to you is attached. He suggests you say you're familiar with Eban's earlier talks and see no need to go over the same grounds and then make these points:

1. Nobody knows better than we how ^{hard}hard it is to make peace. We also know it takes a lot of restraint to avoid escalation.
2. But, as you said on 19 June, we can't afford to lose this real opportunity to build a permanent peace. Hard as it is, we have to find the way to peace this time.

This is where Nick's recommendation stops. If you feel you can go a step further, I'd recommend adding this: We don't kid ourselves about what the Arabs are trying to do (make Israel withdraw without paying the price of a permanent settlement). But we're frankly afraid Israel will take such a hard position that it will kill chances for a settlement. We don't believe time is indefinitely on the side of Israel or of peace.

We'd hate to see the discussion get bogged down in a debate over the merits of Israeli retaliation for the sinking of their destroyer, but we do want to make a clear record of urging restraint as Nick did this morning. We do not know whether the shelling along the Suez Canal today will satisfy the Israelis or not. But we feel strongly that any systematic retaliation will only make peace negotiations harder.

W. W. Rostow

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28a
THE UNDER SECRETARY OF STATE
WASHINGTON

October 24, 1967

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SANITIZED

E.O. 12856, Sec. 3.4

NLJ 94-450

By cb, NARA, Date 1-4-95

MEMORANDUM FOR THE PRESIDENT

Subject: Your Meeting with Abba Eban; October 24;
5:30 p.m.

The following were Eban's major points in his talks
with the Secretary and me:

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In our discussions we have taken a relatively hard line. We did this deliberately, so that you would have some room for maneuver.

Dean and I feel that the best tactic for you to use in talking with Eban is to stick to generalities and avoid details. We suggest the following approach:

Talking Points

- I am familiar with your earlier conversations with Secretary Rusk and others in State, and--unless you wish--I see no need to go over the same ground again.
- There are real possibilities for peace in the Middle East. All of us must do what we can to take advantage of these opportunities.
- I realize that this is not an easy task, and that incidents such as the EILAT sinking make the job even more difficult.
- I still believe that the proposals I made last June are basic to a satisfactory settlement.
- If peace is to be restored in the Middle East it will require great Israeli self-control and restraint.
- I know that it will be extremely difficult for Israel to make the compromises necessary for a settlement.
- But, difficult as the task may be, it is essential that we find the path to peace. This is at least as important to Israel as it is to the United

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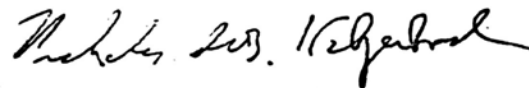
-3-

States. Your responsibilities for finding a satisfactory settlement are as great as ours.

The report on the Secretary's conversation with Eban is at Tab A. My talk with him is reported at Tab B.

* * *

Ambassador Harman has just handed me a letter to you from Eshkol (Tab C). I will see that you have our comments before your meeting with Eban.



Nicholas deB. Katzenbach

Attachments:

- Tab A - The Secretary's
Conversation with Eban.
- Tab B - The Under Secretary's
Conversation with Eban.
- Tab C - Letter from Eshkol to
the President.

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A

~~SECRET~~

Amembassy TEL AVIV IMMEDIATE
INFO: USUN NEW YORK
~~Amembassy AMMAN~~
~~CAIRO~~
~~Amembassy BEIRUT~~
~~Amembassy JIDDA~~
~~Amembassy LONDON~~
~~Amconsul JERUSALEM~~

STATE

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E.O. 12958, Sec. 3.6
NLJ 00-193
By CL, NARA Date 10-25-00

Following based on uncleared memcon NOFORN, FYI and subject revision upon review.

Foreign Minister Eban, accompanied by Ambassador Harman and Minister Evron, called on Secretary afternoon October 23. Under Secretary Katzenbach and Assistant Secretary Battle also present. Conversation covered following subjects:

1. Eilat Incident. Eban said Israel had assumed UAR wanted preserve cease-fire, but attack on destroyer Eilat raised question of UAR intentions. IF UAR had wished avoid incident, arrangements existed through General Bull to communicate UAR concern re movement of Eilat to Israelis. Accuracy of UAR

EA:IAI:ALatherton,Jr:fah: 2942
10/24/67

S/S - Mr. John P. Walsh

NEA - Ambassador Battle
NEA/UAR - Mr. ~~XXXX~~
Parker

S/S - Mr. Walsh

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attack also raised question of Soviet role. Secretary said we have nothing so far which would throw further light on incident.

2. Prospects for Middle East Settlement. In response to Secretary's query, Eban said Israel still felt time was needed for Arabs to realize that their choice was between peace settlement and continuation of cease-fire lines. Once this was clear, Arabs would seek discussions. On the whole, Israel not disappointed with progress to date. Signals Israel was getting through third parties suggested that UAR wants settlement, recognizes need for some border adjustment (Gaza specifically mentioned) and more concerned at this time about procedural aspects -- i.e., form of negotiations.

Re Jordan, Eban said Israel had not heard much from King Hussein since Khartoum. King still seeking pre-negotiations through intermediaries, in effort ascertain Israeli position without committing himself. With both UAR and Jordan, Israel felt it would get clearer picture if UN debate surmounted without change in present position. Eban still thought Arabs were not inclined to look for military solution, and unless they exaggerated effectiveness of terrorism (which not yet the case), he anticipated they would be ready for discussions by early next year. Meanwhile, Israel desired keep UN approach in generalities, and had impression Arabs also not interested

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in too much specificity in UN context.

3. Israel's Terms for Peace Settlement. Eban said there was unanimity in Israel on two things: (a) peace settlement must commit Arabs contractually; this would require difficult act on Arab side, corresponding to difficult act of withdrawal by Israel; (b) there must be serious attempt to draw territorial lines on basis security consideration; this meant there could be no return to June 4 borders "in peace or war." Elaborating on (b), Eban said Israel could no longer envisage Egyptian presence in Gaza and was thinking in terms of old international frontier. On Syrian frontier, old armistice line provided no guarantee of security; and settlement with Syria must have territorial aspect. While foregoing involved adjustments of Border rather than major changes, there was dichotomy of views in Israel about what settlement with Jordan should look like. Question mark remained regarding West Bank. This question mark stemmed from differing Israeli and Jordanian approaches. In absence any indications of Jordanian interest in settlement, there was pressure in Israel to look for alternatives -- e.g., to negotiate with Palestinian leadership. This connection Eban noted that Jordanian annexation of West Bank had not brought true integration; there was political and economic dissatisfaction among Palestinians about

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their relationship with Amman. Eban asserted, however, that Israel not encouraging talk of Palestinian separatism. In summary, situation with respect to Jordan was in suspense due absence of Jordanian position, and territorial issue awaited negotiations. Eban thought this position could be sustained unless upset by UN action -- e.g., a resolution referring to June 4 frontiers, which would lead to pressures on GOI to be less flexible and to increased talk of annexation or similar solutions.

4. Time Factor. Secretary asked whether Israel counting on passage of time to change Arab Governments and, if so, whether it thought such changes would be favorable. Eban replied that Jordan appeared surprisingly stable. In Israel's judgment, economic burden on Jordan less than that on UAR. Situation different with respect to Egypt, where Nasser was in difficulty both politically and economically. Indications were that Soviets not interested in major economic commitment to UAR. Eban speculated that any change in UAR Government would be toward center or right. Reports from UAR indicated that Egyptians feel they cannot get settlement without US help. Re Syria, Eban saw no prospects for compromise with present militant and dogmatic Syrian regime. Even Soviets considered SARG QTE wild UNQTE and were now linking their position to UAR rather than Syrian Stand.

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TEL AVIV

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Secretary said we had felt some time was needed but were not convinced that ^{extensive} ~~wide~~/passage of time helpful since this could lead to (a) discrediting Arab moderates, and (b) hardening Israeli position. This connection, Secretary noted differences between what Eban had just said about territorial changes and Prime Minister Eshkol's position in early June that Israel had no territorial ambitions. Eban commented QTE that was before Syria and Jordan entered war UNQTE.

5. Israeli/UK Relations. In response Secretary's question why Israel cross with British, Eban implied British efforts to reestablish relations with Cairo at this time served Soviet aim of dividing Western camp. Israel had no objections to UK's reestablishing relations with UAR but found timing QTE remarkable UNQTE. Secretary said he saw no policy implications in timing of UK efforts. Eban said there were other factors as well -- e.g., choice of Beeley as intermediary, given his opposition to establishment of Israel 1947-48. Admittedly this might be symbolic rather than substantive. In addition, however, while UK privately said it agreed with Israeli insistence on no withdrawal except to agreed frontiers (most clearly stated by Foreign Secretary Brown to Eban October 21), British UN delegation continued give impression it differed with USG and Israel and favored withdrawal to June borders. Eban said he hoped we would talk to

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British in effort get them to bring their UN posture into line with their diplomatic views expressed privately to GOI.

6. UN Position. Secretary said it was important that UN session not end without some action -- preferably in Security Council where greater control possible. Basically, two approaches possible: (a) Resolution on lines of US/USSR draft. Problem here was difficulty in arriving at detailed interpretation, and it now did not appear this approach could produce ^{results.} ~~problems~~ (b) Resolution setting forth general principles and appointing representative of Secretary General to explore details. We understood that non-permanent members now exploring this route but had not yet seen what they would produce. We had heard something about an Indian effort which not very helpful. Eban said Indian approach was in effect returned to Arab and Yugoslav position. While there were some reservations in Israel about approach non-permanent members were exploring, Eban thought Israel would receive UN representative with general and unbiased mandate. Eban suggested that the key now lay with Latin American delegations and thought approach in Latin American capitals would help. Eban expressed some concern that Arab delegations might press for ^{General Assembly} ~~general assembly~~ resolution, with Security Council as fallback. It was important to coordinate efforts to block such a move. Secretary said it was his

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TEL AVIV

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frank opinion that Israel's position in General Assembly had weakened since July, due to impression that Israel's stand had hardened. There were, for example, signs of some slippage among Latin Americans.

7. US/Israeli Relations. Picking up Eban's earlier comment about need for common front with UK, Secretary said existence of common front depended on where that front was. He was not now sure where front was between Israel and US. With exception of UN moves, we had not been consulted very much by Israel about its policies and actions. This applied not only to Israeli decision to go to war but also to such subsequent Israeli actions as its position on Jerusalem, refugees, and new settlements in occupied territories. As for territorial settlement, Secretary agreed that aim was secure national frontiers, but this did not mean we supported territorial changes; we had not gone beyond what President had said in this regard. Eban responded that Israel was only asking USG to support negotiated settlement. Secretary commented that it would not get us very far simply to say we would support whatever Arabs and Israelis agreed upon; this could take 10 to 20 years. He assumed frontier problem was not one of terrain since, by definition, terrain which gives one side security does not give security to other side. Eban replied that goal was "peaceful frontiers", but Israel could not ignore fact that it was vulnerable from terrain point of

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TEL AVIV

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view. What Israel ^{needed} ~~need~~ were QTE security frontiers UNQTE. Legal grounds for border changes existed in General Armistice Agreements themselves, and Israel felt no need to be apologetic about aspiring to territorial settlement which differed from armistice lines.

8. Refugees. Secretary asked whether Israel planning issue statement on refugees. Eban said Israel had working group studying this question and wanted to make some new proposals. Israel now had under its responsibility 400,000 UNRWA-registered refugees (250,000 in Gaza and 150,000 on West Bank). Gaza presented most serious problem; refugees there wanted out and Israel was not preventing their departure. Secretary asked if Israel would consult us before surfacing any refugee planning. Eban suggested that Ambassador Comay come to Washington to discuss Israel's plans in confidence. These plans took note of fact that number of voluntary agencies and other governments were interested in refugee solution, and envisaged some kind of consortium outside UN framework in which Israel would join. As to timing, Eban said he hoped GOI cabinet would consider this question in late October or early November.

GP-3

End

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The Ambassador of Israel presents his compliments to the Honorable the Secretary of State and has the honor to transmit the following communication from His Excellency the Prime Minister of Israel Levi Eshkol to His Excellency the President of the United States, Lyndon Baines Johnson:-

"Over the past months my mind has often reverted to our meeting three years ago. I have drawn deep encouragement at moments of peril and anxiety from the knowledge that we have your understanding and friendship.

"I am permitting myself to write to you because I feel that we are facing a possible turning point in the history of the Middle East. For the first time in twenty years there may be a hope that our Arab neighbors will realise the futility of their policies of hostility and aggression. For the first time, too, since the Soviets began their massive penetration of the Middle East, one may perhaps hope that they will realise the danger inherent in the continuance of their policies. This is one possibility. The other possibility is that the Arabs will engage in further provocations, such as the Egyptian attack on an Israeli destroyer on the high seas last Saturday, or the sending of murder gangs into Israel through Jordan, leading inevitably to further hostilities. At the same time, the Soviets, for their part, may feel that their global needs will be served by such a course.

"Mr. President, the policies of your Government are likely to be decisive in shaping the history of our area. Action on three fronts would seem to be called for:

"First, Israel's deterrent capacity must be maintained and strengthened. I was most gratified to learn of the decision to end the suspension of the follow-on military supplies from the United

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E.O. 12958, Sec. 3.6
NLJ CC-194
By cb, NARA Date 10-25-00

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States to Israel and to transfer the 48 Sky Hawk planes to us. It would be of great importance to us that their scheduled delivery be advanced.

"General Weizmann has reported to me on the detailed discussions he had in Washington on our urgently needed additional requirements for a minimum air capability. I was pleased to learn that these requests are receiving speedy consideration. A positive and timely response to them will be an important step towards the reinforcement of the prospects of peace.

"Secondly, the Soviets must be made to realise that the United States will not tolerate action on their part designed to rebuild tension in the area to a danger point. The United States posture in May and June was of decisive consequence in this connection.

"Thirdly, it is essential that the United States and the United Nations make clear to the Arabs that the Arab-Israel issue can only be solved through direct negotiations between Israel and the Arab countries. Any departure from this principle, so basic to the Charter of the United Nations, may raise further illusions in the Arab mind and open a new chapter of dilatory tactics which may result in providing the Arabs with a respite to prepare for a new war. This in a sense was the record of Arab-Israel relations from the signing of the Armistice Agreements in 1949 until June 1967. The proceedings in the United Nations since June demonstrate that the great majority of Governments, outside of the Soviet Union and the Arab blocs, have realised the inadmissibility of a return to previous conditions. I feel confident that if the United Nations maintains its refusal to endorse the renewal of the situation as it was prior to June 4th, our neighbors will open their minds to new

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ideas, with the prospect of a stable and peaceful Middle East. Already there are some indications that the work which your delegation has done in the United Nations is beginning to generate greater realism and moderation. We, for our part, are unanimously resolved fully to maintain the cease-fire situation until it is replaced by genuine peace, based on the most direct and formal contractual agreements. This position is one which we cannot waive for at stake is the future and survival of our people.

"The immediate task at hand, therefore, is the blocking of the Soviet-Arab effort to impose on the United Nations resolutions aimed at isolating Israel.

"The problems which lie ahead of us are complex, but I cannot help feeling that the situation is incomparably better than it was in the dark hours at the beginning of June. Israel, at a great cost of lives to herself, and without the direct involvement of her friends, has emerged from a situation of mortal peril. The power and prestige of President Nasser, who provoked the main June confrontation, have suffered severely, while the Soviet Union has seen its policies discredited. I believe that the cause of freedom has been advanced in our area, and not for Israel alone. This development can and should continue.

"For my people a New Year has just begun. As I look back on the past year I find much cause for sorrow, but also much for which to be thankful. I can repeat with a full heart the words of the Psalmist: "The Lord has afflicted me but he has not given me to death."

EMBASSY OF ISRAEL
WASHINGTON, D.C.

שגרירות ישראל
ושינגטון

4.

"I hope, Foreign Minister Eban will have an opportunity to convey to you my thoughts in detail.

"I send you my heartfelt wishes for success in all your endeavors.

"Sincerely yours;

Levi Eshkol
Prime Minister"

The Ambassador of Israel avails himself of this opportunity of renewing to the Honorable the Secretary of State the assurances of his highest consideration.

Handwritten signature/initials

Washington, D.C.
October 23, 1967.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Honeymoon Site for Lynda and Capt. Robb

Pres. file

Retiring Ambassador Beale returned from Jamaican yesterday. He reports that he and Prime Minister Shearer recommend a private home -- "Ciboney" -- described in the brochure at Tab A. It is located on the north coast at Ocho Rios (see map at Tab B). It belongs to a French international tennis player who no longer resides in Jamaica. If you decide to look further into this house, we will want to look carefully into his background.

From the standpoint of comfort, privacy and security, it seems ideal:

- It is located on the water with five acres of fenced grounds surrounding it.
- The main house is built in such a way as to insure maximum privacy.
- It is well furnished and fully staffed.
- There is a guest house ("Cibo") which the Secret Service can use.
- It does not have a sandy beach, but swimming and diving off the terrace at water level is excellent. The swimming area is protected by a reef.
- It has a large fresh water swimming pool and a clay tennis court.
- It has 10 good hotels and night clubs within a 5-mile radius.
- Ambassador Beale is confident that Richard Reynolds of Reynolds Aluminum would put his 40 foot boat at their disposal.

Ambassador Beale understands that the house is already reserved from December 15-31 by an American family. Prime Minister Shearer would undertake to get the lessee to make the house available for the time required beyond December 15.

If you decide to pursue this offer, the next step would be to have someone check the house on the spot. Assuming this check confirms its

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Authority NLT 019-0243-1
By SP, NARA, Date 1/7/02

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suitability, then we could ask Prime Minister Shearer to see if he can persuade the lessee.

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In the meantime, I have asked [REDACTED]
[REDACTED]

W. W. Rostow

Attachments

Tab A - Brochure

Tab B - Map

cc - William Bowdler