

WWR
ACTION 60

CONFIDENTIAL

Saturday, November 11, 1967

Pres file

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Balance of Payments Program Announcement

Attached is Secretary Fowler's memo recommending a schedule of announcements and actions regarding the balance of payments.

The main immediate issue is the announcement of 1968 guidelines for the Commerce and Federal Reserve voluntary programs restraining foreign direct investments and bank credits. These should be announced as soon as possible so as to affect planning for next year by corporations and banks. Fowler proposes to do so at a press conference he would hold on Friday, November 17, with Trowbridge and Governor Robertson of the Fed. At the same time he will release the third quarter balance of payments figures -- which will not make good reading. I believe you should also announce earlier the same day, as Fowler suggests, appointment of the new Travel Task Force so that Fowler at his press conference can refer to it as another action designed to help our balance of payments.

Fowler also proposes for possible release by December 1 a special report on the Balance of Payments -- what we have been doing, where we are, and where we propose to go in dealing with the balance of payments. Your Cabinet Committee briefly discussed and supported this general idea.

I believe the third recommendation -- to defer a message recommending elimination of the gold cover -- makes sense at this time. But we will have to look at this one carefully over the next two months in conjunction with developments in dealing with current pressures on sterling and with unsettled conditions in the gold market.

The fourth recommendation asks you to defer a balance of payments message now and submit it early next session. The message would be built on a good export expansion package -- which is now being developed.

I concur in the four recommendations in Secretary Fowler's cover memo.

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Authority Treasury 7-11-78 NSC 8-27-80
By hgf/esp, NARA, Date 12-4-91

W. W. Rostow

ERF:mst

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THE SECRETARY OF THE TREASURY
WASHINGTON, D. C. 20220

NOV 9 1967

MEMORANDUM FOR THE PRESIDENT

Subject: Balance of Payments Program Announcement

This memorandum deals with the proposed schedule for handling our 1968 balance of payments program announcements.

It involves somewhat of a revision of the plans discussed at the time of my August 8 memorandum to you.

In the light of intervening developments and current circumstances, to be discussed, I would recommend now that:

(1) There be an announcement on Friday, November 17, of the Commerce Department guidelines for 1968 as well as the new Federal Reserve Board guidelines in a joint press conference in which Secretary Trowbridge, Governor Robertson and I would participate. At the same time I am planning to announce the third quarter balance of payments figures. This is a quarterly release and I only have a one or two day leeway on the date. On September 21 you met with Secretary Trowbridge, Mr. Fried and me and approved the Commerce Department program for 1968. I do not believe we will find it necessary to involve you in any meeting on the Federal Reserve Board voluntary program which we expect to iron out finally at a Cabinet Committee meeting on Thursday, November 9.

If you wish, there could be a simultaneous release on the day of the press conference announcing the voluntary programs ~~And~~ the new Travel Task Force.

Approve with simultaneous
announcement of Travel
Task Force _____

Approve without simultaneous
announcement of Travel
Task Force _____

Approve _____

Disapprove _____

DECLASSIFIED

Authority Memorandum 6-23-78
By Reg/led, NARA, Date 12-4-91

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(2) As Chairman of the Cabinet Committee on Balance of Payments, I submit on December 1 for public release a rather lengthy, detailed report:

- (a) reciting in some detail all that we have been doing and are doing to deal with our balance of payments problem, and
- (b) describing in some detail the background and elements of a long-range program on which the Cabinet Committee has been working which would serve as a backdrop for a later Presidential Balance of Payments Message featuring concrete proposals on an export expansion program early in January.

Approve _____

Disapprove _____

Approve as modified _____

(3) That you defer sending a Message at this time recommending the elimination of the gold cover requirement.

Approve _____

Disapprove _____

Approve as modified _____

(4) That instead of submitting a Balance of Payments Message this fall toward the end of this

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BACKGROUND MEMORANDUM

At the time of my August 8 memorandum to you and our meeting on August 10, we considered tentatively the presentation of a 1968 and long-range balance of payments program in a mid-September Message to the Congress requesting removal of the gold cover or the separate submission of a Balance of Payments Message later in the fall.

Subsequent events have caused a change in that procedure. These include the delay and deferment of action on the tax bill which is a centerpiece for any meaningful balance of payments program in 1968 or the future, the emergence of an increasingly serious threat to the pound and a highly unsettled and precarious condition in the gold market, and the inability of the Cabinet Committee machinery to arrive in timely fashion on agreed recommendations for a truly meaningful and significant expansion of our balance of payments program.

Another consideration which I will relate to you orally also prompted me to defer requesting you to send forward a Message on eliminating the gold cover. It also underscores the desirability of a public report along the lines recommended.

Given these developments it seems wise to change our planned procedure to the pattern outlined in the cover memorandum. These are some of the elements of the background for the recommendations in the memorandum to which this is attached:

(1) Need to make voluntary program announcement no later than middle of November.

It is necessary to release publicly the guidelines for the Commerce Department voluntary program and the Federal Reserve Board voluntary program so that the elements of the private sector affected may crank the guidance into their forward planning for next year. It is desirable to have the Commerce Department guidelines out so that Secretary Trowbridge and his colleagues can begin a series of individual conferences with companies which appear to be out of line. Originally these figures have come out in the first and second week of December and I think this has been late. In fact, November 17 -- which is the date recommended in the memorandum to which this is attached -- is a little later than the date I was

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originally hoping for.

(2) Balance of payments outlook.

In the first half of 1967 we were running along at a seasonally adjusted annual rate of about a \$2 billion deficit. The third quarter has deteriorated and the prospects for the fourth quarter are no better. While in 1965 and 1966 we had liquidity deficits of \$1.3 and \$1.4 billion, we could double that level this year or end up with a deficit of around \$2.6 billion despite the benefit from a sizeable amount of "Special Transactions" we have been able to negotiate on a temporary basis. It may be even worse, depending upon developments with respect to sterling and the impact these developments have on our own position. (In this regard, we may have some option as to whether to take a few hundred million dollars adverse effect of British actions in the fourth quarter of 1967 or in 1968. While it is our general feeling that it might be better to take it this year -- and we can attribute it to the British -- our thinking has been influenced by what we see as poor balance of payments prospects for 1968 in the \$3 billion range.

These large deficits -- a return to the unacceptable levels of 1964 and 1965 -- underscore as nothing else could underscore the necessity of providing clear and positive stimulants to our industry, that is to those elements which produce the surplus which the Government must have to be able to achieve our international objectives in terms of the defense umbrella we provide, as well as the investment and economic assistance we provide.

These deficits also emphasize the crucial necessity in achieving any long-term equilibrium of neutralizing the foreign exchange costs of our military expenditures in NATO and the Far East to provide financial viability for the long term maintenance of our presence in those areas.

(3) IMF review.

The International Monetary Fund sits down with the Government once a year to go over in considerable detail our

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economic and balance of payments policies and positions. These sessions are scheduled for November 27-30 this year and starting on the 28th or 29th they will focus primarily on our balance of payments posture and program. I would like very much to have the background elements for our program in the public domain by that time even though the implementing Message to Congress on the export expansion program is not before the Congress.

(4) The special need for a positive export expansion program at the next session.

It has been my position for some time that the whole thrust of our long-term U.S. balance of payments program must concentrate on accentuating the positive; that is, encouraging additional exports as well as receipts from direct investment abroad, increased foreign travel in the United States and increased foreign investment in the United States, while containing excessive balance of payments outflow of both the private sector and the government alike.

You underscored this in your May 23 statement. At that time you asked Secretary Trowbridge and the Cabinet Committee on Balance of Payments to undertake a far-reaching export study. On June 28, I held a meeting of the Cabinet Committee on Balance of Payments at which there were reviewed and approved in the broadest terms the thrust and major areas of the 1968 program. Since that time we have been developing this in detail.

In the meantime, with the Kennedy Round behind us and the prospect for five years of periodic tariff reduction and with the increasing pressure of protectionism on the home front which could thwart the advance of the Kennedy Round, it seems very much in our interest to describe now and advance early in the session a positive export expansion program.

The program elements we have developed include:

- Non-tax incentives, administered by the Commerce Department, focusing upon small and medium sized

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corporations, designed to assist them in selling overseas.

- Tax measures, including both administrative and legislative features, which would make exporting much more attractive. This is the keystone of our program -- it would serve to create jobs at home and be the incentive for additional efforts in exporting.
- Financing designed to make export financing more attractive to the private community. We have a couple of administrative measures we can take as well as ones requiring legislative action. The Export-Import Bank figures very prominently in this area and the full cooperation of Mr. Linder will be necessary to achieve these objectives.
- The GATT. It is time for a positive and outward looking re-examination of those provisions of the GATT which are trade restrictive in their nature. These provisions may be trade restrictive in the sense of (1) what a country can do when it is in balance of payments deficits, and they may be trade restrictive; (2) in the area of non-tariff barrier practices; as well as (3) the permissible subsidies which act preferentially for one tax system (EEC, Japan, United Kingdom) and discriminate against a country using another tax system (U. S.).

A review of this type is totally in keeping with the 20th anniversary of GATT and falls in perfect stride with the post-Kennedy Round situation. This would provide another occasion to demonstrate to the world at large and to our protectionists at home that we will use trade expansive and not trade restrictive measures and the rules of the game must be brought up to date to assure this.

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~~CONFIDENTIAL~~

Saturday - November 11, 1967

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

Mr. President:

Herewith are memoranda from Gaud, Freeman and Schultze on a \$12 million PL-480 loan to the Dominican Republic.

There is agreement on the size and nature of the PL-480 loan but not on the timing of negotiations. Gaud and Freeman prefer to proceed immediately. Schultze recommends delay until the PL-480 agreement can be combined with our AID Supporting Assistance negotiating package. The delay would be for 4-5 weeks.

Charlie argues that our leverage in negotiating self-help conditions will be increased by making PL-480 and AID one package. He also notes that the Dominicans are obtaining the commodities they need under reimbursable purchase authorizations and the amounts involved are so small that they would have no effect on US prices.

There do not seem to be any compelling reasons why the PL-480 agreement should be negotiated right away. Consequently, Charlie's recommendation of deferral until the PL-480 and AID are combined into one package seems reasonable.

W. W. Rostow

Approve negotiation of PL-480 agreement now _____

Defer and resubmit as part of combined AID and PL-480 package ✓ _____

See me _____

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-477
By ing, NARA, Date 6-28-95

11/13/67

Attachments

Memos from Director Schultze and Secretary Freeman, and Administrator Gaud

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EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON 25, D.C.

DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 94-477

By ljf, NARA, Date 6-28-95

NOV 9 1967

MEMORANDUM FOR THE PRESIDENT

Subject: Proposed P. L. 480 Program for the Dominican Republic

In the attached memorandum, Orville Freeman and Bill Gaud request your authorization to negotiate a \$12.3 million P. L. 480 agreement with the Dominican Republic.

Summary

I have no objection to their basic proposal. But I recommend that we defer the P. L. 480 negotiation until it can be combined with negotiations on an AID Supporting Assistance loan -- which will be ready for review in the next few weeks. By combining the two forms of assistance we maximize our leverage for self-help conditions. We are trying to combine P. L. 480 and AID loan negotiations wherever possible.

Background

The commodities to be supplied are wheat (30,000 tons), soybean oil (15,000 tons), tallow, cotton, tobacco, oats, and cotton yarn. This will be the first P. L. 480 agreement ever to include cotton textiles. (The textile interests got the law changed in 1966 to permit the full financing of cotton yarn and cloth.) The agreement would provide a twenty-year dollar credit, with shipments made during this fiscal year.

Usual marketing requirements would be waived since most imports of these commodities have been financed by AID loans.

This assistance will ease the Dominicans' balance of payments problem and help finance public investment in agriculture. It is also intended to supplement domestic production damaged by drought.

Commitments will be sought from the government of the Dominican Republic to take several self-help actions in the agricultural sector, which will be financed mostly by the local currency proceeds of this loan.

A \$20 million Supporting Assistance AID loan, also to provide balance of payments and budgetary support in FY 1968, has been requested by Ambassador Grimms. It will probably be ready for your review within the next few weeks. The key purpose of that negotiation is to influence the allocation of the Dominican budget for 1968. The self-help measures to be negotiated with the AID loan will improve the effectiveness of our aid. They will include commitments to

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- increase tax revenues and reduce military expenditures,
- limit inflationary government borrowing,
- establish procedures to promote greater export addi-
tionality for our aid.

A good portion of the \$12.3 million P. L. 480 agreement is a budgetary cost to us. In view of the anticipated reduction in the Supporting Assistance appropriation, it is very important to utilize the P. L. 480 loan to the fullest extent possible to obtain the important overall self-help reforms we seek. \$12.3 million represents a substantial resource for the Dominican budget. Joint negotiation of the P. L. 480 and Supporting Assistance loans would strengthen our bargaining power and be consistent with your desire to treat P. L. 480 and dollar aid as equivalent resources.

Using P. L. 480 this year to negotiate budget and monetary policy will lay the groundwork for similar joint dollar aid and P. L. 480 negotiations next year, when we will need all the economic leverage we can muster. We face a critical negotiation with the Dominican Republic sometime after the municipal elections in May, on the issue of devaluation. Without devaluation, continued high aid levels will bring little, if any, basic improvement in the Dominican economy or in the high level of unemployment.

Although Gaud and Freeman would prefer not to delay the P. L. 480 agreement for joint negotiation, their reasons are not compelling. At worst, delay might cause some political embarrassment. However, holding the P. L. 480 presents no real problem for us or the Dominicans because the commodities are now being shipped under reimbursable purchase authorizations. The amounts of wheat and soybean oil involved in this agreement are so small that they would have no effect on U. S. prices.

I recommend that you defer negotiation of the proposed P. L. 480 agreement at this time, with the understanding that you wish to have it resubmitted as part of a total balance of payments and budget support package.

(signed) Charles L. Schultze
Charles L. Schultze
Director

Attachment

- _____ Approve negotiation now
- _____ Defer and resubmit as part of
combined AID and P. L. 480 package
- _____ Disapprove

~~CONFIDENTIAL~~

OCT 30 1967

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To: The President

Subject: Public Law 480 Program with the Dominican Republic

We recommend that you authorize us to negotiate a PL 480 sales agreement with the Dominican Republic to provide approximately 15,000 tons of soybean oil, 30,000 tons of wheat, 12,000 tons of tallow, 5,600 bales of cotton, 933 tons of tobacco, 777 tons of cotton yarn, and 1,200 tons of oats, for which the current export market value is \$12.3 million (including certain ocean transportation costs). The proposed terms are payment in dollars of five percent on delivery and the balance over 18 years, with one percent interest during the two-year grace period and two and one-half percent thereafter. The Departments of State and Treasury concur in this recommendation.

Need for Program

PL 480 assistance is needed (1) to supplement domestic production damaged by natural disasters, (2) to help ease the Dominican balance of payments deficit, and (3) to generate local currency to finance increased investment in the agricultural sector. Hurricane Inez in late October 1966 destroyed a large part of the cotton harvest. Since early 1967 a drought has seriously affected the production of basic foodstuffs, particularly peanuts. The drought has resulted in a setback in Dominican efforts to expand agricultural production, an important element of their strategy to reduce imports, to promote new exports, and to lower a chronic balance of payments deficit.

In spite of a number of measures taken by the Government to restrict imports and reduce expenditures of foreign exchange, foreign exchange reserves of the Central Bank have declined by \$16.6 million, almost 30 percent, in 1967. As of the end of August, gross reserves were at a level of \$39.8 million of which only \$11.9 million were liquid. Net reserves were actually at minus \$22.5 million. Due to expectations of a continuing deterioration in the balance of payments, a substantial amount of supporting assistance (FY 1968 funds) will be required during the coming year in order to avoid an economic crisis which could endanger Dominican stability. The PL 480 program will serve to reduce the level of supporting assistance by the amount of dollar exchange saved under PL 480 financing. In addition, the Dominican pesos generated will supplement the limited funds available to the Government for investment in the agricultural sector.

Usual Marketing Requirements

None. Waived because the Dominicans have virtually no free dollars to buy normal commercial imports of the commodities requested, meaning that practically all such imports currently are being financed from A.I.D. loan funds (the use of which cannot be credited against usual marketing requirements). This will not constitute a precedent for any future PL 480 agreement.

Self-Help

Under the Balaguer administration, the Dominican Government is making concerted efforts to diversify and develop the agricultural economy so that new

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E.O. 12958, Sec. 3.6
NLJ 96-275-
By CB, NARA Date 6-30-99

or improved crops and agricultural activities will provide more food, jobs and income. The rural community development effort is bringing thousands of rural people into active participation in such self-help activities as building community facilities and improving the social, political and economic life. The private sector is now being encouraged to provide agricultural services and inputs such as fertilizer mixing, insecticides, agricultural machinery and equipment, spray services, etc. The Agricultural Bank continues to improve credit policies in such a way that credit will bring about improved practices and increased production and profits.

In negotiating this agreement we will seek commitments that the Government of the Dominican Republic agree to:

- (1) Expand credit for agricultural production and promotion, public and private, by \$10 million in 1968 to finance increased domestic food production and production for export. (This will supplement efforts being undertaken to improve the organization and function of the Agricultural Bank in connection with the A.I.D. loan for \$9.5 million for agricultural credit already made);
- (2) Support a sound price support program as an incentive for increasing production of principal food staples;
- (3) Complete the construction and put into operation at least three storage facilities for agricultural commodities; undertake studies and plans for developing improved marketing systems and facilities for the benefit of producers and consumers;
- (4) Adopt a policy which will make the availability of agricultural credit to individual farmers serve (a) Ministry of Agriculture policies concerning efficient land use and (b) the requirements for efficient operation of the irrigation authority;
- (5) Increase the allocation of budget revenues for agriculture from the current level of 7 percent to 10 percent by 1968 so as to increase the effectiveness of adaptive research, extension services, forest maintenance and protection and other agricultural services to farmers; and
- (6) Undertake a program of agricultural diversification and development on state lands deemed excess to the needs of the sugar industry.

Recommendation

That you authorize us to proceed with the PL 480 sales agreement.

October 12 1967

/s/ William S. Gaud

Orville L. Freeman

Administrator
Agency for International Development

Secretary
Department of Agriculture

Approve: _____

Disapprove: _____

INFORMATION

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Friday, November 10, 1967
9:50 a.m.

Pres file

Mr. President:

This is a serious -- even massive effort -- by Saigon to mobilize all its arguments against the stalemate doctrine.

I shall have a summary prepared for your use.

W. W. Rostow

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DECLASSIFIED

Authority NLS-CBS 19
By isa, NARS, Date 6-22-84

WWRostow:rlm

~~SECRET~~

Tuesday, November 7, 1967

TEXTS OF CABLES FROM EMBASSY SAIGON (7867 and 10573)

SUBJECT: Measurement of Progress

We plan the following to demonstrate to the press and public that we are making solid progress and are not in a stalemate:

A. Preparation for our own use and as a basis for use with the press of a written comparison of our situation today with the situation at various other times beginning in early 1965.

B. Additional on-the-record press conference by the Ambassadors, General Westmoreland and other senior officers as appropriate.

C. A review of captured documents, POW and Hoi Chanh reports showing North Vietnamese Army and Viet Cong assessment to the end of proving progress by statements made by the enemy himself. (In this connection, where excerpts used from a document, the entire document will be made available to the press. All captured documents will be declassified except where security definitely requires classification. Our present thinking is that we will hold on-the-record briefings whenever some point can be proved by captured documents, which could perhaps result in white paper pulling all elements together to present a complete picture. Of course, analysis of document -- which must precede the briefings -- will take some time.)

D. A concerted effort to select for detailed briefing of the press current stories of progress in a particular area or village -- similar to our current program with respect to a particular military action. (In order to maintain credibility, outstanding failures must also be briefed in the same detailed fashion.)

E. A selection of subjects which show progress of particular units or of particular pacification programs in particular areas, and encouragement of selected pressmen to visit areas for stories in depth. (We are making a list.)

F. Similarly, a selection of subjects about which the press has doubts, and the presentation of concise, hard-hitting briefings designed to allay credibility

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Authority NLS/CBS 10
By me, NARS, Date 12-14-83

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problems. (These briefings will complement and supplement those mentioned in paragraph C, but will not necessarily depend upon intelligence data.)

G. MACV is instituting this month a monthly J-2/J-3/COC Situation Briefing designed to update correspondents on progress and to place current actions in perspective. (These briefings will be either on-the-record or background, depending on the results of the current study to determine whether an on-the-record approach will permit meaningful briefings.)

H. We have a number of other actions in mind which are incorporated in a Mission-approved press relation plan now enroute to the Department.

In addition, we are considering the following to the same end:

A. How we can best expose the new Government and its plans to the press by backgrounders -- by Thieu and Ky, for example, as plans develop.

B. The possibility of a report to the nation briefing of the press -- perhaps in January -- over U. S. television.

The arguments given for a stalemate and our basic answers are:

A. That we have been here for many years and have been unable to show territorial gains or definite signs of winning. (Answer: There are definite signs of winning where it counts, that is, in the minds of the people. While we cannot measure the support of the people for our side, we see ample evidence that the enemy is fast losing control of the people for his side. His recruitment has dropped off sharply, he is having food shortages, and he is having serious problems collecting Viet Cong taxes. Furthermore, he admits losing control over the people (see captured documents). This is a much more significant measurement of who is winning than territory gained. In fact, 40 percent of Vietnam is uninhabited and 80 percent of the people live on less than 40 percent of the land.

In addition, we must remember that we have not been here for years. Indeed, our first combat troops arrived only a little over two years ago; our first year was spent primarily in logistical build-up, and we have been able to exert the full pressure of our forces on the enemy for only a year and no more. Similarly, the current pacification program only really began with the Honolulu

Conference, and took over a year to build up any momentum. Its progress is also critically dependent upon allocation of sufficient Republic of Vietnam Armed Forces Security Forces, which were only allocated in 1967).

COMMENT: Although presenting the bare evidence which reveals steady progress in security, pacification, and population control should be sufficient, it is probably necessary to draw and express our conclusions as to the meaning and importance of the evidence. In addition there are specific examples of behavior on the part of the people which reflect attitudes far better than cold statistics. We note that population gains by the Government of Vietnam and the improvement in voter participation since the elections of September 1966 are two excellent examples of statistical evidence of increased control of the population. There is a MACCORDS paper, subject: Pacification Control, dated September 30, 1967, which shows gradual increase in Government of Vietnam control of the population. END COMMENT

B. That there are as many of the enemy in South Vietnam now as there were one year or two years ago in spite of our kill ratios. (Answer: We believe that enemy strength in South Vietnam has declined over the past year or so. For example, largely from captured documents and POW's, we now estimate that Viet Cong/North Vietnamese Army organized unit strength has declined from a peak of 126,000 in August, 1966, to about 118,000 now. In other categories, such as guerrillas, we now believe that earlier estimates were too low because of incomplete intelligence. But we believe that Viet Cong guerrilla strength has declined significantly. We estimated that 7,000 Viet Cong a month were being recruited in early 1966, but that this has declined to 3-4,000 now. The number of troops infiltrated and recruited by the enemy over the last six months has not been as great as his deaths, desertions, and other losses.)

COMMENT: With regard to whether the recruitment estimate will stand hard scrutiny, we have previously submitted our methodology for consideration and can only reiterate our conclusions.

Viet Cong recruitment for 1966 was estimated to be 82,840. This was based on a study of captured documents covering six of the 36 Viet Cong provinces and extrapolated for the remainder. The study was presented by MACV J-2 at the Honolulu Intelligence Conference in February 1967 and subsequently accepted by the intelligence community.

During July 1967, a study of Viet Cong recruitment for the period January 1 to April 30, 1967, was completed. Copies have been forwarded to DIA. Results

of the study indicate a most probable recruiting rate of 3,500 personnel per month. Spread values with different confidence values were determined. Within MACV, a 60 percent confidence level was accepted giving a range of 3,000 to 4,500 personnel.

While this indicates a sharp decrease from 1966 rates, it is not considered a precipitous decline, instead it represents a continued lowering of Viet Cong recruitment rates over a long period. Captured enemy documents substantiate a decline and frequently discuss the enemy's increasing difficulties in recruiting in South Vietnam. Copies of this documentation are currently being prepared for release.

We do not believe that stating that enemy losses have exceeded enemy input is risky in any way. Known enemy losses have exceeded his average input for any month. We know the enemy suffers losses not acceptable under the criteria for known losses. We believe that recruitment is continuing to decline and our estimate for infiltration for the past six months (6,000) is higher than recorded values for any month since July 1966, except March 1967 (8,600).
END COMMENT

C. That the enemy is able to match our escalation of the war in spite of everything we do as evidence by his recent DMZ shellings and by his ability to mount rocket attacks on U. S. bases such as Danang. (Answer: The enemy has been blocked in his attempts to infiltrate by sea, has suffered tremendous losses in his infiltration via the Ho Chi Minh Trail, and has probably been forced to concentrate on the DMZ as the only course logistically feasible if he wished to make another major effort. While he has tried to achieve major victories by concentration of forces in the DMZ, he has been foiled in every attempt. Had it not been for our bombing in the North, he could probably have concentrated much more power in the DMZ and in the South. Obviously, there is some limitation on his ability to fight where his losses are so great and his recruitment in the South is probably cut in half. This is becoming evident now in all parts of the country except for First Corps. Because of the nature of this war, he cannot be prevented from continuing mortar and rocket attacks on U. S. bases, but these costly incidents do not have much significant military impact.

Basically, the enemy is not accelerating the war. On the contrary, he is changing his tactics in most areas. He is replacing ground assaults with attacks by fire to cut his previously unacceptable losses. These shellings can harass and inflict some casualties, but cannot result in victory.)

COMMENT: With regard to what we can do now that we couldn't do in 1965, the fact that friendly forces have seized the military initiative from the enemy is in itself indicative of improved capabilities. The major factors which contributed to this improved situation during the last two years are listed below:

Force ratios:

A. 1965: At the beginning of 1965, the Viet Cong were winning the war. Throughout the country, the military initiative was with the enemy. It appeared he intended to isolate principal Government of Vietnam populated centers and Viet Cong forces were nearly sufficient for the task. Against this force, Republic of Vietnam Armed Forces deployed 250,000 troops including 124 maneuver battalions; insufficient force for both offensive operations and support of the Revolutionary Development program. In thesis, ARVN units were forced into a defensive role. The number of ARVN-initiated actions fell off drastically and soon units were only reacting to Viet Cong attacks. As of April 30, 1965, there were only about 36,000 U. S. Army troops in the Republic of Vietnam. Of these, two-thirds were providing combat and combat service support to the ARVN.

B. 1967: During the last two years the situation has drastically changed. There are now 1,258,788 Government of Vietnam/U. S. /Free World personnel in Vietnam including 267 maneuver battalions. Concurrently, with the buildup of ARVN and U. S. /Free World forces, improved coordination between these forces has been achieved.

C. Results: Improvements in force ratio was a prerequisite for seizing the initiative from the enemy. This has been done and has allowed departure from earlier tactics of enclave holding actions and random responses to enemy-initiated incidents. As a result, we now possess and are utilizing the capability of coordinated offensive planning to clear the enemy forces from vital populated areas and return these areas to Government of Vietnam control. Improved mobility and firepower allows friendly forces to maintain constant pressure on the enemy; consequently, he can no longer feel safe in any part of South Vietnam, and in most areas in avoiding large engagements with friendly forces.

Improved logistics and transportation base:

Capabilities in these areas have been upgraded to permit timely and responsive support of friendly forces in all areas of the country. The following data shows the extent of this improvement:

	<u>31 Dec 65</u>	<u>30 Sept 67</u>
Number of airfields		
C-130 capable	22	68
Jet capable	3	8
Number of deep draft ports	4	6
Total port throughout capability (ston) per mo.	332,000	1,118,000
Number of ships in hold and waiting - end of mo.	75	23
Cargo hauled by aircraft (ston) per mo.	16,261	83,179
Rail	4,648	15,523
Road	227,400	1,065,406

Other:

- A. The communications network is now nationwide.
- B. Our intelligence is greatly expanded and improved since 1965.
- C. The provincial advisory efforts have been greatly expanded, not only in numbers involved, but more importantly, by forming broad military/civil teams to provide assistance in all aspects of nation-building.
- D. We now have much greater firepower (175mm guns, AC-47 "spooky" aircraft, armed helicopters, better small arms) and coordinated fire plans cover large portions of the land area.
- E. We have developed new tactics to combat the enemy including "tunnel technology," ambushing techniques, and long-range patrol skills. Coupled with this have been technological advances to assist in detecting the enemy, such as the recently introduced "people sniffer."
- F. A Riverine Warfare capability has been developed and is operating effectively in the Delta.

On the other hand, the change in enemy tactics is, in itself, reflective of the change for the worse in the enemy's capabilities. It is difficult to imagine the enemy deliberately choosing his present course of action and confining his major operations almost entirely to the general DMZ border area if it were not for friendly military pressure. His current tactic of conducting attacks by fire in contrast to ground assaults is further evidence of a decline in capability to wage an aggressive war.

A. The fact that we can demonstrate steady military progress is evidence that the course of the war is not of the enemy's choosing or to his liking.

B. In the first few months of 1965, the enemy roamed the country at will and only his own lack of decision prevented him from mounting an assault on Saigon itself. It was at this critical juncture that U. S. troops began arriving in the country to stem the rising flood of enemy control.

C. The contrast in relative positions between friendly and enemy forces, both military and political, since that time is obviously the enemy controls fewer miles of roads, fewer thousands of the population, less geographical area, and he is unable to prosecute the war in the manner and to the extent he enjoyed in 1965. This change in his conduct has been forced upon him by friendly military pressure. END COMMENT

D. There is no showing of any weakening of the enemy's willingness and capability of continuing the fight, and his more sophisticated weapons are one evidence of this. (Answer: There is solid evidence of the weakening, at least at the lower level, of the enemy's will, especially the southern Viet Cong. His capability is obviously affected by the losses he is taking of men and equipment, the losses he is taking of population in South Vietnam to support him, and his declining ability to recruit in South Vietnam. The enemy's failure to mount a major offensive this year, except a rocket and artillery offensive in the DMZ area, is evidence of his loss of capability. That an enemy can be suffering more than we know is illustrated by the fact that when the Japanese surrendered in World War II, we had no idea that their capability had become as low as it had.)

COMMENT: The inference of the possibility of a sudden collapse of the Hanoi Government similar to that of Japan at the end of World War II could raise questions as to evidence. There is no better way of answering these questions than to point out that one never knows how close a Communist country is to collapse. This is because there is no freedom to expression from which

any assessment can be made; we do know that the morale of the lower echelons of the Viet Cong and the North Vietnamese Army is weakened as evidenced by captured documents and statements of captives and defectors (for example, Joseph Alsop's "Fear of Protracted War" in the October 27 Saigon Daily News).
END COMMENT

E. That there has been no improvement in the Vietnamese Government or Armed Forces yet our objectives here can be obtained only by the South Vietnamese. (Answer: During the past two years we have had a reasonably stable South Vietnamese Government, and a political evolution which is impressive in a very young country in the midst of war. We now have a Revolutionary Development program which has been well led and which for all its imperfections is better than anything we have had in the past. Although there are many imperfections in the Vietnamese Army, it must be remembered that this Army has been increased by more than 50 percent in the last three years, and leadership was not automatically available for the expanding forces. It has been only during the last year that the main focus has been on qualitative as opposed to quantitative improvement. During this period the Vietnamese Armed Forces have improved. All the usual indicators of combat effectiveness -- killed, missing, weapons captured ratios, desertion rates, operational contact rates -- show a favorable trend. Perhaps most important of all, the Republic of Vietnam Armed Forces leadership now display increasing confidence in their own units' capabilities versus those of the Viet Cong/North Vietnamese Army.)

COMMENT: There are several reasons to believe the comments suggested in a previous Department telegram are invalid. Many intelligence reports and POW interrogations cite shortages of weapons in Viet Cong units. The enemy continues to collect weapons and equipment from battle areas when and where he can. Whenever the enemy overruns a Popular Force post or a Revolutionary Development team, he takes weapons -- thus indicating he needs them. We also know that many of the guerrilla and Viet Cong hamlet militia are unarmed and obviously the Viet Cong would like them to have weapons. Regardless of need, it is universal military doctrine to capture military hardware: U. S. units do so even though need is no object. Thus, indications are that the enemy will capture as many weapons as he can.

The statements concerning enemy weapons lost involved only losses to Republic of Vietnam Armed Forces. They do include caches captured/discovered by Republic of Vietnam Armed Forces as well as Viet Cong/North Vietnamese Army battlefield losses. The fact that caches are included should not denigrate

the favorable weapons captured to lost ratio. Republic of Vietnam Armed Forces weapons losses include all weapons lost whether carried by a soldier in combat or removed from the armory of an overrun outpost. The enemy caches his weapons as an integral part of his supply/resupply system. Weapons found in caches are a positive loss to the enemy. There has been no change in the criteria for computing weapons captured to lost ratios, therefore, the progression from an unfavorable ratio to a favorable ratio is considered a valid measure of progress.

With regard to ARVN body counts, as a result of a previous query, a MACV project has been underway to verify and, if necessary, improve the credibility of enemy killed body count. Field teams are organized and operate in each Corps to make spot inspections and to investigate the probability of error. Thus far, the indication is that ARVN body counts are accurate. Normal procedures call for U.S. advisors assigned to ARVN units to personally verify the enemy killed and report through advisory channels. As an example, as part of the project described above, ARVN in a recent engagement in First Corps reported 195 enemy killed; this was confirmed.

There is no basis on which to say that much of the improvement indicators can be attributed to the Republic of Vietnam Armed Forces' change from maneuver battalion offensive role to a pacification security role. The Republic of Vietnam Armed Forces is suited to the pacification security role (their cultural mores and attitudes/needs of the people; conversely, U.S./FreeWorld forces have much more fire support/mobility available and are a better match for the North Vietnamese Army units). Tremendous effort has gone into training ARVN units for the pacification task and, though assignment to direct support of Revolutionary Development tends to limit a battalion's capability to conduct large unit operations, it does not limit its capability for combat. A recent study (January - July 1967) by III MAF which compared ARVN battalions in support of Revolutionary Development to those not in support of Revolutionary Development reveals the following:

	KIA Enemy	KIA Friendly	Kill Ratio	Weapons Cap/ Lost Ratio	Enemy KIA per 1,000 Friendly present for Duty Strength
RD Bns	1,259	479	2.6:1	2.5:1	168
Non-RD Bns	965	356	2.7:1	2.9:1	131

Battalions in support of Revolutionary Development compare very favorably with those not in support of Revolutionary Development to this study. Intelligence indicates that one of the enemy's main objectives is to defeat the pacification effort. Therefore, units in support of Revolutionary Development are primary targets for enemy operations. Finally, the improvement indicators cited were, generally, across the board improvements applying equally to those units in support of Revolutionary Development as well as to those not in support of Revolutionary Development. Consequently, though the assignment of a part of the Republic of Vietnam Armed Forces to support Revolutionary Development may have contributed indirectly to some improvement in indicators, it is more attributable to a general increase in Republic of Vietnam Armed Forces military professionalism.

Special examples of recent effective actions by the South Vietnamese Armed Forces in Second Corps and Third Corps are as follows:

A. Second Corps:

Operation KHAM ZEL 167 (2-12 August 1967): Airborne Task Force 1 and elements of the 43rd Infantry Regiment conducted a search and destroy operation in Kontum province to disrupt the enemy's summer monsoon offensive. Two battalions of the 174th North Vietnamese Army Regiment were engaged west of Dak Seang near the Laotain border. More than 9,000 artillery rounds were fired and 150 tactical air sorties flown in a three-day period in support of the friendly forces. ARVN forces overran the enemy defenses. Results: North Vietnamese Army 209 killed (body count) ARVN, 12 killed.

Operation AN DAN 805, a search and destroy operation being conducted by the 41st Infantry Regiment in Binh Dinh province since 12 March 1967 demonstrates long-term effectiveness. Thus far, the operation has resulted in 306 enemy killed as compared to 86 ARVN killed. During the month of September 1967, ARVN forces killed 71 enemy while losing 14 in this operation.

B. Third Corps:

Defense of Tan Hung in An Loc district by the 2nd Battalion, 9th Infantry Regiment on July 11. Shortly after midnight an element of the 141st North Vietnamese Army Regiment attacked the compound at Tan Hung. Over two hundred 60mm, 82mm and 120mm mortar rounds and numerous anti-tank rockets were received in conjunction with a two-pronged ground assault by an estimated 1,000 enemy troops of two battalions. The main attack penetrated

the inner bunker defenses while supporting attacks tried to breach the perimeter at other points. A counterattack was mounted which destroyed the enemy forces that had succeeded in breaking into the compound. Contact continued for four and one half hours as the North Vietnamese Army tried several assaults and made attempts to evacuate their casualties. Results: 161 North Vietnamese Army killed (body count) and 90 individual and crew-served weapons seized; ARVN lost 20 killed and 2 weapons.

Operation F-8, initially employing the 52nd Ranger Battalion and a task force of the 4th AC Squadron, was launched against the 3rd Battalion, 275th Viet Cong Regiment in central Long Khanh province on June 27.

Having made contact, the 52nd was reinforced by the 35th Ranger Battalion, and the 2nd Battalion, 43rd Infantry Regiment was airlifted in to join the operation. Numerous fire-fights took place from the afternoon of the 27th through the 28th. On the 29th contact was made with a dug-in Viet Cong company and it was driven out of its position in coordination with supporting air and artillery. The objective area contained a battalion size base camp with trench lines and a small training site. Overall results: enemy lost 167 killed (body count); ARVN lost 51 killed.

In Phouc Long province near Song Be during the early morning hours of October 27, the 3rd Battalion, 9th Infantry Regiment, 5th ARVN Division Command Post came under heavy mortar and rocket attack. It was followed by a three-pronged ground attack by the 88th North Vietnamese Army Regiment. Approximately 3,000 artillery rounds, 1,000 mortar rounds, and aircraft supported by friendly units. Results: 134 North Vietnamese Army killed (body count), 1 detainee, 37 individual and 20 crew-served weapons captured; ARVN, 13 killed. END COMMENT

Our politico-military objectives here are basically to contain the invasion from the North while increasing the percentage of the population in the South under Government of Vietnam control, at the same time trying to help establish a democratic South Vietnamese Government with the ability to maintain that control. Viewed in terms of these objectives, we have made steady progress on all fronts since our first combat troops arrived here in March 1965.

Evidence of our progress with respect to the enemy net manpower losses in South Vietnam is evident from the following estimates:

	<u>Recruiting</u>	<u>Infiltration</u>	<u>Losses (all causes)</u>	<u>Net</u>
1st qtr 1966	7,000	12,000	8,300	+10,700
2nd qtr	7,000	7,100	8,100	+ 6,000
3rd qtr	7,000	5,600	9,200	+ 3,400
4th qtr	5,500	3,300	9,900	- 1,100
1st qtr 1967	3,500	6,300	14,900	- 5,100
2nd qtr	3,400	6,000	15,300	- 5,900
3rd qtr	3,100	6,000	13,400	- 4,300

Note: It should be clearly understood that these figures are estimates and subject to refinement.

COMMENT: Losses quoted are based on known enemy losses (killed, died as a result of combat (DOW/DIS), prisoners of war, and military Hoi Chanh) plus estimated unknown losses from non-battle casualties and simple desertions.

MACV has not arrived at any breakout of enemy killed related to various forces, identification of bodies (North Vietnamese Army, Viet Cong Local Force/Main Force, Viet Cong guerrilla, etc.). In the field this usually cannot be made. When possible, losses are ascribed to individual units. MACV considers that all known losses and estimated losses (non-battle casualties and simple desertions other than Hoi Chanh) are from his armed forces since we know that the enemy has battle casualties which are never confirmed by body count. We recommend that no effort be made to apply percentages of losses to forces and that MACV assumption of all losses against enemy armed forces be utilized. Wounded figures are not utilized in loss figures and are not assessed against the enemy.

We agree that surfacing balance sheets on enemy gains and losses would not be useful at this time. END COMMENT

Evidence of North Vietnamese Army/Viet Cong loss of morale is as follows:

A. Under the Chieu Hoi program there has been an increase of ralliers from about 11,000 in 1965, to about 20,000 in 1966, to nearly 24,000 to date in 1967.

COMMENT: Refugees are not included in Chieu Hoi numbers reported.

Initial screening of personnel coming under friendly control is conducted by Republic of Vietnam Armed Forces, U. S. / Free World forces, or other agency making contact. Almost immediately, interrogation is conducted by the Government of Vietnam with U. S. observers at which time the Government of Vietnam makes the decision whether the personnel are to be considered Hoi Chanh, refugee, deserter, etc. The Government of Vietnam is hyper-sensitive about ascertaining the validity of returnee status. The explanation for the sharp decline in Hoi Chanh since April is discussed in detail in another Saigon cable. END COMMENT

B. Numerous captured documents, ralliers, and prisoners of war testify to the difficulties of Viet Cong administrators maintaining contact with their cadre under U. S. military pressure, the difficulties in Viet Cong recruitment and taxation, resulting in forced conscription and higher Viet Cong taxation, the greater difficulties of the Viet Cong in dealing with the population, the difficulties in some areas of obtaining food and medicine, and the increased failure of Viet Cong administrative cadre in many areas.

C. Numerous captured documents, ralliers, and prisoners of war testify to North Vietnamese Army losses of 20-25 percent and more from bombing, sickness, disease and desertion before reaching their destinations in South Vietnam, and to lack of food and medicine and poor morale among North Vietnamese troops after they arrive. However, about ten percent of North Vietnamese Army recover from their sickness and eventually complete the trek. Hence the overall attrition is about 15 percent.

COMMENT: We are currently preparing for release, packages of captured documents and reports of interrogations of prisoners and defectors on the following subjects: recruitment, manpower losses, food and supply problems, health and medical problems, losses, infiltration hardships, friction with Viet Cong ranks, falling morale, and weakening Viet Cong combat effectiveness. END COMMENT

Although there were few documents available two years ago by comparison with what we have now, those which apply tend to document the enemy's declining fortunes. END COMMENT

Evidence of military progress in the South is as follows:

A. The enemy has been unable to mount a major offensive although intelligence indicated he planned to do so last May and June.

B. The enemy has gained no major victories comparable to his 1965 successes in an engagement of battalion size or larger in over a year.

COMMENT: The best way to counter arguments that the enemy's strategy is to cause maximum friendly casualties and tie down maximum friendly forces while waiting us out at an acceptable cost to himself is to demonstrate that this is his secondary strategy and that he has been prevented from employing his primary strategy of mounting large scale offensives because of steadily improving friendly military strength. The important point is that the enemy has been forced to adopt less than optimum measures, and from the comparisons of casualty rates, territorial and population holdings, Chieu Hoi and refugee data, there is legitimate question as to his success with this secondary strategy. This "waiting strategy" sacrifices population control, the key objective of the war. The enemy would not take this loss if he had any other alternative. END COMMENT

C. A program to neutralize 41 enemy base areas in South Vietnam (that is to say to drive the enemy there from and destroy enemy installations therein) was initiated in June 1966. To date, we have penetrated or attacked almost all these bases, and, as of August 1967, had neutralized 14 of them.

COMMENT: With regard to MACV reporting of enemy base areas, the targeting effort is continually directed to a country wide scrutiny of potential or suspect areas. MACV J2 is able to reconfigure some areas and identify new ones based on new intelligence.

When indicators of possible enemy use warrant it, potential base areas considered for incorporation in the inventory, and when evidence supports it, new base areas are added.

We believe the enemy may need fewer big in-country base areas now versus two years ago, but he does have a need for some since he has less freedom of movement outside these areas. There are numerous examples in each Corps area of big in-country base areas presently used by the enemy including Base Areas 101, 114, 225, 237, 337, 360, 470, and 480.

Out-of-country base areas provide a sanctuary but have limited values as a base from which to conduct country-wide operations. END COMMENT

D. From 1966 to 1967 thus far, enemy killed in action per month has increased 63 percent, enemy weapons captured have increased 65 percent (1,600 to 2,600 per month), enemy mortar rounds destroyed have increased 500 percent (7,500 in 1966, and 19,000 in six months of 1967). Small arms

ammunition captured or destroyed has increased 125 percent (1.1 million rounds in 1966, and 1.5 million in six months of 1967), and enemy rice captured or destroyed has increased nearly 50 percent (13,000 tons in 1966, and 10,000 in six months of 1967).

E. The enemy to friendly killed in action ratio has increased from 3.2 to 1 in 1966 to 4.0 to 1 during the first six months of 1967, and has continued to increase since then. The weapon gained to lost ratio has increased from 2.1 to 1 in 1966 to 3.8 to 1 in the first six months of 1967, and has continued to increase since then.

Evidence of increased effectiveness of the bombing in the North is:

A. There has been a marked increase in the time necessary to effect repairs of bridges, marshalling yards, bypasses, etc., indicating labor and material problems.

COMMENT: Based on all available sources of intelligence and specifically photo reconnaissance of lines of communication facilities in North Vietnam, the enemy is having considerable difficulty repairing bomb damage to highway and railroad bridges. The example shown of the repair of the Hanoi Railroad/Highway Bridge, JCS #13, is not necessarily indicative of the repair capability all along the lines from China to Hanoi. Conversely, in the case of JCS #12, the Paul Doumer Bridge, with a span dropped on August 11, the bridge was not reopened until September 26. Forty-six days were required for this repair in which, no doubt, all available resources were employed. We believe that North Vietnam is deferring more people to the task of rail repair and experiencing ever increasing difficulty in rail restoration efforts. END COMMENT

B. In May 1967, over 150 thousand short tons required transshipment to bypass effects of interdiction on the Northeast Railroad, and in August 1967, the figure had risen over 70 percent to 260 thousand short tons, with a total from May 1 to September 20, 1967, of 932 thousands short tons.

COMMENT: Our estimates of the tons of transshipment required in the Northeast Railroad are based on a DIA estimate that 1,000 short tons of cargo per day were throughput on the Northeast Railroad in 1966 and that the enemy seeks to maintain or improve this figure.

The number of targets carried as disrupted are multiplied by 1,000 tons to arrive at a daily tonnage transshipment figure, since we assume that 1,000 tons will have to be transshipped at each point of interdiction. For instance, On August 13, 1967, 8 targets on Railroad 2 were unservicable. Therefore,

8 x 1,000 or 8,000 tons of interdiction cost in transshipment were computed for that day. If the enemy is to maintain a throughput of 1,000 short tons per day and obtain maximum use of the serviceable portion of the railroad, at every point of interdiction 2,000 short tons of goods would have to be handled (1,000 off-loaded and later reloaded onto rail cars). A figure of only 1,000 short tons per point of disruption is used because the enemy does not have to transship in all cases where disruption occurs. They have three alternatives: they can wait for repairs and thus tie up valuable rolling stock; off load the material so that the rolling stock can be released; or transship by trucks. Once supplies are off-loaded, they may refinish their journey on trucks and not be reloaded onto rail cars.

These are the assumptions and methods used to arrive at our estimate of transshipment cost. The purpose of the estimate is to show magnitude of disruption and to indicate that we have severely degraded the efficiency of the railroad system and exacted a very high cost for its continued use.

END COMMENT

C. The port of Haiphong has become more and more congested, with ships waiting two months to unload.

COMMENT: Analysis of our holdings indicates that ship congestion at Haiphong has been reduced considerably from the average layover of 43 days during August to 22 days during September, and to approximately 18 days during October, to date. The final layover figure for October may well be even lower. These decreases do not reflect an improvement in port capacities or an alleviation of stockpiles. They do indicate fewer and smaller ships calling at the port and loading of more perishable goods. The stockpiles near Haiphong port remain. END COMMENT

D. Friendly aircraft loss rate has declined from 18.1 aircraft per 1,000 sorties in 1966, to less than ten per 1,000 sorties in 1967.

COMMENT: Information on aircraft loss rates is limited to MACV assigned forces: specifically, those air forces under operational control of 7th Air Force. This does not include III MAF aircraft flying missions in North Vietnam. Statistical data for 1965 is not considered reliable; however, the 6.84 loss per 1,000 sorties appears to be accurate. The 1966 and 1967 loss rates in North Vietnam for combat aircraft under operational control of the 7th Air Force flying strike, reconnaissance, flak suppression, combat air patrol and rescap sorties are: 1966 - 2.87, 1967 through September -

2.2. If all support aircraft sorties and losses readded, the loss rate per 1,000 sorties over North Vietnam and Laos are: 1966 - 1.6; 1967 through July - 1.2. A breakout of the total sorties for North Vietnam is not possible since some support aircraft transit both Laos and North Vietnam in accomplishing their mission and are considered one sortie. Information relative to naval losses is not available in the Saigon area. We suggest DoD figures including all-service losses be used. END COMMENT

Evidence of pacification progress and increased security and administration control of the population is as follows:

A. Far more resources are now being devoted to pacification. The advent of major Free World forces is also permitting redirection of a growing proportion of the Republic of Vietnam Armed Forces to providing the indispensable close-in security for areas being pacified. Some 53 ARVN Regular battalions, 213 Regional Force companies, and 755 Popular Force platoons are currently assigned to direct security support of the 49 Revolutionary Development campaign areas. The number of Revolutionary Development teams (including Montagnard teams) has risen from 453 at the end of 1966 to 611 on August 31, 1967, and should reach 697 by the end of 1967. The Revolutionary Development Ministry budget rose from 1.8 billion piasters in 1966 to 2.5 billion piasters in 1967, mostly for self-help and other projects to help the people in Revolutionary Development hamlets.

B. Various means are being explored to supplement Revolutionary Development teams, thus speeding pacification, such as civil-military teams found successful in Binh Dinh, the quarter-zone approach found successful in Binh Thuan (some hamlets historically are divided into quarter zones with leaders, and these leaders are now being paid to develop hamlets in accordance with Revolutionary Development concepts) etc.

C. Based on Government of Vietnam data from December 31, 1965, to date, a net of approximately 13 percent of the population has been added to Government of Vietnam control during this period, bringing the present total to approximately 70 percent, with Viet Cong control extending to 14 percent and 16 percent contested. Our Hamlet Evaluation System, which is more conservative than Government of Vietnam, lists 68 percent under Government of Vietnam control compared to 64 percent in January 1967, 17 percent under Viet Cong control versus 19 percent in January 1967, and 15 percent contested. Our figures indicate only 2.8 million people left under Viet Cong control compared to 11.6 million under Government of Vietnam control.

D. The "control" figures are verified by the elections. The recent Presidential elections were held in areas containing approximately 75 percent

of the people in the country, indicating that areas secure enough to hold elections exceed those listing under Government of Vietnam control either by the Government of Vietnam or by our Hamlet Evaluation System. The increase in registered voters between the Constituent Assembly election and the Presidential election was between 11 and 12 percent, much of which was occasioned by the increase in secure area, thus confirming the figures of increased percentage of people subject to Government control.

E. Threat to the enemy of pacification is evidenced by his concerted effort to destroy Revolutionary Development teams. His failure to do so is indicated by the fact that he has failed to destroy any team and, although the number of teams has increased, the number of incidents has remained relatively constant. Improvement of the team fighting ability is shown by a comparison of March and July of this year, both of which months has 126 Viet Cong incidents against the teams, but with the number killed in July (32) only one-third of those killed in March (101).

COMMENT: Since purification of early Hamlet Evaluation System figures is continuing, we do not think it is wise now to compare current Hamlet Evaluation System score with January. However, we do consider that comparison of April and September scores does show the six-month trend. Although Hamlet Evaluation System percentages are not precise to the nearest one percent, we do not see any advantage to rounding off to the nearest five percent. Doing so would disguise trends which are the important product of the Hamlet Evaluation System. Moreover, we have already given the press figures to the nearest one percent. END COMMENT

Evidence of improved communications and logistics, so necessary to pacification, nation building and general economic well-being, is:

A. Of militarily essential roads, those open during daylight hours increased from 73 percent in February 1966 to 85 percent in August 1967. Essential roads which can be traversed without military escort in daytime increased from 29 percent to 50 percent.

B. The port of Saigon, clogged with traffic a year ago, is now able to handle traffic expeditiously. Port capability has increased from slightly over one million short tons handled in the last quarter of 1965 to almost three and a half million tons handled in the second quarter of 1967.

Evidence of improvement of the Vietnamese Armed Forces is:

A. The number of desertions this year is less than half the number for the same period last year and the number of missing in action has dropped from 1,500 in the first quarter of 1966 to 750 in the first quarter of 1967, and to 312 in the second quarter of 1967.

B. The trend of weapons lost has reversed. In the first quarter of 1966, Republic of Vietnam Armed Forces lost 2,850 weapons and captured 1,400, or an unfavorable ratio of two to one. In the first quarter of 1967, Republic of Vietnam Armed Forces lost 2,050 weapons and captured 4,425, or a favorable ratio of two and one-fourth to one.

C. The percentage of contacts to total operations is up. In the first quarter of 1966, there was 360 contacts in 820 large unit operations, and in the first quarter of 1967, there were 380 contacts in 760 operations, or an increase of 15 percent. In small unit operations, the rate of enemy contacts has risen from 2.8 contacts per 1,000 in the first quarter of 1966 to 3.7 contacts per 1,000 for the first quarter of 1967 (a rise of 30 percent) to 4.3 contacts per 1,000 in the second quarter of 1967 (or a rise of over 50 percent). The total number of operations is down because of the present heavy commitment to pacification.

D. ARVN has taken a number of actions to improve its general effectiveness. This includes: (1) increased fighting in close association with American units and the corresponding increased availability of U. S. artillery and air support, (2) new and improved training courses, such as the long range reconnaissance patrol course, graduates of which are integrated with U. S. long range reconnaissance patrols and the recycling of maneuver battalions through a six-week national training center course, and (3) increased promotions from the ranks (during 1966, 500 direct commissions, 20 battlefield commissions, and 4,500 battlefield promotions were awarded NCO's also a special OCS course was offered, from which 1,700 were graduated).

E. Programs have been installed to improve the morale of ARVN, such as a pay increase in July 1966, the establishment of an ARVN commissary, and a free issue of an operations ration in the field beginning July 1967, designed to give greater mobility in the field and to prevent living off the people in the countryside.

F. Far fewer Regional and Popular Force positions have been overrun in 1967 than in the corresponding period of 1966: a revitalized training program has been instituted for Regional and Popular Forces; and U. S.

advisors are working more extensively with Regional and Popular Forces units.

Some recent effective actions by the Vietnamese Armed Forces are:

A. In May 1967, on a combined operation with U. S. Marines in Quang Tri, an airborne battle group struck a regular North Vietnamese Army combat battalion. Result: 250 North Vietnamese Army killed; the airborne lost nine killed. Their use of supporting fires -- air and artillery -- was superb. In a five-week period in May and June, two airborne groups fought four major engagements in First Corps. Result: 833 North Vietnamese Army killed; 63 ARVN killed.

B. In June 1967, in Phong Dinh province in the Delta, two Ranger battalions and two Regional Force battalions finally ran to ground a Viet Cong Main Force battalion that had been evading combat for months. Result: 210 Viet Cong killed; Republic of Vietnam Armed Forces, 5 killed.

C. In July-August 1967, the 34th and 4th Vietnamese Marine battalions participated in operations CORONADO II. The aggressive and gallant actions of these units all but destroyed the 263rd Vietnamese Main Force battalion and the elements of the 514 Local Force battalion were badly mauled. Result: 285 enemy killed; 55 friendly killed.

D. On September 6, 1967, in Quang Tin province at Tam Ky, a company of the 3rd Battalion, 5th ARVN Regiment and elements of the 3rd Troop, 4th ARVN Cavalry Regiment defeated a ground attack by the 70th and 72nd Viet Cong battalions. Result: 217 enemy killed; 21 ARVN killed.

E. On September 8, in Ba Xuyen province, Fourth Corps, an enemy company attacked a Revolutionary Development area. A Republic of Vietnam Armed Forces reaction force counterattacked. Result: 54 enemy killed, 20 sampans destroyed; Republic of Vietnam Armed Forces, 4 wounded.

F. During the period September 8-15, three ARVN Ranger battalions engaged elements of the 2nd North Vietnamese Army Division in the border area between Quang Nam and Quang Tin provinces. The operational results were 212 enemy killed, compared to 32 ARVN killed.

INFORMATION

63

Pres file

~~TOP SECRET~~

Friday, November 10, 1967
9:50 a.m.

Mr. President:

Herewith Sec. McNamara forwards
(via Wheeler) Westy's plans for
employing ARVN at the DMZ.

I sent a copy to you earlier.

W. W. Rostow

CM-27374 ~~TOP SECRET~~ November 1967
Memo for the Sec. of Defense from Gen. Earle G. Wheeler
"Disposition of Forces in the DMZ Area"

WWRostow:rln

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-477
By ijg, NARA, Date 6-28-95

~~TOP SECRET~~

4290

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OFFICE OF THE SECRETARY OF DEFENSE

9 November 1967

MEMO FOR The President

The attached memorandum from the Chairman, Joint Chiefs of Staff, outlines General Westmoreland's plans for ARVN Forces to assume a greater share of the garrison responsibility in the Demilitarized Zone area.

Robert S. McNamara

Robert S. McNamara

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-273
By is, NARA Date 5-11-98

~~SECRET~~

Unclassified when detached
from classified inclosures

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OFFICE OF THE SECRETARY OF DEFENSE

THE JOINT CHIEFS OF STAFF WASHINGTON, D.C. 20301

~~TOP SECRET~~

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-273
By iso, NARA Date 5-11-98

CM-2737-67
7 November 1967

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: Disposition of Forces in the DMZ Area (S)

1. (S) In response to your request concerning plans for ARVN Forces to assume a greater share of the garrison responsibility in the DMZ area, as discussed in our 30 October meeting, General Westmoreland has been queried and the details of his plan are outlined below.

2. (S) The plan provides for ARVN units to occupy specific strong points and combat operating bases in the Strong Point Obstacle System (SPOS). At the enclosure hereto, strong points are indicated as A-1 thru A-6 and combat operating bases as C-1 thru C-4.

3. (S) Plans call for the 2d ARVN Regiment to occupy positions A-1, A-2 and A-3 with one battalion at each strong point position; also with one battalion, the regimental headquarters, reconnaissance company and artillery at the combat operating base C-1. The US Marines will man A-4 at Con Thien and combat operating bases C-2, C-3 and C-4, thereby providing depth and reinforcement to the forward elements. At the present time four ARVN Airborne Battalions are in position at A-1, A-2 (Gio Linh) and C-1 while the 2d ARVN Regiment is being trained for their new role. Two battalions have completed training and will relieve two airborne battalions in the SPOS next week. The remaining two battalions will complete training on/or about 15 November 1967 and will relieve the remaining airborne battalions. The 2d Regiment has been equipped with the M-16 rifle and has received special training on the employment of sensors.

Upon removal of attachments this document becomes

~~SECRET~~

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

~~TOP SECRET~~

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c 11/74 A

~~TOP SECRET~~

4. (S) The US Marines will continue to occupy A-4 (Con Thien) until after the monsoon and the tactical situation permit the transfer of responsibility to the ARVN.

5. (S) It is significant to note that US elements are in position to reinforce and influence the action in the entire DMZ area.

6. (S) It is recommended that a copy of this memorandum be provided to the President.

Earle G. Wheeler

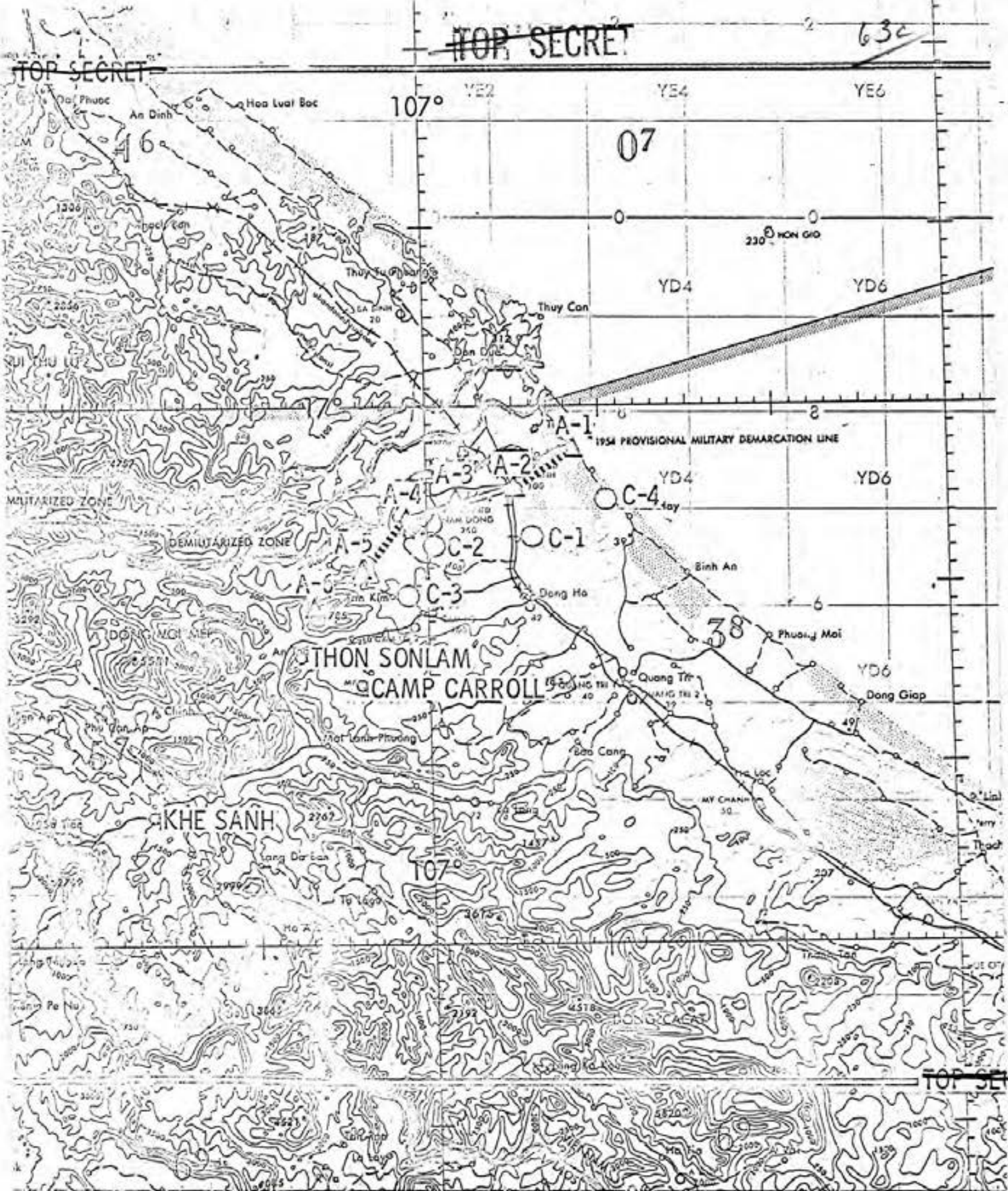
EARLE G. WHEELER
Chairman
Joint Chiefs of Staff

~~TOP SECRET~~

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63c

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DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-273

By ia, NARA Date 5-11-98

~~TOP SECRET~~

See Des Cont Nr. X- 6938

64

INFORMATION

Pres file

~~SECRET~~

Friday, November 10, 1967
9:45 a. m.

Mr. President:

Herewith Andy's report of the recent briefing by Gen. Eisenhower by Sec. McNamara and Gen. Wheeler.

W. W. Rostow

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By kg, NARA, Date 11-21-91

WWRostow:rln



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


9 November 1967

64a

MEMORANDUM FOR THE PRESIDENT

I attach a memorandum reporting on the meeting of Secretary McNamara, General Wheeler and myself with General Eisenhower today. General Eisenhower's principal comments are contained in the last paragraph. As indicated, I will be furnishing him additional information prior to his TV appearance late this month. (He plans to tape it on 24 November; it will be broadcast on 28 November.)

1 Att
as


A. J. GOODPASTER
Lieutenant General, USA



DEPARTMENT OF DEFENSE
THE NATIONAL WAR COLLEGE **DECLASSIFIED**
OFFICE OF THE COMMANDANT
WASHINGTON, D.C. 20315

646

9 November 1967

MEMORANDUM FOR RECORD

SUBJECT: Meeting with General Eisenhower, 9 November 1967

Secretary McNamara, General Wheeler and I met with General Eisenhower for an hour and a half in his Gettysburg office this morning. The meeting began at 0830.

I first gave to General Eisenhower a brief memorandum, furnished me by Mr. Bromley Smith, on a question General Eisenhower had phoned me about a few days ago. This related to the reported Soviet offer to accept any necessary inspection if the United States would accept a proposal for disarmament. This was initially made by Mr. Khrushchev in 1960. We and the Russians concluded in mid 1961 that agreement could not be reached, because of disagreement on verification; the Russians wanted to inspect only the disarmament steps taken, whereas we insisted on inspecting the armaments that were left. I also reported further to General Eisenhower on a question he had raised as to whether the Soviets really wanted to see an end to the war in Vietnam. I told him I had discussed the matter further with Mr. Rostow, and also recalled to him that the President had asked me to pass to him just after the Glassboro meeting Mr. Kosygin's statement that he strongly desired an end to the war in Vietnam. I told General Eisenhower that although there are mixed considerations and opinions, the general feeling seems to be that the Soviets would like to see the war end, but feel limited in what they are able to do, because they are sensitive to Chinese attacks upon them within the Communist circle. There is some reason to think that they are genuinely afraid of the possibility of an open confrontation with the United States involving Soviet ships. General Eisenhower said he had thought that there might be some among them who are just as happy to see the United States incurring these losses and heavy costs. Mr. McNamara commented that there may be divided opinion within the Soviet ruling group on this matter, with Mr. Kosygin wishing to see an end to it.

I then gave a brief updating of the Vietnamese war, covering the 3-pronged effort involving the air campaign in the north to cause the NVN to stop or limit their support, control and direction of the

~~CONFIDENTIAL~~

DECLASSIFIED

Authority 71E MR 77-148 #5
By rg/dck, NARA, Date 12-5-91

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~~CONFIDENTIAL~~

insurgency in South Vietnam, together with our anti-infiltration operations; the ground-air campaign in South Vietnam to defeat the VC/NVA forces there; and the pacification campaign to assist the South Vietnamese to extend their dominion and control in South Vietnam, and to suppress the guerillas.

On the air campaign in NVN, I reported that the level of effort remains high -- running from 300 to 600 sorties a day, more than half against the fixed target system and somewhat less than half against lines of communication, utilizing armed reconnaissance attacks. We are imposing a high cost as evidenced by some 500,000 laborers in their maintenance and repair force. However, the NVN are using less than 10% of their route capacity in Laos, for reasons we do not know with certainty. It is possible that this is all they wish to do in the face of the losses they would suffer if they tried to increase this figure. During the last TET in February they jumped up to an average of 545 trucks (rather than 25) cited by us each day. In any case, we are imposing heavy costs on them, and would impose higher costs if they increased the flow of men and material. I mentioned as another new point that the bulk of the North Vietnam aircraft are now in China, and that recently they have been having some of their aircraft recover in China after engagements over North Vietnam. General Eisenhower asked whether we are exercising the doctrine of hot pursuit. I told him we were not, and General Wheeler confirmed this. I mentioned a recent Indonesian report which indicates that there are extensive damage and disruption in North Vietnam, that a loss of confidence is now seen among their people, and that there has been great damage along their transportation lines. Also, the number of foreign ships and identified imports last month is well below the average in each of the last three years, and the volume of their exports is the lowest since early 1965. Finally, I showed him a picture of the WALLEYE bomb, which is TV guided. At this point General Wheeler described to General Eisenhower the new targets just added to the bombing campaigns through the President's decision yesterday.

I next told him that our anti-infiltration operations continue with a continuation of armed reconnaissance against routes in Laos and surveillance to block sea traffic. I then described, and there was general discussion in detail concerning, the "barrier" system which is due to begin to become operational next month. I covered the anti-vehicle section in Laos, the anti-personnel section in NVN, Laos and SVN, and the coastal, cleared strip barrier section just south of the DMZ. It was made clear that all of this is regarded as an aid and supplement to our current operations, and in no sense a

~~SECRET~~

substitute or mechanical panacea. General Eisenhower indicated he found the project interesting and militarily sensible.

I next took up the air-ground battle in SVN indicating that the basic casualty trends and ratios continue in our favor. I also pointed out that the main battles seem to be shifting away from the populated coastal plain towards the frontiers, the war zones, the jungle country and the DMZ. I cited the recent battle at Loc Ninh as well as the press report by Mr. Orr Kelly in The Washington Star reporting particularly the views of Generals Brownfield and Palmer. There is some evidence of lessened morale on the Communist side. Captured documents and prisoners indicate they expected to be welcomed as visitors, instead they are losing the people and suffering sickness, lack of food, losses en route and heavy losses in battle. General Bradley states that "We are gaining in the military struggle and in healing the social ills on which the Communists feed."


I next reviewed pacification briefly, indicating that progress is still being made, although slowly, and that the population under GVN control continues to increase. It now comes to 69%, whereas the population under Viet Cong control is down to 16%. I reported in detail on the progress in II Corps. On the other side, more officials and other civilians are now being killed than last year (although less than in 1964 and 1965). I mentioned several political advantages -- inauguration of the government under the new constitution, the lower house elections, the recent strengthened draft decree, the recent trial and conviction for corruption of a province chief, and the check on inflation.

General Wheeler then gave the assessment of the Chiefs -- that we are in fact winning in South Vietnam. Mr. McNamara mentioned a "nibble" we had thought we had received from NVN looking toward negotiations. It has now been broken off by them, however.

General Eisenhower asked a number of questions on which information will be sent to him. He wanted to know how many South Vietnam units are rated as really good outfits, whether economic life is improving in South Vietnam, whether General Westmoreland has the troops that he needs to react quickly and maintain the initiative. He said he is troubled by the sanctuary for NVA artillery north of the DMZ. (We pointed out that the artillery fire has slackened off.) He said he is optimistic that we can win this war. We should give it No. 1 priority. He said he agreed with Mr.

~~CONFIDENTIAL~~

McNamara that we can win this war and solve our social problems at the same time if we manage both efficiently. He plans to plead for a "common sense" approach on the war. He thinks that many of the current charges against it are being made out of confusion and ignorance.


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

65

INFORMATION

~~SECRET~~

Thursday, November 9, 1967
7:25 p. m.

Mr. President:

Pres file

This cable from Westy to Bus
Wheeler on steps to project better
ARVN performance will interest you.

W. W. Rostow

MAC10685

~~SECRET~~

WWRostow:rlm

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By AC, NARA, Date 11-22-91

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TO GEN WHEELER CJCS WASH DC
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Authority JAG 830024
By 18/16, NARA, Date 12/6/9

Proston

~~SECRET~~
~~EYES ONLY~~

~~SECRET~~ MAC 10685 EYES ONLY SECTION ONE OF TWO
SUBJ: PROGRAM TO IMPROVE THE IMAGE OF ARVN AMONG THE US
PUBLIC (U)

REF: JCS 9298, DTG 312237Z OCT 67 (S)

1. I SHARE YOUR CONCERN ABOUT THE SERIOUS PROBLEM WE
FACE IN GETTING THE US PUBLIC TO UNDERSTAND THE VIETNAMESE
WAR, AND ESPECIALLY THE TRULY SIGNIFICANT CONTRIBUTIONS THAT
ARE BEING MADE BY THE ARVN IN THE PROSECUTION OF THIS WAR.
PAST EFFORTS IN THIS DIRECTION WITH THE PRESS HAVE OBVIOUSLY
NOT PRODUCED THE DESIRED RESULTS.
2. THE PROBLEM HAS LONG BEEN RECOGNIZED, AND IN JANUARY

OF THIS YEAR, MAC

V

DIRECTIVE 550-3 (C), ENTITLED "PUBLIC
AWARENESS OF RVNAF OPERATIONS AND ACTIVITIES" (U), WAS
PUBLISHED. THIS DIRECTIVE ALSO ADDRESSES THE PROBLEM OF
MILITARY PERSONNEL MAKING STATEMENTS WHICH DEROGATE THE
WILLINGNESS AND CAPABILITY OF ARVN TO FIGHT. IT SAYS IN PART
THAT COMMANDERS WILL "AVOID DEROGATORY COMMENTS ABOUT RVNAF
UNITS OR COMMANDERS IN CONVERSATIONS WITH NEWS MEDIA REPRE-
SENTATIVES." I HAVE JUST RECEIVED THIS DIRECTIVE, AND FEEL
THAT IT IS FULLY APPLICABLE TODAY, AND AM MAILING A COPY TO
YOU AND ADMIRAL SHARP FOR YOUR PERUSAL.

AS FOR ACTIONS TAKEN HERE, I HAVE JUST DISPATCHED A
PERSONAL MESSAGE TO ALL OF MY MAJOR COMMANDERS CALLING THE
PROBLEM TO THEIR ATTENTION BY A PARAPHRASED SUMMARY OF YOUR
MESSAGE, AND DIRECTING THEIR ATTENTION TO THE MACV DIRECTIVE
MENTIONED ABOVE, ALONG WITH SOME ADDITIONAL GUIDANCE.

4. I HAVE ALSO SENT A LETTER TO GENERAL VIEN, IN WHICH
I EMPHASIZED THE NEED FOR RVNAF TO IMPROVE ITS PUBLIC IMAGE,
ESPECIALLY IN THE US, AND OUTLINED SOME SUGGESTIONS TO DO
THIS, INCLUDING A STRENGTHENING OF THE RVNAF INFORMATION
EFFORT AND GETTING THE WORD TO THE ARVN DIVISION COMMANDERS

PRESERVATION COPY

THAT THEY MUST BE WILLING TO MEET WITH THE PRESS AND SHOW THEM WHAT THEY ARE DOING IN THEIR AREAS OF RESPONSIBILITY.

5. MY STAFF HAS ENTERED INTO DISCUSSIONS WITH JUSPAO TO DETERMINE IF IT WILL BE POSSIBLE TO ARRANGE WITH THE GVN TO HAVE JOINT US/VIETNAMESE DAILY BRIEFINGS ON THE WAR. AT PRESENT, THERE ARE TWO SEPARATE BRIEFINGS, HELD ABOUT A BLOCK APART AND SEPARATED BY 30 MINUTES IN TIME. EXPERIENCE HAS INDICATED THAT NO MORE THAN 20 PERCENT OF THE CORRESPONDENTS WHO ATTEND THE US BRIEFING BOTHER TO GO TO THE GVN BRIEFING. THUS, THE 80 PERCENT WHO DO NOT GO TO THE GVN BRIEFING GET NOTHING OF THE RVNAF SIDE OF THE STORY. THERE ARE PROBLEMS CONCERNING VIETNAMESE SENSITIVITIES, BUT HOPE SOMETHING IN THE WAY OF A JOINT BRIEFING CAN BE SET UP.

6. STEPS ARE ALSO BEING TAKEN TO OBTAIN A MORE BALANCED PRESENTATION OF THE NEWS OVER AFRTV AND IN THE STARS AND STRIPES. THERE IS A TENDENCY TO HIGHLIGHT US PARTICIPATION, SUCH AS FIRE SUPPORT OR AIR STRIKES, IN OPERATIONS WHERE THE BULK OF THE FIGHTING IS DONE BY ARVN UNITS, RATHER THAN VICE VERSA.

7. A JOINT US/VIETNAMESE TEAM OF INFORMATION OFFICERS

HAS STARTED A SERIES OF FIELD VISITS TO ARVN CORPS AND DIVISIONS TO SUGGEST MEANS OF IMPROVING THE EFFECTIVENESS OF THE INFORMATION EFFORT AT THOSE LEVELS. IN ADDITION, THE US INFORMATION ADVISORY DIVISION IS ACTUALLY PERFORMING SOME INFORMATION FUNCTIONS FOR ARVN, AND ARE AGGRESSIVELY TRYING TO ENCOURAGE AND FACILITATE VISITS BY NEWSMEN TO ARVN UNITS AND OPERATIONAL AREAS.

SSO NOTE: DELIVER DURING DUTY HOURS
PRECEDENCE IMMEDIATE FOR TRANSMISSION ONLY
600

~~SECRET~~

EYES ONLY

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 TO WHITE HOUSE
 O 090320Z ZYH ZFF-1
 FM GEN WESTMORELAND COMUSMACV SAIGON
 TO GEN WHEELER CJCS WASH DC
 INFO ADM SHARP CINCPAC HAWAII
 ZEM

S E C R E T MAC 10685 EYES ONLY FINAL SECTION OF TWO
 8. SINCE HIS ARRIVAL HERE IN MAY, GENERAL ABRAMS HAS BEEN DEVOTING A LARGE PART OF HIS TIME TO VISITING ARVN, RF AND PF UNITS IN THE FIELD. HE HAS BEEN TAKING SELECTED REPORTERS WITH HIM ON SOME OF THESE TRIPS, AND WILL CONTINUE TO DO SO. THIS HAS BEEN PAYING GOOD DIVIDENDS. FROM TIME TO TIME HE WILL HOLD BACKGROUND SESSIONS WITH SELECTED MEMBERS OF THE PRESS, AND THIS WILL HELP. ALSO, BARRY ZORTHIAN IS

WORKING ON ARRANGING A QUESTION AND ANSWER SESSION FOR GENERAL ABRAMS WITH US NEWS AND WORLD REPORT.

9. YOU INVITED MY RECOMMENDATIONS ON ADDRESSING THIS OVERALL PROBLEM. I HAVE TWO THAT I BELIEVE HAVE MERIT:

A. DOD FUND AND PRODUCE, ON A PRIORITY BASIS, A DOCUMENTARY FILM IN DEPTH ON THE RVNAF, WITH EMPHASIS ON ARVN, SHOWING HOW SOLDIERS ARE RECRUITED AND DRAFTED, TRAINED, ORGANIZED, HOUSED, FED, LED, AND UTILIZED IN BOTH OFFENSIVE AND PACIFICATION MISSIONS. THIS FILM COULD BE EITHER IN COLOR OR BALCK AND WHITE, BUT MUST BE OF SUFFICIENT QUALITY AND DEPTH THAT IT COULD BE RELEASED TO INDEPENDENT AND EDUCATION TELEVISION STATIONS, AND ALSO USED FOR ORIENTATION OF US MILITARY PERSONNEL. EXTENSIVE FOOTAGE ALREADY EXISTS AND SOME OF THIS COULD BE USED TO EXPEDITE AND BROADEN THE PERSPECTIVE OF SUCH A PRODUCTION. CONSIDERATION SHOULD BE GIVEN TO THE PRODUCTION OF SEVERAL SHORTER FILMS DEALING WITH THE ARVN, PPESENTED FROM THE VIEWPONT OF THIER US ADVISOR, FOR RELEASE THROUGH COMMERICAL MOTION PICTURE CHANNELS AND FOR TV NETWORK SPECIALS AND THE ARMY'S "THE IG ICTURE" SERIES.

B. DOD RECRUIT AND ORGANIZE A TEAM OF SPECIAL

~~SECRET~~ MAC 10685 - FINAL SECTION TWO

CONSULTANTS FROM THE NEWS MEDIA, PUBLIC RELATIONS, AND ACADEMIC LIFE TO TAKE A FRESH LOOK AT THE PROBLEM, AND TO STUDY AND PROPOSE WAYS OF IMPROVING THE ARVN IMAGE AND TELLING ITS STORY TO THE WORLD MORE EFFECTIVELY. CONSULTANTS SELECTED SHOULD HAVE PRESTIGE AND EITHER HAVE SOME MILITARY BACKGROUND OR A KNOWLEDGE OF CONDITIONS IN SEA. SEVERAL NAMES OF PROMINENT PEOPLE WHO MIGHT BE PERSUADED TO PERFORM SUCH A PUBLIC SERVICE COME TO MIND, BUT I AM SURE COMPLETE FILES OF POTENTIAL CANDIDATES ARE AVAILABLE IN DOD. WE WOULD STAND TO BENEFIT BOTH DIRECTLY FROM THEIR SUGGESTIONS AND INDIRECTLY FROM SUCH INFLUENCE AS THEY MIGHT VOLUNTARILY EXERT ON THEIR FRIENDS, ASSOCIATES, AND THE GENERAL PUBLIC.

10. I HOPE THE ABOVE HAS BEEN OF SOME HELP. THIS IS A CONTINUING PROBLEM AND ILL RECEIVE MY CONTINUING ATTENTION.

11. INCIDENTALLY, THE COMPLIMENTARY REMARKS CONCERNING RVNAF MADE BY THE VICE-PRESIDENT DURING HIS RECENT VISIT HERE WERE WIDELY REPORTED, WELL RECEIVED AND VERY HELPFUL.

WARM REGARDS.

SSO NOTE: DELIVER DURING DUTY HOURS
PRECEDENCE IMMEDIATE FOR TRANSMISSION ONLY
515

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~~SECRET~~

~~SECRET~~

Pres file

6/6

Thursday, Nov. 9, 1967
6:30 p. m.

~~SECRET~~

MR. PRESIDENT:

Although it contains little -- and reports a clear negative result -- this wrap-up cable from Forrestal to State may interest you.

On prisoners, Harriman asked Mrs. K. to intervene with Sihanouk on behalf of Douglas Ramsey, since Hertz had died.

This was done.

Sihanouk suggested Mrs. Ramsey should write him a letter once more asking for his intercession.

W. W. R.

~~SECRET~~ attachment (Bangkok 5749)

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 91-528
By gn, NARA, Date 2-3-93

Wednesday, November 8, 1967

FOR THE SECRETARY OF STATE FROM MICHAEL FORRESTAL

TEXT OF CABLE FROM BANGKOK (5749)

We returned to Bangkok at noon today. So far as we can tell, the trip has had no adverse consequences up to the present other than thoroughly to exhaust Mrs. Kennedy. Sihanouk went to extraordinary lengths not only to be gallant and courteous but also to ensure that every detail of the arrangements was personally supervised by him. Wherever Mrs. Kennedy went in public she evoked what appeared to be a genuinely warm reception from the crowds, even if one discounts for the likelihood of a number of previously arranged "spontaneous" demonstrations.

There was, however, virtually no occasion during which it was possible to have a serious talk either with Sihanouk himself or any of his people on any of the subjects of interest between the U. S. and Cambodia. Naturally, we did not press except in one case in which I am reporting by separate telegram.

The Prince gave us two semi-private meals, luncheon and dinner at his villa in Sihanoukville yesterday. After dinner David Harlech and myself managed to turn the conversation to the problems of Indo-China as a whole and Vietnam in particular. Despite some very gentle prodding, Sihanouk restricted himself to an hour's monologue on the various facets of his own foreign policy. He said that the conflict in Vietnam should be ended as rapidly as possible since the longer it continued the more natural regional differences between the North and the South would begin to disappear. He described what he believed to be real differences in policy between the National Liberation Front and Hanoi which centered mainly on the desire on the National Liberation Front to postpone for a period any prospect on reunification with the North. He was unconvincing on this issue. He repeated that American military, particularly the bombing of the North, made it impossible for Hanoi to consider negotiations.

Both David Harlech and myself agree that nothing he said adds in any way to what is already available in public form through the Prince's various press conferences and the related articles which appeared in the Cambodian press during our stay. I think, therefore, it is not worth giving a detailed report of our conversation at this time.

There was only one occasion during which Ambassador Harriman's recent invitation was discussed. When I told him that I had spoken to Ambassador Harri- man before leaving Washington, he volunteered that he considered Harriman an

DECLASSIFIED

E.O. 12356, Sec. 3.4

NJ 94-478

By cb, NASA, Date 2-22-95

~~SECRET~~

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extremely well-informed and sincere person, had a high regard for him, and had been distressed at the necessity for cancelling last year's invitation. He did, however, comment that the time was not propitious to receive official U. S. representatives.

I saw the Prime Minister (Son Sann) at 7:15 this morning at my request on the subject of prisoners, since there had been no opportunity to raise this with the Prince before. I am reporting by separate cable on this conversation, insofar as it touched on the prisoner issue. During this conversation, however, Son Sann volunteered that the American press consistently misunderstood and misreported Cambodia's position. As an example, he said that Cambodia was extremely distressed at the presence of a large Vietnamese minority within its border. He said Cambodia went to great lengths to discourage any further immigration and that this would include Viet Cong. He offered as proof the alleged fact that Cambodia had recently arrested a Viet Cong agent who was presently being interrogated in Phnom Penh and who would be sentenced by military tribunal and probably to death. He claimed he had offered the press the opportunity to interview this individual. I did not have a chance to tell Ambassador Deschamps this, and it may be that you will wish to ask Ambassador Deschamps to follow this up.

Son Sann vehemently asserted that the Prince had no desire to act as arbiter or as even a go-between in the present conflict. He rather grudgingly admitted that the situation might change if there were a change in circumstances which he refused to define. On the question of relations between the U. S. and Cambodia he volunteered that an improvement was not possible on the official level at the moment and referred to a statement he said had appeared in the New York Times this morning, allegedly quoting a U. S. spokesman as having once again refused to guarantee (sic) Cambodia's borders. He very gently warned that Mrs. Kennedy should not be upset if Monseigneur Felt was called upon to respond harshly to this alleged statement. Son Sann did, however, take care to distinguish between official relations and visits of private persons such as Mrs. Kennedy. He also said that for the time being, the Australian Ambassador would be the best channel for any communications between the two governments.

As I was taking leave, he made critical remarks about the American administration as distinguished from the American people which required me to respond. Despite this, the interview was extremely friendly and on the major point of prisoners, he was helpful.

In summary, both David Harlech and I agree that the visit did not give rise to any hopes regarding the early reestablishment of official relations with Cambodia, nor did it suggest any new avenues of communication which might be useful in connection with the general problems of Southeast Asia. Nevertheless, of a purely

general level, the trip went off without a hitch (with a minor exception I reported Monday) and may have helped turn Cambodia's attention somewhat more to the west.

David Harlech leaves tonight. We plan to remain in Bangkok until midnight Friday and will arrive in Rome midday Saturday. I believe Mrs. Kennedy plans to return to New York Wednesday. I shall return on Sunday and will, of course, be available should you wish to see me anytime thereafter.

Mrs. Kennedy, David Harlech and myself send you both our warm personal regards.

(Comment from Unger: With regard to Mike's reference to a follow-up by Deschamps on the Viet Cong agent, I will be happy to try to generate this directly through the Australians here if you would find such a channel preferable. I will await your word.)

67

ACTION

Pres file

Thursday, November 9, 1967 -- 6:00 p.m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Suggested Message to President Marcos

Manila and other areas of the Philippines were heavily damaged over the weekend by Typhoon Welming. Full reports are not in, but it is estimated that several hundred lives were lost. A message of sympathy to President Marcos along the attached lines would be appropriate.

W. W. Rostow

Message approved _____

Disapproved _____

67a

SUGGESTED MESSAGE

His Excellency
Ferdinand E. Marcos
President of the Republic
of the Philippines
Manila

I was distressed to learn of the heavy damages and tragic loss of lives caused by Typhoon Welming in the Philippines. On behalf of the American people, I send heartfelt sympathy and condolences to you and to all those who have suffered from this disaster.

Sincerely,

Lyndon B. Johnson

Thursday, November 9, 1967 -- 12 Noon

68

Pres file

Mr. President:

Attached, for your signature, is a note to former Prime Minister Maiwandwal of Afghanistan, who's recuperating after successful surgery at Andrews Air Force Base. He wrote you a thank-you note for sending flowers.

W. W. Rostow

RPM/vmr

68c

Dear Mr. Prime Minister:

Thank you for your kind note.

It was wonderful to learn that your operation went well. I know from my own experience how unpleasant this kind of business can be. I hope you are resting comfortably now and that your recovery will be rapid and complete.

Mrs. Johnson joins me in sending warmest regards and best wishes.

Sincerely,

His Excellency
Mohammad Hashim Maiwandwal
Prime Minister of Afghanistan
c/o Andrews Air Force Base Hospital
Camp Springs, Maryland

LBJ/RPM/vmr 11/9/67

69

Pres file

~~CONFIDENTIAL~~ Thursday, November 9, 1967

MEMO FOR THE PRESIDENT

Mr. President:

Attached is a preliminary estimate of the new Vietnamese Cabinet. It looks like a competent but fairly lackluster group. We expect a more detailed estimate from the Embassy in the next day or so. The geographic distribution of the new Cabinet looks quite good.

W. W. Rostow

Att.

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-477
By WJ, NARA, Date 6-28-95

~~CONFIDENTIAL~~

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69a

Viet-Nam Political Situation Report

November 9, 1967

DECLASSIFIED

E.O. 12356, Sec. 3.4

NJ 94-478

By Ob, NARA, Date 2-22-95

New Vietnamese Cabinet:

The new Cabinet was announced today. It includes 17 ministers, 7 vice-ministers, 2 secretaries, and 2 directors-general attached to the Prime Minister's office. Only 3 are military officers -- the Ministers of Defense, Interior, and Revolutionary Development.

Tran Van Do was retained as Foreign Minister and Truong Thai Ton resumed his former position as Economics Minister. General Nguyen Bao Tri is Revolutionary Development Minister, although his responsibilities are greatly reduced from those of his predecessor General Thang.

The Cabinet seems to have fairly good religious and regional balance. There are 13 Southerners, 9 Northerners, and 6 Central Vietnamese. However it is not clear at the moment whether the more radical or activist Southerners are represented.

The Cabinet is composed primarily of technicians rather than political figures. It does not include any of the defeated candidates. In fact, it contains few new faces. There are seven incumbents carried over from the Ky Government (though some titles or positions have changed) and seven others who were already in second-level positions in the Ky Government. The newcomers appear to be mainly technicians.

We are awaiting the Embassy's assessment of the new lineup. Our own immediate reaction is that the Cabinet is politically unexciting though probably technically qualified.

A list of the new ministers, including their previous positions, is attached.

One of the best, sub-cabinet appointments is that of Nguyen Ngoc Linh as Director General for Information. He is the current director of Viet-Nam Press, and is young, intelligent and able. He should do more than any previous holder of this post to improve the GVN's press relations and information programs.

~~CONFIDENTIAL~~

The new ministers and their previous positions, in parentheses, are as follows:

- Prime Minister (Lawyer and campaign manager for Ky).....Nguyen Van Loc
- Minister of Foreign Affairs (Minister of Foreign Affairs).....Tran Van Do
- Minister of Defense (Chief of Staff, Joint General Staff).....LtGen Nguyen Van Vy
- Minister of Revolutionary Development (Minister of Information and Chieu Hoi).....LtGen Nguenyn Bao Tri
- Minister of Chieu Hoi /Open Arms/ (Secretary of State for Social Welfare).....Nguyen Xuan Phong
- Minister of Interior (Minister of Security).....LtGen Linh Quang Vien
- Minister of Economy (Asst to the Prime Minister).....Truong Thai Ton
- Minister of Finance (DirGen of Budget & Foreign Aid).....Luu Van Tinh
- Minister of Agriculture (Asst to the Prime Minister).....Ton That Trinh
- Minister of Labor (Economics Professor, Dalat University).....Pho Ba Long
- Minister of Communications and Transport (Head of the state-owned Nong Son Coal Mine)....Luong The Sieu
- Minister of Public Works (Unknown).....Buu Don
- Minister of Justice (2d Deputy Chairman of the Peoples' Army Council).....Huynh Duc Buu
- Minister of Culture and Education (Dean of Can Tho University Law School).....Dang Kim Dong
- Minister of Veterans (Sec of State for Veterans Affairs).....Nguyen Tan Hong
- Minister of Health (Sec of State for Health).....Dr Tran Van Luy
- Minister of Social Welfare and Refugees (Special Commissioner for Refugees).....Nguyen Phuc Que
- Minister of Minorities (Special Commissioner for Montagnard Affairs).....Paul Nur

Pres file

Thursday - November 9, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Chamizal Settlement Plaque

You agreed to Commissioner Friedkin making 300 copies of a plaque commemorating the Chamizal Settlement for distribution to middle level officials involved in the settlement. A picture of the plaque is at Tab B.

As was done in the case of the commemorative gift following the 1964 ceremony, Commissioner Friedkin wants to accompany each plaque with a facsimile of a presentation statement from you (Tab A). The statement you signed in 1964 is at Tab C.

I recommend that you sign the statement at Tab A.

W. W. Rostow

Attachments

- Tab A - presentation statement for signature.
- Tab B - picture of plaque to accompany statement.
- Tab C - 1964 statement.

November 9, 1967

THE CHAMIZAL SETTLEMENT

People in all walks of our national life helped to give meaning to the words of the Presidents of the United States and Mexico appearing on the accompanying plaque. Each individual in his own way reflected the unity of purpose that guided the two nations toward a conciliation of differences in The Chamizal Settlement.

Symbolically depicted in the background is the mountain pass where the early settlers founded the cities of El Paso and Ciudad Juarez. Through that pass flows the Rio Grande, now changing course for the last time but uniting the two communities as it becomes the international boundary.

This plaque is presented to you in recognition of the valued service you rendered in making The Chamizal Settlement possible.

15/ Lyndon B Johnson

LBJ/WGBowdler:mm
November 9, 1967

706



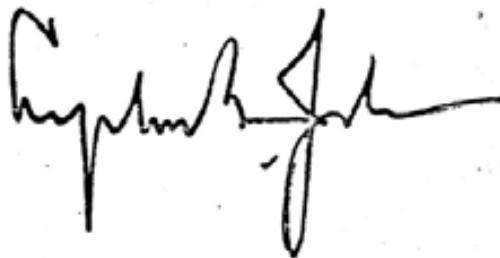
70c C

THE WHITE HOUSE
WASHINGTON

CHAMIZAL COMMEMORATIVE SILVER MEDAL

The United States Mint at Philadelphia struck three hundred and eighty silver medals to commemorate the meeting between the Presidents of the United States of America and the United Mexican States, at El Paso, Texas, on September 25, 1964. At this meeting, we celebrated the Chamizal Convention and dedicated a boundary marker located on the new boundary between the United States and Mexico.

The Chamizal Convention is the result of an effort, of many people, over many years, to build a strong, warm, and everlasting friendship between the United States and Mexico. This silver medal honors those who participated in that effort. The crossed flags of the United States and Mexico on the face of the medal symbolize the unity of the people of our two free and independent countries in the cause of liberty and peace.



INFORMATION

71

~~SECRET~~

Wednesday, November 8, 1967
7:05 p.m.

From file

Mr. President:

Herewith Amb. Bunker's latest,
with key passages marked.

W. W. Rostow

Saigon 10641

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By kg, NARA, Date 11-22-91

WWRostow:rln

Wednesday, November 8, 1967

FOR THE PRESIDENT FROM BUNKER (Saigon 10641)

Herewith my twenty-eighth weekly telegram:

A. General

In the aftermath of the elections, the inauguration, and National Day, a rather general feeling prevails that hopefully a new era is beginning in South Vietnam. This has been reflected in comments in the press that a new historic period is opening and in urging all the people "from the battlefield to the rear" to join together in renewed effort. Pride has been expressed that a popularly elected government with a constitution guaranteeing democratic freedoms for the entire people has come into being; and confidence has been expressed that the Second Republic would be able to instill enthusiasm in the whole people for their nation-building work and for the struggle against Communist aggression.

Among the voters there was a feeling of pride tinged with some skepticism; they had turned out in large numbers and had done their job, now it was time to see whether the newly elected candidates could do theirs.

The intense activity that preceded the inauguration of the President and Vice President and the installation of the Lower House of the Assembly last week has been followed by a noticeable slowing of the pace of political activity this week. This has been chiefly concentrated in the efforts of the new Prime Minister to form his government and in the organization of the Senate, and in efforts by Thieu and Ky to marshal support for the government among members of both Houses of the Assembly. Loc told me yesterday that he had completed his Cabinet list and that announcement would be made November 9, which apparently is an auspicious day. I hope to be informed of the identities of the new Cabinet members when I see President Thieu later today.

The Assembly is continuing its work on organization and has completed Part I governing the organization of the Upper House and is continuing its work on regulations and procedures. It is hoped that the entire rules which may include as many as 200 articles can be completed in another two weeks.

In the meantime, there are a number of forward steps that have been taken by the government, some of which I have previously reported:

1. The decree covering partial mobilization;
2. The decree transferring collection of land taxes to the local governments;

~~SECRET/NODIS~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-478
By CS, NARA, Date 2-22-95

3. Stepping up of the moves against corruption;

4. The process of selection and screening of new personnel for the positions of Province and Deputy Province Chiefs who would be responsible to the central government instead of to the Corps Commanders. Ky informed me yesterday that great care has been taken in the process of selection and screening, that he expected to have this completed by the end of this month, and that he hoped to have the new personnel trained and installed by February 1.

The transfer of power to collect land taxes to the local communities is a long step forward toward the revitalization of local government. I have urged on both Thieu and Ky that having done this, the next logical step would be to transfer the control of land reform to the Village Councils. I believe that this could be done through the issuance of an ordinance and I have given them a draft of an ordinance which we had prepared. Both expressed interest in the proposal and I shall be following up with them.

Another matter which I have discussed with them and shall be continuing to talk with them about with considerable urgency is the question of the forthcoming budget and economic stabilization. I have reported that Ky had informed me that a ceiling of 95 billion piasters had been established for next year's budget. Since then, however, an increase in military and police pay to take effect January 1, 1968, has been announced and yesterday Nguyen Huu Hanh, Governor of the National Bank, expressed to me doubt that the budget could be held below 100 billion piasters. In this connection, I have expressed to both Thieu and Ky our view that it is absolutely essential that taxes be increased. I have left with them a memorandum proposing an increase in petroleum, oil, and lubricant taxes which in our view would be the easiest and quickest way to raise additional revenue. Yesterday, however, Hanh expressed to me the view that other taxes, especially import tariffs, should be increased and the tax collection system must be further improved. If these things were done, he felt that the gap between revenue and expenditures could be held to 15 billion piasters.

In a talk with Ky yesterday, I found him in a good mood and was encouraged to see that he has now focused on moving ahead with vital government programs which hopefully will bring early and constructive results. I also have the impression both from his comments and from sources near Thieu that they are both keeping more closely in touch on development of political support for the government.

Ky commented at some length on what his major concerns will be in the new government. The anti-corruption program would be one. He noted that in the Third Corps alone, some 75 officials have been removed for corruption this year. Ky also plans to devote a good deal of his time to pacification and coordination in this field among Generals Thang, Vien, and Tri, and he will personally spend a good deal of his time in the provinces, examining the situation. Ky said he was worried about the generally poor conditions under which the Republic of

Vietnam Armed Forces operate, citing problems of inadequate pay, difficulties in getting food, etc., observing that something needed to be done for them but the Government of Vietnam simply didn't have the money.

I told Ky I had no official instructions yet regarding a possible standdown over the forthcoming holiday periods but would like to know his personal views, since he had been so intimately involved in the matter last year. Ky said he thought we should agree to have a standdown, preferably 24 hours for Christmas, 24 hours for New Year's, and 48 hours for Tet. Since these are traditional holidays, he thought it important that we take the initiative rather than let Hanoi or the Viet Cong get the benefit of it.

President Thieu has prepared a draft top priority program and a national policy statement covering a short-term and a long-term program, respectively. They are still not final and may be subject to further review and change before they are made public, presumably at about the same time as the announcement of the formation of the Cabinet. Texts of these drafts were transmitted in previous reports. The top priority program covers matters touched on in general terms in President Thieu's inaugural address on October 31, but they are presented in pithy and direct language. The program calls for:

1. Demonstrating readiness for negotiations by concrete actions, "such as direct contacts with Hanoi and resorting to mediation by other countries." At the same time, an increased effort will be made to convince world opinion of the justice of the nationalist cause.
2. Protecting good morality in society by concentrating "recreation areas far from the population" (sic). "All forms of debauchery and violations of morality must be repressed ..."
3. Halting further price increases and regularizing the supply of goods.
4. Reinforcing order and national discipline.
5. Encouraging school children, students, and civil servants to take part in civic action projects and putting their abilities to work in the service of the nation.

The program is quite ambitious and covers matters such as No. 2 above which have been the object of government action in many countries throughout history, without any noticeable effect on the situation. The reference to locating "recreation areas far from the population" may be an indirect reference to the allegedly demoralizing influence of American forces in urban areas of Vietnam, which has been referred to on a number of occasions recently in the Saigon press.

I might add that I think the behaviour of the American forces here has been very good indeed, but there has been a perhaps inevitable increase in prostitution and relating establishments, and this may be the basis of the concern expressed in President Thieu's program. The item on "halting further price increases and regularizing the supply of goods" is a matter in which we have been deeply concerned.

The national policy statement is a much more detailed, longer-range program. In effect it contains all the elements in the "democracy, peace, and social justice" program which we gave President Thieu in September. The order in which the elements are presented is different from our draft, and they are appropriately restated in the Vietnamese manner. The principal points in the program are as follows:

1. Part I - National Policy

a. The Vietnamese people have forcefully demonstrated their desire to live under a democratic regime and have expressed this will in the constitution.

b. The Communist war of aggression is a dangerous menace to Vietnamese democracy.

c. We will demonstrate our good will to end the war by peaceful means. But the Republic of Vietnam will stand up against any form of aggression.

(However, President Thieu has added the point that "in the context of a negotiation with North Vietnam, we will not regard the Front for the Liberation of South Vietnam as a political party, for the simple reason that it is truly an instrument for aggression by the Communist North in particular and by international Communism in general. We will gladly welcome those who have adopted the wrong way and decided to come back. That is the open arms policy that we have started long ago and will always continue to implement.")

d. Building of democracy and reformation of society to carry out the national policy of Revolutionary Development and to develop the nation in the economic, education, and social fields.

2. Part II - Guidelines for Actions

a. Restoring peace. Making a greater effort in the field of foreign affairs. Strengthening our armed forces. Improving mass motivations that strengthen the people's determination to fight Communism in North and South Vietnam. Reaffirming the elements of a national conciliation program.

b. Building democracy. Completing the democratic institutions provided for in the constitution. Carrying out elections of city mayors, decentralizing power to the local level, guaranteeing democratic freedoms.

c. Reforming society. Proclaiming a state policy of rural reconstruction. Maximizing industrial production. Increasing the effort in the financial field to improve tax collections. Developing programs for rebuilding the cities. Developing and expanding cultural and educational programs. Devoting particular interest to programs aimed at training youth to serve the nation. Developing the public health service to protect the people's health.

This is even more ambitious a program than the top priority program described above. Moreover, the major portions of it will require legislation which will have to be approved by the National Assembly. While the Upper House will probably be reasonably receptive to the main lines of President Thieu's programs, we do not have as clear a view of the situation in the Lower House. This will be discussed more fully in the political section below. On the other hand, it is not without value to set one's sights fairly high, particularly in a country in the condition of South Vietnam, since the people need to see evidence that the government is concerned about their problems in a number of areas. The top priority program and the national policy paper certainly express this concern.

General Gavin left Saigon November 8 after a week's visit to Vietnam. General Westmoreland, who has known General Gavin for years, made up a very comprehensive program of briefings and visits to the major areas of South Vietnam. In addition, he received a Civil Operations for Revolutionary Development briefing and spent an hour and a half with Bob Komer November 6. General Gavin had also met with some of the resident American correspondents here, including some of the most critical ones, so there will be no basis for any possible complaints of "brainwashing". I had General Gavin for lunch on November 1 and saw him again yesterday. He also saw Thieu for about an hour, and Ky briefly. He seemed pleased with the program that was worked out for him and seemed impressed with the quality of the American military units he visited. However, he was very non-committal on his overall impressions.

In a statement he left for the press, he noted that he had been exposed to both civilian and military problems during his visit. He concluded, "There are numerous problems in Vietnam and, as the press well knows, it takes time to come to precise conclusions regarding them. A statement to the press at this time would be premature."

B. Military

There were two military actions of particular interest which came to a point of development during the past week. Early in the morning of October 29, elements of the 273rd Viet Cong Regiment initiated a mortar attack on Loc Ninh District in Northern Binh Long Province, about 13 kilometers south of the Cambodian border. The mortar barrage was followed by a heavy ground attack, with the enemy troops firing small arms and B-40 rockets against the defending force of three Civilian Irregular Defense Group Companies, a Regional Force Company, and a Popular Force Platoon. The ground attack penetrated the outer perimeter of the compound, but Civilian Irregular Defense Group and Army of the Republic of Vietnam reinforcements arrived, and the Viet Cong were expelled. Sporadic contact continued throughout the day until the enemy broke contact in the afternoon, leaving behind 148 dead. Scattered contacts continued in the same area October 30, and early in the morning of October 31, a second major mortar and ground attack was launched by the Viet Cong against the sub-section compound in Loc Ninh District. This attack was also repulsed, and from the three-day contact with Vietnamese forces, the Viet Cong lost 371 killed and a large amount of weapons and material lost. In follow-up operations in the same area by U. S. forces, up to November 4 the Viet Cong lost an additional 369 killed.

Shortly after midnight on the morning of October 27, the 89th North Vietnamese Regiment attacked the command post of the 3rd Battalion, 9th Army of the Republic of Vietnam Infantry Regiment, near Song Be, Phuoc Long Province, following a barrage of more than 200 rounds of mortar and recoilless rifle fire. Three waves of North Vietnamese troops, whose total strength was about 800-1000, assaulted the perimeter of the Army of the Republic of Vietnam Battalion but were thrown back by the defenders, who numbered less than 200. The results of this action clearly demonstrated the fighting spirit of the Army of the Republic of Vietnam troops when properly armed and led. The enemy suffered 134 killed and lost 27 individual and 20 crew-served weapons. Friendly losses were 13 killed, including six Army of the Republic of Vietnam troops and seven civilian laborers.

However, in a subsequent action on November 5, only a short distance from the scene of the victorious engagement of October 27 near Song Be, described above, the enemy killed 87 Army of the Republic of Vietnam 5th Division and Ranger troops, plus nine members of a hard labor battalion. Thirty-three Army of the Republic of Vietnam were wounded, and 25 Army of the Republic of Vietnam troops are missing. In addition, 23 carbines, 24 rifles, and six crew-served weapons were lost to the enemy. Fifteen enemy troops were killed. General Westmoreland considers this one of the Army of the Republic of Vietnam's most serious defeats in several months. This engagement further underlines, in a negative sense, the importance of good troop leadership.

C. Political

I have reported in the General section on progress in the organization of the Senate.

The Lower House meets November 8 in its first working session to begin in the process of organization, adoption of rules, and ultimately, election of a permanent Chairman.

We were encouraged to learn from my conversation with Vice President Ky on November 7, as confirmed by President Thieu's brother, Nguyen Van Kieu, to the political counselor the same day, that Thieu and Ky seem to be working more closely together to assemble a bloc of perhaps as many as 80 members of the 137-member Lower House to support the government's programs in the Lower House. Ky claims to have some 50 members already. In the Upper House, the picture of support for the government is even better, with the likelihood that at least 40 and perhaps even 50 of the 60 Senators will be inclined to support the government programs.

Vice President Ky had some interesting remarks to make to me on November 7 on the structure of future political parties. He said he thought the future parties should come out of the National Assembly and out of the grass roots, rather than be imposed by the government, as happened during the Diem Administration. President Thieu expressed similar views to me on November 4, indicating that some of the Senate lists might form the nucleus of a pro-government party. Ky also said that Senator Tran Van Don had asked him to head the party which Don is in the process of forming, but Ky said he had refused.

There have been several North Vietnamese developments of interest, although they imply no change on the issue of war and peace. There were four changes in the North Vietnamese Cabinet and three changes at high levels of the North Vietnamese government, largely focusing on the economic sector and on the system of military justice. The switches appear to be organizational and administrative rather than political and seem to be aimed at improving the management of the severely-strained North Vietnamese economy. It is particularly noteworthy that all the Democratic Republic of Vietnam governmental changes in the past year (in November, 1966 and February, 1967) have involved economic and financial positions and almost the same individuals, reflecting continuing and unresolved difficulties in these areas.

The First Secretary of the Communist Lao Dong Party in North Vietnam, Le Duan, led the North Vietnamese delegation to the celebration of the Fiftieth Anniversary of the Communist Revolution. Neither the speech Le Duan gave in Moscow November 3 during the Joint Meeting of the Communist Party Central Committee and Supreme Soviet, nor the article he authorized that appeared in the Hanoi Party Daily Nha Dan the same day contained any departures from well-established North Vietnamese positions. He balanced praise for the Soviet Union

with praise for the "Communist Revolution of the 700 million-strong Chinese people" in a typical North Vietnamese balancing act.

The concern we felt over the interruption of the convoys up the Mekong River to Cambodia was relieved November 3 when a convoy of our general cargo ships, two petroleum tankers, and one other vessel proceeded upriver to Phnom Penh. River traffic had been interrupted since October 16. The Vietnamese resentment of certain Cambodian actions remains, however.

There has been comparative quiet on the Buddhist front the past week. I say "comparative" advisedly, for one of the extremist An Quang leaders, Thich Ho Giac, delivered a fairly inflammatory sermon November 4 in which he praised the five Buddhists who have committed suicide by fire since September 1 for having "struggled for the restoration of the Buddhist Church's sovereignty of its legal status, and for its right of life." Thich Ho Giac may be excused in part for his remarks, for he was reacting to remarks attributed to the moderate leader, Thich Tam Chau, in the press, quoting him as saying, "If they want to die, I will give them coffins, but they cannot scare anyone with their suicides." However, there have been no mass protests or demonstrations. There are indications that some of the moderate Buddhist laymen would like to see the principal Buddhist antagonists, Thich Tri Quang and Thich Tam Chau, leave the country in the interests of reconciliation. We were told November 7 that a Japanese Buddhist organization was considering inviting Thich Tri Quang to Japan, ostensibly for medical treatment. This would not be without its dangers, for Tri Quang has lost his public relations appeal with the local and for the press here in Saigon, whereas he would be a new newsworthy article in Japan. Moreover, from Japan he might travel elsewhere, including applying for a visa to enter the United States, where his views played out on television and in the press, would certainly be unhelpful to us. Nevertheless, the best answer to Tri Quang would be broad Buddhist reconciliation as a result of his departure from the local scene and Buddhist participation in the normal activities of the country, so the risk may well be worth running.

D. Economic

One of the sharpest rises in recent months was registered in the Saigon Retail Price Index for this week, moving up to 304 from last week's level of 290. Increases in food prices (including pork, fish, chicken, and vegetables) were mainly due to sabotage on Route 4 by the Viet Cong in the Mekong Delta prior to the inauguration and National Day. Heavy rains added to transport problems. Rises in the Index so far this year have been 35 percent.

In my meeting with President Thieu on November 4 I made a strong statement of our desire that the U. S. Government receive the full 118 piasters in exchange for dollars. I said we had been advised that the Board of Directors of the National Bank had determined that a commission payment of one-half of one percent must be collected on transactions involving purchase of piasters for U. S. military personnel as well as for official U. S. uses. I noted that when the 80 to one rate was in effect for official uses and the 118 to one rate for personnel purchases, the National Bank had waived the commission on both. I pointed out that the establishment of a lower rate for U. S. personnel and for U. S. official uses could have serious consequences on American opinion and on the American Congress. President Thieu said he was not familiar with the problem and would look into it.

In my meeting with President Thieu November 4 I also went into several outstanding civil aviation matters, including the status of the Caribou aircraft in Bangkok awaiting clearance from the Government of Vietnam for use by a U. S. contract agency in South Vietnam, French rights to overfly South Vietnam en route to communist China, and continental air services operating problems with the ministry of transport in fulfilling its contracts with U. S. contract agencies in South Vietnam. President Thieu smiled and said simply that the new Minister of Transport should be able to take care of the three pending problems.

E. Chieu Hoi

Returnees during the reporting period were 362, compared to 392 for the same period last year, and also below last week's figure of 452. The total number of returnees so far this year is 25,028.

F. Vietnamese Killed

During the week ending November 4 the enemy killed 111 Vietnamese civilians, wounded 236, and kidnapped 45. Among the dead were 23 Revolutionary Development workers, 20 national police, two Hamlet Chiefs, and one member of a Village Council. During the week the enemy killed 160 Vietnamese military personnel.

THE WHITE HOUSE

WASHINGTON

Wednesday, November 8, 1967

5:05 p. m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Attitudes in the Senate Toward the
International Grains Arrangements

Schnittker and Roth's consultations in the Senate indicate there should be no serious difficulty with ratification of the International Grains Arrangement.

Only Senators Mundt, Curtis, Hruska and Miller are expected to actively oppose. You asked why. John Schnittker says their position is a combination of partisan politics and support of the Farm Bureau line. The Bureau -- alone among the major farm organizations -- opposes the International Grains Arrangement (as they do all commodity agreements and domestic farm programs) as being inconsistent with a free market.

West Rostow

73

Wednesday, Nov. 8, 1967
4:40 p. m.

CONFIDENTIAL—

MR. PRESIDENT:

Pres file

I had a good talk with Bill Scranton this afternoon. Although he won the election in Pennsylvania yesterday, he was willing to hear my pitch on the importance of the Philippines.

He then asked why you had asked him.

I said I believed it was for the following reason: while a good career Ambassador could understand the political process in the Philippines, it would take someone with political experience and confidence to play our margin of influence well; and how we played our cards could mean the difference between a success story and disaster, since there are both positive and negative forces at work in the Philippines. He said that he would like to have until next Monday to think it over.

I said we would give him until then.

Comment: I think my pitch was strong enough to keep him from saying "no." And I would guess he is attracted by the idea of going back into diplomacy and public service. On the other hand, the pull of his Pennsylvania commitments, etc., may prove too strong over the week-end.

W. W. R.

DETERMINED TO BE AN ADMINISTRATIVE
MARKING. CANCELLED PER E.O. 12958,
SEC. 1.3 AND ARCHIVIST'S MEMO OF
MAR. 13, 1982.

BY kg ON 12-11-91

~~SECRET~~

ACTION

74

Pres file

Mr. President:

Wednesday, November 8, 1967 -- 3:00 p.m.

Herewith Joe Alsop's revised draft -- now cleared on a factual basis by the CIA.

His proposed scenario is in the covering letter to you.

I believe there is merit in his argument that we should use what we know about Communist thinking to sober those who believe that the object of the exercise is "negotiations" rather than peace. In terms of substance, I believe:

-- The bracketed passage on the first page is not necessary.

-- A passage like the attached (Tab B) should be included. It is from a captured notebook reflecting a high-level lecture on the Communist concept of a coalition government.

-- Most important, there should be a closing passage which says this: I am making available these facts not because we do not seek a negotiated end to the war. We wish to see the war ended by negotiation at the earliest possible date. But it is important for all of us to understand maturely what Communists have in mind when they talk of negotiations. In the end, if there is to be an honorable peace, they will have to be persuaded that the object of a negotiation is a stable peace, not a route to victory over the South Vietnamese and their allies.

-- A final question is whether you should introduce this material into the national dialogue, or should Secretary Rusk.

You may wish to seek the views of Sec. Rusk and Sec. McNamara on this whole matter.

W. W. Rostow

WWRostow:rln

DECLASSIFIED TO BE AN ADMINISTRATIVE
MATTER. CANCELLED FOR I.O. 5000.
SEC. 1.5 AND ANONIMITY'S BEING OF
MAR 18 1982.

BY *tg* _____ CN *12/1/82*

~~SECRET~~

74a

JOSEPH ALSOP

2720 Dumbarton Avenue
Washington 7, D. C.

Telephone
965-1770

November 8, 1967

Dear Mr. President:

The misunderstanding concerning my first draft for you has now been cleared up, and I am sending today to Walt the text which has been gone over word by word with the appropriate experts, who have approved it in full, as easy to support from the numerous documents in their possession.

Let me briefly suggest a scenario for use of this paper.

First, you should have a late afternoon press conference in order to present the paper itself. This should command the leading position in every newspaper the next morning. If the thing is rightly done, your statement should also be on television.

Second, this initiative by you will then touch off a document-hunt, to find what it is that your statement refers to. The documents themselves should then be made available the next day, marked appropriately, so that my generally rather lazy colleagues can find the relevant passages in the general wilderness of the texts. The documents will then command the lead of the following morning's papers.

Third, inevitably an argument about the meaning of the documents themselves will then ensue. If the people that everyone like Scotty will go to, Bill Bundy, Dick Helms et al, are appropriately briefed, most of the people who will most deeply dislike the new facts put before the public, will in the end be forced to admit that facts are facts, and must be taken cognizance of. If you successfully arrive at this point, you will have achieved the great change in tone in the national debate that is now so urgent.

on luck - so? say:

Your luck is always

Good luck! Yours ever -

Joe Alsop

The President
The White House
Washington, D. C.

From many quarters -- some of them new -- your government is again being assailed with advice to order a pause in the Northern bombing in Vietnam, in the hope that this may lead to meaningful negotiations. The time may come -- I hope it does -- when a change of signals from the other side will again make a bombing pause a worthwhile experiment. But at the present time, it is more appropriate to set the record straight on this matter of pauses and negotiations.

[I hope I shall not shock you by saying that I have known for a long time how to get negotiations immediately -- at any rate in theory. And I hope, too, that when I reach that aspect of the problem, you will heartily agree with me that negotiations on the terms set by Hanoi are not to be desired by a single decent American.

But this is a complex story, which has been mainly reconstructed with great care, and beyond persuasive challenge, from the numerous enemy documents our brave men have captured on the field of battle; and it is better to begin at the beginning. Briefly, there were two stages in Hanoi's first response to the American decision to keep our solemn pledges to South Vietnam. In the first stage, after the intervention of American troops on the ground in the summer of 1965, the central committee of the North Vietnamese Communist party considered what to do next -- the Viet Cong in the South never seem to have had any say at all in the matter. On this occasion, the Chinese Communist government pressed the Hanoi leaders to adopt a sharply revised war strategy, and the Hanoi Politburo perhaps also included some advocates of this course of action. The proposed revision of strategy (also called for in such circumstances by the North Vietnamese doctrine covering this kind of war) would have

meant fragmenting many of the big units that were already in the field in the South -- the divisions and regiments in fact -- and giving the main emphasis to small unit guerrilla warfare until a more favorable opportunity. In the upshot, the Chinese advice was rejected for reasons which are debatable. Probably the decision was strongly influenced by the morale effects of following the Chinese program, which was to fight on "for seven years," after which the Chinese said they would be ready to come to the aid of North Vietnam. That autumn, we then began to receive informal intimations from Soviet sources that the Hanoi leaders could be induced to come to the negotiating table, if only I would order a long pause in the Northern bombing. There was no formal promise or commitment, but, the intimations were very strong and very numerous. Accordingly, I ordered a pause of more than a month, beginning in the Christmas season of 1965. We now have clear evidence that the Soviets tried hard to make their intimations become realities, by urging the Hanoi leaders to go to the negotiating table without further delay. But this Soviet advice was also quite flatly rejected.

Such is the needed background for an understanding of the decisions of the meeting of the central committee of the North Vietnamese Communist party that occurred at some time in the winter of 1965, and passed what was called "Resolution Twelve". We have no precise text of Resolution Twelve, but we now know many very important elements of its contents, from voluminous captured documents on at least the level, say, of messages from Secretary McNamara to General Westmoreland. To begin with, Resolution Twelve

confirmed the summer decision to go forward with the big unit war -- the war of regiments and divisions, already at that time mainly sustained by North Vietnamese regular troops covertly invading South Vietnam. It further confirmed the decision not to negotiate, at least until "victory" had been won. But this "victory" that was stated to be the absolutely essential prelude to talks, was defined in a peculiar way. It was to be -- and I quote from the documents -- "the annihilation of a brigade, or at least a battalion of American troops". In other words, what was sought was a sort of Dienbienphu, which the Hanoi leaders evidently expected to create a favorable negotiating climate. Thank God, no such "victory" has yet been won. But I would have you note, very carefully indeed, that the Hanoi leaders long ago concluded that they would not negotiate before such a "victory" -- before this hoped-for annihilation of a whole American unit, which they believed, following analogies from their own past, would paralyze the United States with fear and dismay. I think the Hanoi leaders misread the American character; for if we ever have a serious reverse on the field of battle -- and pray God we do not -- I believe the response will be altogether different. But it must also be noted that to put it in mildest terms, the Hanoi leaders' prior requirement for going to the negotiating table, as decided by them, was pretty cold-blooded. And finally, I would have you note that if you had a government mad, cruel and authoritarian enough to have plotted to meet Hanoi's requirement by sacrificing a U. S. unit, we might by now have been at the negotiating table for many months.

Nor does the story end there; for in that winter of 1965, the Hanoi leaders looked even further ahead, to the new phase that they hoped would open when they had won their "victory," and had

therefore begun to negotiate. This phase was characterized -- and again I quote from the documents -- as "fighting while negotiating." The documents make it abundantly clear that a great deal more importance was attached to the fighting than to the negotiating. Indeed, "negotiating" was described, ^(in the documents) in this, as a "tactic" to exploit the prior "victory". And the documents also make it clear that the phase of "fighting while negotiating" was therefore expected to lead to "complete victory," meaning the subjugation of South Vietnam.

Such then was the enemy's actual policy formally adopted by the North Vietnamese Communist Party, concerning the right timing of negotiations, and the right way to proceed if and when negotiations should be opened. As soon as the policy had been communicated to the Southern headquarters, known as Central Office South Vietnam, it was obediently accepted there. We know that this whole policy, as above outlined, was again reviewed, and we infer that it was confirmed, at another meeting of the central committee of the North Vietnamese Communist party which took place at some time last winter. This meeting passed "Resolution Thirteen." Concerning Resolution Thirteen our evidence is more skimpy. But it is enough to indicate that doubts were already rising about North Vietnam's ability to sustain the kind of war that they were still trying to fight at that time. For example, according to one document, it was decided that the whole matter was to be reconsidered at once in the event of the U. S. troop commitment reaching 600,000 men. But there is not a hint, in any of the evidence, that there was any change of negotiating policy.

We are beginning to suspect, finally, that those rising doubts in Hanoi may have led to a decision this summer to change the long-standing pattern of the war. There is evidence--(fragmentary as yet, that there has been still another Central Committee meeting, which passed a Resolution 14. We must wait and see what the new pattern may be---although we may be confident that any change made will reflect North Vietnam's increasing difficulty in carrying the burden in the South on the old basis. We still have not a particle of evidence, meanwhile, of any change whatever in the distinctly grim but formally adopted negotiating policy I have already outlined.

To this I would add two further points. In the hope of promoting negotiations, and on the basis of all sorts of intimations from UN and other sources, I have at different times since Christmas, 1965, ordered five additional bombing pauses of varying durations. None has had any result. Until the signals from the other side change a bit, I see no reason to repeat an experiment which has proved useless six times in a row. Nor can I ignore the central fact that "fighting while negotiating" is the enemy's own description of the phase that is to begin when and if we ever go to the table together. If negotiations are to be a mere "tactic", solely intended to give the other side a fighting advantage, I cannot in good conscience and with due regard for our men in the field go forward on that basis. Precisely because the enemy purpose is "fighting while negotiating", your government has always insisted that any really prolonged suspension of bombing would have to be paralleled or reciprocated by a comparable step taken by Hanoi, such as the stoppage of the flow of Northern regular troops into South Vietnam. I am sorry that this statement has been so long. The facts are complex, and although almost all of them have been declassified long ago, they still need to be set forth in detail because no one seems to be aware of them.

I shall now be glad to answer questions

74c

~~SECRET~~

In the process of this general uprising there may be a coalition government. The U. S. troops must withdraw. The coalition government may include a non-revolutionary element as president. But he must follow the essential line of action as stipulated by the Front... If a coalition government is formed and the chairman is not a comrade of ours what will be the consequences?... The Front will be the core element but we are not strong enough now to deal them a lethal blow. A coalition government opens the way to attaining our revolutionary goals... To all appearances, it is a coalition government but its real powers lie in our hands. And the government must be on the side of the Front's stand and follow the lines of the revolution's policy. We must take risks and form a coalition government without having to wait until the Americans have completely pulled out.

Extract from Saigon 544, November 8, 1967

DECLASSIFIED

Authority NLS 83-217
By ms, NARS, Date 1-18-84

~~SECRET~~

75

INFORMATION

Pres file

~~SECRET~~

Wednesday, November 8, 1967
3:00 p.m.

Mr. President:

Sec. McNamara may well have forwarded to you this memorandum to him from Gen. Wheeler on the increased use of ARVN forces in the DMZ area.

W. W. Rostow

~~SECRET~~

WWRostow:rln

DECLASSIFIED
E.O. 12356, Sec. 3.4(h)
White House Guidelines, Feb. 24, 1952
By 10, NARA, Date 11-22-91



~~SECRET~~
THE JOINT CHIEFS OF STAFF
WASHINGTON, D. C. 20301

75a

CM-2741-67
8 November 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Foreign Report Article: "Vietnam: Is the DMZ Worth Fighting For?"

1. I am enclosing for your information comments by General Westmoreland and General Greene on the subject article.

2. General Westmoreland points out the importance of Con Thien as a key piece of terrain and a critical position in the strongpoint obstacle system. He also outlines improvements in the situation at Con Thien since late September, and reaffirms his ability to defeat the enemy should the attack be reopened. *(at paragraph) w.*

3. General Greene states that there are two basic reasons for the presence of Marines in strength along the DMZ: construction of the strongpoint obstacle system and defense against a strong enemy invasion threat. He also points out the importance of protecting Route #9, which is the only East-West line of communication available in North and South Vietnam.

4. In general, I believe that the attached comments have covered the major issues raised in this article. I would add only one thought: our withdrawal from Con Thien at this point would no doubt have a sharply adverse psychological impact -- here at home, in Vietnam and world-wide. In this regard, you may recall the serious morale problems which were encountered earlier this year among the civilian population in the northern provinces at the height of the VC/NVA campaign in that area. Despite this, however, it is completely inaccurate to say -- as the article does -- that the fate of the whole American effort in Vietnam is at stake, or even that the loss of Con Thien would lead to the fall of the northern provinces to the enemy.

Earle G. Wheeler

EARLE G. WHEELER
Chairman
Joint Chiefs of Staff

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-273
By js, NARA Date 5-11-98

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

~~SECRET~~

75-A

COMMENTS BY GENERAL WESTMORELAND ON

Foreign Report Article, "Vietnam: Is the DMZ Worth Fighting For?"

1. I have reviewed the article quoted in the reference and believe there is little to be gained in attempting to refute the speculative comments of the author, and have, therefore, limited my comments to those statements which are somewhat substantive.

2. First as to the importance of Con Thien. There is no difference of opinion between myself and my senior subordinates, Army or Marine, or between myself and General Vien on the importance of Con Thien. Our mission in Quang Tri is to defeat the enemy in his attempts to invade northern I CTZ through the DMZ. Since July 1966, he has made several efforts with multi-battalion forces to thrust his way into South Vietnam. These incursions had to be defeated. The importance of Con Thien to our posture in Quang Tri Province is manifested in several ways. First, it is the key piece of terrain between Gio Linh and the rugged foothills to the west and lies astride a natural infiltration route into South Vietnam. From Con Thien, direct observation to the south and southeast covers the entire US/ARVN positions from Gio Linh/Dong Ha to Cam Lo. If available to the enemy, this vantage point would cause incalculable damage to friendly positions and the populated areas in Quang Tri. Because of its criticality, our plans for a defensive system in Quang Tri are hinged on Con Thien. This is the key strongpoint in the obstacle system. Finally, if we didn't hold at Con Thien, I am confident the process would be repeated at C-2, Cam Lo, or wherever we decide that our foremost position should be. Although, the rearward positions would not have as much enemy artillery bearing on them as at Con Thien, he could reach them with his longer range guns from behind the Ben Hai, and they would be equally susceptible to mortar, rocket and ground probes.

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Authority RAC 09324
By is NARA, Date 8-16-99

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3. The statement that the Marine Corps position at Con Thien is becoming increasingly more vulnerable is not supported by the facts. During the peak of the attacks in September, accompanied as they were by a 100 per cent increase in rainfall, over the average of 15 inches for that month, the road to Con Thien was blocked. However, since late September, regular convoys have been moving overland into the position. On a daily basis the position is being hardened and, although fighting may be a preferred occupation for Marines to digging, they have shown a professional grasp of the relationship between the two, and are preparing their defenses properly. Last Sunday, 29 October, in a sudden surge of artillery firing, the enemy delivered over 100 rounds on Con Thien and there were no casualties incurred.

4. In September, we did not fear a second Dien Bien Phu at Con Thien. In fact, when the final reports are in from both sides, I am convinced that the record will show that the enemy suffered enormously from his decision to concentrate large numbers of men and weapons in the DMZ area. If he reopens the attack, after its current lull, he will again pay dearly and will be defeated. I will repeat a statement that I made earlier: If an analogy must be made, Con Thien is a Dien Bien Phu in reverse.

5. The statement that "counter attacks (whether by shelling or bombing) have killed more Marines than enemy troops" is groundless. We have not claimed a specific enemy KIA by air and artillery because much of it has been delivered across the demarcation line where count is impossible. However, we do know, that a large portion of the 3,000 enemy killed (body count) since July in Quang Tri Province has been caused by air and artillery. To this figure my J2 has estimated from collateral sources that at least 3,000 additional casualties have been suffered by the enemy from air and artillery attacks in the DMZ. On our side there have been some short round casualties. Specifically, over the past six months there have been 17 Marines KIA by friendly fires out of a total of 614 Marines lost in Quang Tri Province.

6. In conclusion, our tactical dispositions in northern Quang Tri are sound. They have brought about a major enemy defeat. Although I do not believe we should be inflexibly welded to any one position or posture, I am fixed in my belief that we must continue to hold the strongpoints north of Route 9 in Quang Tri Province, or give the enemy a major tactical as well as psychological victory. The one accurate inference that can be drawn from the article is that I find the latter alternative unacceptable.



HEADQUARTERS U. S. MARINE CORPS
OFFICE OF THE COMMANDANT
WASHINGTON, D. C. 20380

75c

~~SECRET~~

Dear Bus,

This responds to your memorandum of 1 November requesting my views on the British article "Is the DMZ Worth Fighting For", published 26 October 1967 by the Economist Newspaper Limited, of London.

The article, of course, is filled with vague statements, and contains numerous inaccuracies. I have seen and concur wholeheartedly with General Westmoreland's response to your back channel. The following additional thoughts may be helpful.

In general terms, two basic reasons account for our presence along the DMZ in strength. In the first place US Forces remain in the DMZ area because CG III MAF has been directed by COMUSMACV, and he in turn by higher authority, to construct a strong point-obstacle system to help impede infiltration of forces from NVN across the DMZ into South Vietnam. In the second place, forces are there to meet the immediate threat posed by some thirty thousand enemy troops who possess the capability to invade South Vietnam in force and have repeatedly demonstrated they are not loth to use that capability. So long as either of the above reasons remains valid, the requirement to keep significant force in the DMZ area will continue.

In addition to those reasons, Route #9 is the only East-West line of communications available in northern South Vietnam, and it, in turn, intersects several major infiltration trail networks from Khe Sanh all the way to Quang Tri City. The next significant East-West line of communications is near Danang. While I do not infer that any movement to the southward would automatically constitute a realignment of our forces all the way to Danang, it is relevant to note that by giving up Route #9, we would be sacrificing the continuing access to enemy infiltration routes which Route #9 now provides.

As a final comment, I abhor the invidious and continuing veiled allusions to Marine and Army differences in strategy and viewpoint. COMUSMACV is the operational commander on the

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Authority RAC 09329
By ris NARA, Date 3-13-98

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ground. CG III MAF performs the tasks which are assigned him. From the start of our joint involvement, the views of the Marine Corps Commander have been received and respected, and in the same vein, the directives of General Westmoreland have been received and carried out. There is no lack of communications between the two Commanders, physically, vocally or electrically. The inferences that either misunderstandings or differences exist are simply not so and I continue to reject them.

Sincerely,

Wally

WALLACE M. GREENE, JR.
General, U. S. Marine Corps

SECRET

76

INFORMATION

~~SECRET~~

Wednesday, November 8, 1967
2:55 p. m.

Pres file

Mr. President:

Herewith Generals Wheeler,
Westmoreland and Greene comment on
The Economist article on the DMZ.

The marked passages at the
paper clip may particularly interest
you.

W. W. Rostow

~~SECRET~~

WWRostow:rln

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By ky, NARA, Date 11-22-91



~~SECRET~~
THE JOINT CHIEFS OF STAFF
WASHINGTON, D.C. 20301

76a

CM-2737-67
7 November 1967

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: Disposition of Forces in the DMZ Area (S)

1. (S) In response to your request concerning plans for ARVN Forces to assume a greater share of the garrison responsibility in the DMZ area, as discussed in our 30 October meeting, General Westmoreland has been queried and the details of his plan are outlined below.

2. (S) The plan provides for ARVN units to occupy specific strong points and combat operating bases in the Strong Point Obstacle System (SPOS). At the enclosure hereto, strong points are indicated as A-1 thru A-6 and combat operating bases as C-1 thru C-4.

3. (S) Plans call for the 2d ARVN Regiment to occupy positions A-1, A-2 and A-3 with one battalion at each strong point position; also with one battalion, the regimental headquarters, reconnaissance company and artillery at the combat operating base C-1. The US Marines will man A-4 at Con Thien and combat operating bases C-2, C-3 and C-4, thereby providing depth and reinforcement to the forward elements. At the present time four ARVN Airborne Battalions are in position at A-1, A-2 (Gio Linh) and C-1 while the 2d ARVN Regiment is being trained for their new role. Two battalions have completed training and will relieve two airborne battalions in the SPOS next week. The remaining two battalions will complete training on/or about 15 November 1967 and will relieve the remaining airborne battalions. The 2d Regiment has been equipped with the M-16 rifle and has received special training on the employment of sensors.

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E.O. 12958, Sec. 3.6
NLJ 96-273

By iso, NARA Date 5-11-98

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4. (S) The US Marines will continue to occupy A-4 (Con Thien) until after the monsoon and the tactical situation permit the transfer of responsibility to the ARVN.

5. (S) It is significant to note that US elements are in position to reinforce and influence the action in the entire DMZ area.

6. (S) It is recommended that a copy of this memorandum be provided to the President.

Earle G. Wheeler

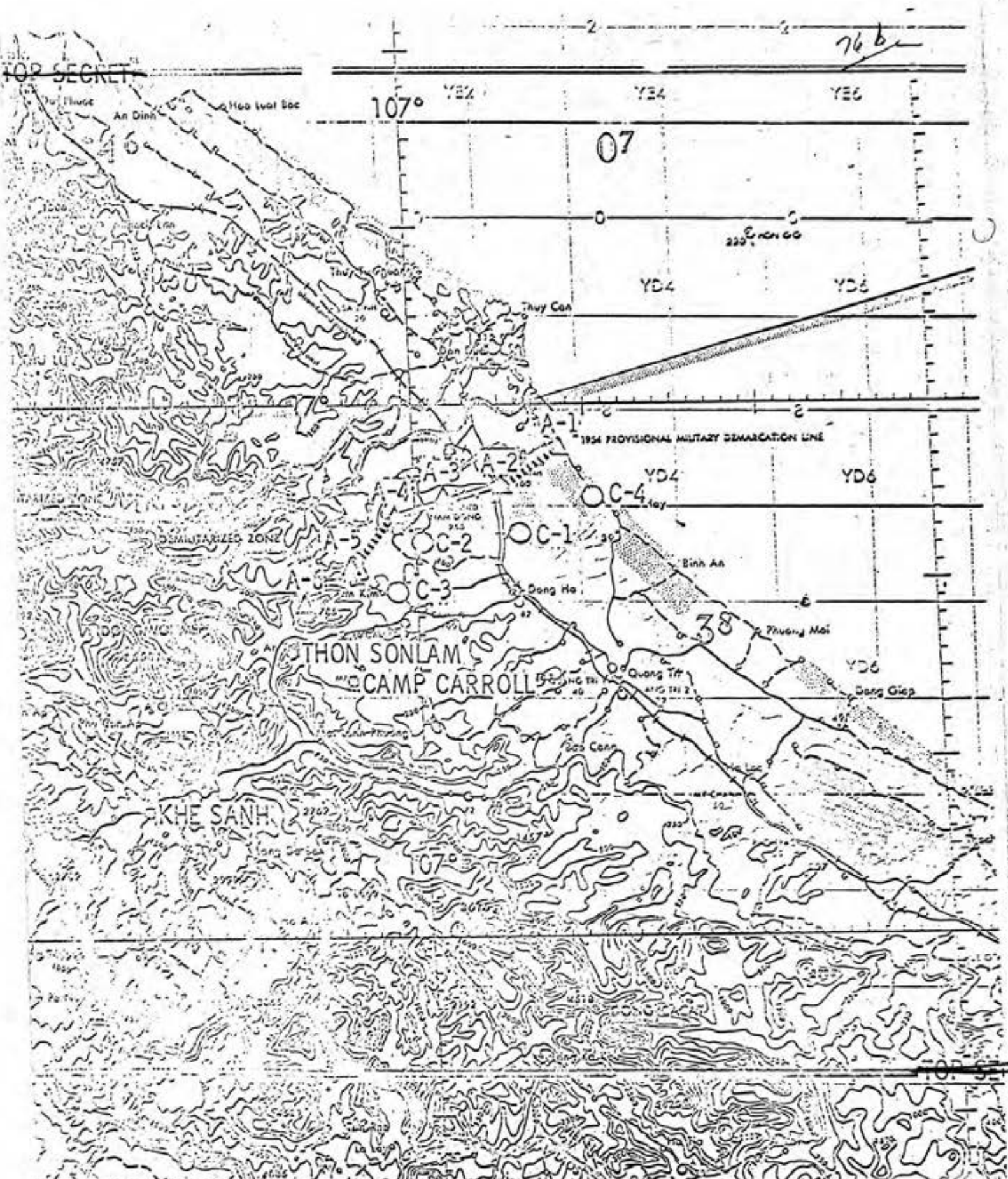
EARLE G. WHEELER

Chairman

Joint Chiefs of Staff

~~SECRET~~

TOP SECRET



DECLASSIFIED

E.O. 12958, Sec. 3.6

NLJ 96-273

By 100, NARA Date 5-11-98

~~SECRET~~

Lunch Meeting With the President
Wednesday, November 8, 1967, 1:00 pm

AGENDA

- 1. Middle East. (Sec. Rusk)
 - Situation in New York
 - Line to be taken with Hussein when he meets the President at 5:30 pm

- 2. BUTTERCUP. (Sec. Rusk)
 - Next moves.

- 3. Bombing Policy. (Sec. Rusk and Sec. McNamara)

- 4. Amb. Bunker's visit. (Sec. Rusk)
 - Schedule, including public exposure.
 - Substantive issues and objectives.

- 5. Senate Foreign Relations Committee hearing. (Sec. Rusk)
 - A report.

- 6. Other.

W. W. Rostow

WWRostow:rln

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 2.4(b)
White House Guidelines, Feb. 24, 1983
By [Signature], NARA, Date 12-13-91

~~PERSONAL/CONFIDENTIAL~~

Wed., Nov. 8, 1967
12:25 p. m.

78

MR. PRESIDENT:

It would be good if -- at lunch today -- you were to underline your wish that Sect. Rusk actually take off the full week-end at Camp David.

He needs a rest.

W. W. R.

~~PERSONAL/CONFIDENTIAL~~

DETERMINED TO BE AN ADMINISTRATIVE
MARKING. CANCELLED PER E.O. 13526,
SEC. 1.2 AND ATTORNEY'S MEMO OF
MAY 13, 1992.

BY rg ON 12-11-91

~~Confidential~~

79

Wednesday, Nov. 8, 1967
12:10 p. m.

MR. PRESIDENT:

At their request, Congressman Brad Morse and Paul Findley called on me today. Morse did most of the talking, but Findley indicated that he spoke well for both.

1. They hear rumors and believe that major new military initiatives will be taken by the United States. In particular, they think that an invasion of North Viet Nam is being planned. They believe that if any such new move is taken, there should be Congressional consultation that goes beyond regular consultation; that is, there ought to be some kind of vote.

2. I asked on what basis they had come to this conclusion. Morse listed the six following "assertions and pieces of gossip" which he has put together:

- assault troops are being assembled at Okinawa, Hawaii and the Philippines;
- naval and marine enlistments have been extended by four months;
- landing barges are being assembled on the West coast;
- the Department of Defense is quietly buying up contracts for container ships, which are now hard to get on a commercial basis;
- the production of jet engines has been diverted to flying crane helicopters to the point that deliveries to the F111 are being slowed down;
- an unnamed prominent businessman reports that "several Government economists" told him that we shall have mobilization of an extra million men, which will lead to price and wage controls.

I said that I could verify none of this information.

3. The second point they made was this: They believe it would be a good idea to get from the Congress a vote in support of your Viet Nam policy. They are sure that the vote in the House of Representatives would be "overwhelmingly" in favor of your policy. The support would not be as great as in the Tonkin Gulf resolution, but it would be overwhelming. It is because he shares the judgment that Jack Bingham and other "dove" Congressmen would not join Morse and Findley in proposing such a vote.

I confined my response to assuring them that this information would be passed to the President.

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-477
By sig, NARA, Date 6-28-95

4. The final word was this: Tell the President that these observations are not meant to be an attack on his policy. We believe that the Congress should take more responsibility than it is taking; and this is one way to diminish controversy over the war. Morse said: I am only a "very mild" dove; for example, I would not urge that we cease our bombing of North Viet Nam. Findley said: I am a hawk. My people in Illinois want us to use our full power, and then get out. I don't like this kind of isolationism, but that is how they are feeling.

(S)

W. W. R.

cc: Barefoot Sanders

~~CONFIDENTIAL~~
ACTION

Wednesday, Nov. 8, 1967 80
11:20 a. m.

~~CONFIDENTIAL~~

MR. PRESIDENT:

Joe Sisco called. He said Arthur Goldberg and he believe that the most important thing for you to convey to Hussein at 5:30 this afternoon is the following:

-- If he wants our help in getting a settlement, it is important that he and his representatives get behind the U. S. resolution in New York.



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(a)(5)

You may wish to discuss this at lunch today under item 1. of the agenda.

SANTIZED
E.O. 12356, Sec. 3.4
NY 94-477
By iap, NARA, Date 4-28-95

W. W. R.

ACTION

81

Wednesday, Nov. 8, 1967
11:10 a. m.

Pres file

MR. PRESIDENT:

SUBJECT: Response to Senator Fulbright's question of this morning

Senator Fulbright asked: Who is the enemy: Hanoi or Peking?

The answer is: both, in different ways.

If we fail in Viet Nam, two things will happen: Hanoi will take over South Viet Nam; U. S. military power will be moved off the Asian mainland. The combination of U. S. failure to deal with wars of national liberation and the removal of U. S. forces from the mainland will, in the judgment of all Asian observers, leave Southeast Asia at the mercy of Communist China. Without the U. S., there is no force in Southeast Asia capable of deterring Communist China.

Since 1954 that has been the assessment of the U. S. Government. It remains our assessment today.

W. W. R.

You may wish to raise this at lunch today and see if we can get agreement in the Government that this is the way to handle Fulbright's "confusion."

WWRostow:mz:rln

INFORMATION

82

~~SECRET~~

Wednesday, November 8, 1967
10:45 a. m.

Pres file

Mr. President:

This exchange in Phnom Penh
between the U. K. Ambassador and
Burchett may interest you.

W. W. Rostow

~~SECRET~~

Intelligence Information Cable
7 Nov, [] 3 pages
for CIA internal use only

WWRostow:rlh

SANITIZED

Authority NLT 98-52; NLT 019-025-2-2
By plis, NARA, Date 1/14/02

LIST OF INVITEES, NSC MEETING
November 8, 1967, Wednesday, 10:00 A.M.

Pres file

Secretary of State Rusk
Secretary of Defense McNamara
JCS Chairman General Wheeler
OEP Director Daniel
USIA Director Marks
Secretary of Treasury Fowler

Attorney General Clark
Postmaster General O'Brien
Secretary of Interior Udall
Secretary of Commerce Trowbridge
Secretary of HEW Gardner
Secretary of Labor Wirtz
Secretary of HUD Weaver
Secretary of Transportation Boyd

Walt Rostow
George Christian
Bromley Smith

Senator Mansfield
Senator Richard Russell
Senator Margaret Chase Smith
Senator Fulbright
Senator Robert C. Byrd

Representative McCormack
Representative Albert
Representative Boggs
Representative Bates
Representative Bolton
Representative Mahon

INFORMATION

EYES ONLY

~~SECRET~~/BUTTERCUP

Wednesday, November 8, 1967
9:00 a. m.

Mr. President:

Herewith, for information,
Sec. Rusk's suggestion to Amb. Bunker
that we not name U. S. prisoners, but
let them send out some in poor health.
The reason: U. S. picking some rather
than others by name would involve either
inequity or suggestion of importance of
individuals concerned, which could be
misleading.

W. W. Rostow

~~SECRET~~/EYES ONLY

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-477
By wp, NARA, Date 6-28-95

WWRostow:rln

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NODIS BUTTERCUP
FROM SECSTATE
TO AMBASSADOR BUNKER SAIGON
THE WHITE HOUSE, EXCLUSIVE FOR MR. ROSTOW
SECDEF, EXCLUSIVE FOR SECRETARY MCNAMARA
SECSTATE, EXCLUSIVE FOR SECRETARY RUSK
DIRECTOR CIA, EXCLUSIVE FOR MR. HELMS
REF: A. SAI GON 526
B. SAIGON 509
C. CAS/WASHINGTON 49639

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-478
By , NARA, Date 4-3-96

UNLESS OTHERWISE INDICATED IN OUR BUTTERCUP MESSAGES TO YOU,
THEY ARE SUBJECT TO OUR DESIRE TO LEAVE FINAL DECISIONS ON DETAILS
IN YOUR HANDS.

THE FOLLOWING ARE OUR PRESENT SUGGESTIONS:

1. WHILE WE AGREE ON DESIRABILITY OF TRYING TO OBTAIN RELEASE OF US PWS AT EARLIEST POSSIBLE MOMENT, WE DO NOT THINK IT ADVISABLE TO GO BEYOND SUGGESTING THAT US WOULD REGARD IMMEDIATE RELEASE OF SOME AMERICAN PWS (PARTICULARLY ANY WHO MAY BE IN POOR HEALTH) AS SIGN OF NLF GOOD FAITH MATCHING OUR GOOD FAITH IN RELEASING SAU HA AND THOSE CAPTURED THROUGH HIM AND OTHERWISE MEETING NLF CONDITIONS. WE PREFER TO AVOID NAMING EITHER SPECIFIC INDIVIDUALS OR EXACT NUMBER OF PERSONS WE EXPECT TO BE RELEASED.
2. WE SUGGEST THAT A SENTENCE BE ADDED AT END OF PARAGRAPH 5D OF REF C ON INDICATING THAT US WOULD REGARD IMMEDIATE RELEASE OF SOME US PRISONERS (PARTICULARLY ANY WHO MAY BE IN POOR HEALTH) AS APPROPRIATE SIGN OF VC GOOD FAITH. IN ORDER NOT TO DELAY POSSIBLE RELEASE OF US PWS, THIS GESTURE OF GOOD FAITH SHOULD BE PUT FORWARD AS SUGGESTION AND NOT AS PRIOR CONDITION. WE SHOULD STAND ON OFFER CONTAINED IN PARAGRAPH 5D OF REF C.
3. IF WE ARE GOING TO SUGGEST IMMEDIATE RELEASE OF US PRISONERS, WE BELIEVE WE SHOULD ALSO ADVANCE SOME POSSIBLE MECHANISM WHICH WOULD AVOID GIVING CLEAR PUBLIC IMPRESSION OF AGREED EXCHANGE. ONE METHOD MIGHT BE TO HAVE NLF NOTIFY US THAT PWS IN POOR HEALTH WILL BE IN DESIGNATED AREA AT DESIGNATED TIME FOR EVACUATION BY US HELICOPTER. THE RELEASE COULD BE PORTRAYED AS HUMANITARIAN GESTURE.
4. WE ARE CONCERNED OVER POSSIBILITY RAISED IN REF B THAT SAU HA MAY NOT WANT TO RETURN TO NLF. WHAT IS CAS EVALUATION?
5. WHILE WE DO NOT BELIEVE WE SHOULD INITIATE FURTHER DISCUSSION WITH LOAN ABOUT POLITICAL CONTENT OF MESSAGE FROM NLF YOU MAY WISH TO OBSERVE, IF THIEU RAISES POINT, THAT WE DISAGREE WITH LOAN'S INTERPRETATION (REF B PARA 1) THAT THERE IS SERIOUS INCONSISTENCY IN NLF MESSAGE WHICH STATES BOTH THAT THEY ARE WILLING TO TALK ABOUT BROADER ISSUES THAN PW EXCHANGE AND THAT NOW IS NOT RIGHT TIME TO TALK PEACE. WE REGARD THE LATTER STATEMENT IN CONTEXT OF BALANCE OF MESSAGE PRIMARILY AS AN ATTEMPT TO SHOW NLF IN POSITION OF STRENGTH.
6. WE ARE AWAITING YOUR DRAFT RESPONSE TO NLF MESSAGE.

GP-1

515

PRESERVATION COPY.

~~SECRET~~

ACTION

85

Pres file

~~SECRET~~

Wednesday, November 8, 1967
8:55 a. m.

Mr. President:

State (Bundy-Habib) have been working on a draft scenario for Bunker's visit, at George Christian's suggestion and mine.

It is on the agenda for lunch today, when you may wish to give definitive guidance to Sec. Rusk.

W. W. Rostow

cc: George Christian

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4(h)
White House Guidelines, Feb. 24, 1992
By kg, NARA, Date 11-22-91

WWRostow:rlh

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DEPARTMENT OF STATE

Washington, D.C. 20520

19182

November 7, 1967

~~SECRET~~

MEMORANDUM FOR MR. WALT W. ROSTOW
THE WHITE HOUSE

Subject: Proposed Program of Consultation
for Ambassador Bunker

Ambassador Bunker arrives the morning of November 10, a holiday, and will be here for a week or 10 days on consultation. I enclose a proposed program of consultation and other activities for the Ambassador, beginning November 13. On receiving White House approval, the Department will proceed to arrange specific engagements.

Regarding the substance of Ambassador Bunker's discussions here, we suggest the following major topics:

1. Progress in the war and prospects for 1968;
2. Development of effective Vietnamese political institutions and of effective government;
3. Ways to accommodate Vietnamese sensitivities regarding the United States presence and Vietnamese sovereignty;
4. Peace initiatives;
5. United States public's assessment of the war.

John P. Walsh
Benjamin H. Read
Executive Secretary

Enclosure:

Proposed program

~~SECRET~~

DECLASSIFIED

E.O. 12556, Sec. 3.4

NJ 86-165

By 448, NARA, Date 2-3-87

4258
85-b

~~SECRET~~

Proposed Program of Consultation
for Ambassador Bunker
November 13-18

Monday, November 13

Morning

The President
Public appearance with the President at White House

Afternoon

The Secretary of State
The Vice President

Tuesday, November 14

Morning

Today's Show (Washington)
The Secretary of Defense

Afternoon

The Under Secretary, Mr. Katzenbach

Wednesday, November 15

Morning

Senate Foreign Relations Committee

Afternoon

Governor Harriman
Ambassador Lodge

DECLASSIFIED

E.O. 12356, Sec. 3.4

NIJ 86-165

By lip, NARA, Date 2-3-87

~~SECRET~~

~~SECRET~~

-2-

Thursday, November 16

Morning

House Foreign Affairs Committee

Afternoon

Ambassador Goldberg

Friday, November 17

Morning

Mr. Gaud
Mr. Helms
Mr. Marks

Afternoon

JCS

Saturday, November 18

Morning

The Secretary of State
The President

Evening

Major speech in New York or elsewhere away from
Washington

Sunday, November 19

Joint TV appearance with General Westmoreland on
discussion type program

Evening

Departure

~~SECRET~~

ACTION

86

Wednesday, November 8, 1967
8:50 a. m.

Pres file

Mr. President:

Nick's attached suggestion of Ed Martin as DAC chairman (Development Assistance Committee) is, in my judgment, excellent.

W. W. Rostow

WWRostow:rlh

86a

THE UNDER SECRETARY OF STATE
WASHINGTON

November 7, 1967

MEMORANDUM FOR THE PRESIDENT

Subject: Edwin Martin as DAC Chairman

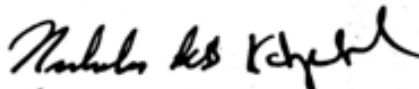
Some weeks ago Bill Gaud and I suggested that Ed Martin, now our Ambassador at Buenos Aires, be considered as the American nominee for the Chairmanship of the Development Assistance Committee. You indicated at that time that you wanted to consider other possibilities. I am attaching a list of people from inside and outside Government who we considered for this appointment. Those names I have checked have indicated that they would not be interested in the job. The others have not been approached, but I doubt that any of them have the qualifications of Martin.

The DAC Chairman is elected by the Members of DAC. These members are the principal aid contributing countries in Europe plus Japan and Australia. The Chairman is an independent person, not a governmental representative, but it is important to US interests that he be thoroughly familiar with and loyal to our objectives. He is the fellow who initiates consortium proposals, pulls them together, works closely with the IBRD and the regional banks, and does his best to see that multilateral funds are put together in ways which are most productive. It is essential that he be a senior person recognized by other countries as a man who knows and understands economic development. It is also important that he have a complete understanding of US programs and objectives and by doing so, effectively minimizes the need for government-to-government representations. It is important also to have an American, in view of our decreasing aid capabilities and emphasis upon multilateral programs, since a European or Japanese would be likely to make continuous unrealistic requests of the United States.

Other governments have candidates for the job, and the Germans have recently put up a quite strong candidate. It is important that we counter with a person whom they will accept as extremely well-qualified. This is difficult because the job does not have great prestige, yet the right person in it can significantly advance US development interests.

Martin has excellent qualifications, having had long experience in major posts dealing with economic matters, including serving as Assistant Secretary of State for Economic Affairs from 1960 through 1962. He has also had major economic jobs with respect to Far East and European matters and is well-known to the Members of DAC. He has served in Argentina since January, 1964, and is therefore due for reassignment or retirement. He is 59 years old.

The Foreign Affairs Act of 1961 gives the President authority to appoint a US citizen to the DAC Chairmanship. ~~The appointment does not require Senate confirmation but~~ does require the approval of DAC countries.


Nicholas deB. Katzenbach

Attachment:
List

Approve _____

Disapprove _____

86b

LIST OF INDIVIDUALS CONSIDERED FOR DAC CHAIRMAN

INSIDE GOVERNMENT

✓ John O. Bell
Former Ambassador
Former Deputy ICA
Presently Political Adviser, POLAD/CINCSTRIKE

Joel Bernstein
Former Director, USAID/Korea

✓ Winthrop Brown
Former Ambassador to Korea

John Bullitt
Former Assistant Secretary of Treasury
Presently Assistant Administrator, A. I. D.

Bob Fluker
Economic Minister in Thailand

✓ William O. Hall
Former Assistant Administrator for Administration, A. I. D.
Presently Ambassador to Ethiopia

✓ Michael Harris
Former Deputy Secretary General, OECD

Julius Holmes
Retired Ambassador

✓ Graham Martin
Ambassador to Thailand

James Riddleberger
Ambassador (in process of retirement)

✓ Anthony Solomon
Assistant Secretary of State for Economic Affairs

Lane Timmons
Ambassador to Haiti

Philip Trezise
Ambassador to OECD

OUTSIDE GOVERNMENT

Robert Asher
Brookings Institute

✓ Vincent Barnett
President, Colgate University
Former Economic Counselor, Rome
ECA Official

Leland Barrows
Staff, University of Pittsburgh
Former Ambassador and ICA Official

Walker L. Cisler
Chairman Board, Detroit Edison Co.
Consultant, AID

✓ Emile Despres
Professor of Economics
Stanford University

✓ Milton Eisenhower

Robert Everts
Netherlands Representative to DAC

✓ Irving Friedman
IBRD

✓ Michael Hoffman
IBRD

Neil Jacoby
UCLA

✓ Milton Katz
Harvard Law School
Formerly Marshall Plan Representative in Paris

John Kenney
Sullivan, Shea & Kenney
Former Director, ECA, England and Deputy Director, MSA

✓ Walter Levy
Oil Consultant

OUTSIDE GOVERNMENT

-2-

- ✓ Edward S. Mason
Professor of Economics, Harvard University
Chairman, AID Advisory Committee on Economic Development

- ✓ Escott Reid
Principal of Glendon College, York University, Toronto, Canada
(Former Canadian Ambassador to Germany)

- Sir Denis Rickett
Second Secretary, British Treasury Department

- Seymour Rubin
Surrey, Karasik, Gould & Greene
Former General Counsel of A. I. D.

- Charles E. Saltzman
Goldman, Sachs & Co.

- ✓ Raymond Vernon
Harvard University

INFORMATION

~~SECRET~~

Pres file

Wednesday, November 8, 1967
8:10 a.m.

Mr. President:

I prepared this note on the assumption that Sec. Rusk would wish to report on the Non-Proliferation Treaty at lunch today.

He feels that, despite some alarmist cables from ~~Amb.~~ McGhee, there is no reason to do so at the moment.

Nevertheless, you may wish to read this note as background.

W. W. Rostow

*Example attached at Tab A.

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Conf. Files, Feb. 24, 1983
By 28, NARA, Date 12/11/91

87a

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 93-344
By ab, NARA, Date 6-7-85

Tuesday, November 7, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Germany and the N. P. T.

This is a good time to get Secretary Rusk's appraisal of where we are going on the N. P. T. Last week we made good progress on Article III (the safeguards clause):

- The Euratom countries could not get together on their own Article III (only the Germans presented an "illustrative" draft) and contented themselves with giving us five "principles," which we probably can live with.
- We were able to hand to the Russians at Geneva on Thursday a revision of their own draft Article III incorporating much of the five Euratom principles, plus some key language from the German "illustration." Preliminary Russian reaction was reasonably forthcoming.

We still must be particularly careful with the Germans. There is a strong possibility that they will not ratify the N. P. T. even if (as seems likely) they grudgingly sign it. German adherence, however, is vital to the success of the Treaty. Yet we cannot afford to put so much pressure on them that we give nationalists an easy means of attacking Germany's U. S. ties. The political situation comes down to this:

- Attitudes among top German politicians and officials range from total hostility, represented by people like Strauss and the right-wing press, to grudging acceptance, represented by Kiesinger and Brandt.
- The basic German dissatisfaction with the Treaty makes it easier for people like Strauss to propagate the view that the N. P. T. represents a U. S. -Soviet "deal" made behind Germany's back at her expense.
- The N. P. T. is not yet a big public issue; so far the issues it presents have been too complex to capture popular attention. We

~~SECRET~~

~~SECRET~~

can be grateful, in fact, that opposition has focussed on Article III, perhaps the most complicated aspect of the Treaty, rather than on basic principles. Nevertheless, the danger we face is that someone like Strauss will try to blow the Treaty up into a nationalist issue.

We do not yet know how the Russians will finally react to our revised Article III. If they insist on their original formulation we will face a dilemma:

- We must push the Russians hard to meet German concerns regarding Article III. Not to do so would give the Germans an excuse for rejecting the Treaty, and would seriously damage our relations with them. (We can ease things somewhat by close and high-level consultations.)
- On the other hand, an impasse with the Russians now would probably make it impossible to put a draft Treaty before this year's UN General Assembly and thus could delay the Treaty for as much as a year, if not kill it altogether.

You will want to get Secretary Rusk's assessment of these risks.

W. W. Rostow



RHU:em

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-342
By , NARA, Date 12-8-94

87-b
Thursday, November 2, 1967

FOR THE PRESIDENT

TEXT OF CABLE FROM AMBASSADOR MCGHEE (Bonn 4773)

SUBJECT: Possible Repercussions of the Non-Proliferation Treaty

I have just learned that on October 31, the day of the NATO Advisory Committee Meeting, Chancellor Kiesinger summoned Ambassador Schnippenkoetter for a lengthy discussion because of his deep concern over the Non-Proliferation Treaty. The Chancellor was evidently disturbed that the West German agreement to go along with EURATOM's five principles without insisting on specific language may have constituted a dangerous concession. It would appear that Science Minister Stoltenberg and other Christian Democratic elements so advised him. It will be recalled that just after the EURATOM ministerial decision, Stoltenberg held a press conference in which he laid down very strict requirements for an acceptable Article III and, in effect, rejected a reservations procedure. We are told that Schnippenkoetter persuaded the Chancellor only with the greatest difficulty to go along with the Foreign Office's agreement to permit the U. S. to proceed to negotiations with the Soviets on the basis of the five principles.

I believe the Chancellor's concern is symptomatic of the situation we now face locally. I am therefore setting out below some of the German domestic considerations which lead me to conclude that unless we now proceed with great caution in our negotiations with the Soviets and insure that basic German interests and concerns are met, the Non-Proliferation Treaty can constitute a serious threat to U. S. - West German relations and the future political orientation of West Germany much more serious, for example, than the effects of the offset issue.

Among German attitudes toward the Non-Proliferation Treaty, there exist various levels of sophistication. Regardless of their degree of understanding, however, all vocal elements oppose the Treaty in its present form. A general impression has taken root that:

A. The Treaty symbolizes an unwritten understanding between the U. S. and the U.S.S.R., wherein we seek a political quid pro quo from the Soviets at Germany's expense;

B. A Non-Proliferation Treaty will result in serious handicaps for German nuclear research and commercial opportunities; and,

C. It will result in a setback for the European movement. Even those who agree that proliferation is dangerous and should be avoided, doubt that the proposed treaty will be effective in preventing it. No leading politician has publicly advocated that the West Germans should sign the treaty in its present form.

The argument that signature of the Non-Proliferation Treaty is necessary in order to advance the government's new policy toward the East, although probably persuasive to some members in the Socialist Democratic Party, including Brandt, does not operate effectively on the Christian Democratic Union/Christian Social Union, which has misgivings about certain aspects of the Eastern policy in any event. The two powerful often opposing wings of the party, headed by Strauss and Schroeder representing, respectively, the former Gaullists and the Atlanticists -- agree in rejecting the Non-Proliferation Treaty, and both have misgivings concerning the new Eastern policy, at least its all-German aspect. Strauss and his followers fear that the Treaty would preclude the creation of a European Nuclear Force which they consider a necessary step toward European unity. Schroeder's group probably concludes that a Non-Proliferation Treaty would result in a weakening of Atlantic ties through sharper delineation between nuclear and non-nuclear states.

As the Embassy's reporting indicates, the German press ranges from skepticism to outright hostility to the Treaty -- with the latter attitude predominating. The Springer press, which alone among the major public German media has supported our policy in Vietnam, is among the most outspoken in its opposition to the Non-Proliferation Treaty. There are, throughout the press, dire warnings of a major breach in confidence between the U. S. and Germany over the Non-Proliferation Treaty.

Springer's influential Die Welt on October 31, 1967, stated: ... "Whether or not the Non-Proliferation Treaty comes into being, it has already fulfilled its main purpose for the Russians, namely to accelerate the erosion of European confidence in the U. S. That confidence could not be fully restored even by a failure of the Treaty, after Americans had been ready, in conjunction with the Kremlin, to subject the defense systems of its allies to a kind of discrimination which has no precedent in the relations among allies. It seems that ranking men in Washington are still unclear about the deeper consequences of this course. Meanwhile, they ought to have recognized that they can have only one thing: either the Non-Proliferation Treaty or an Atlantic Policy ..."

Regardless of the Chancellor's own feelings on the Non-Proliferation Treaty -- and they have never really been very positive -- he will have to pay heed to the sentiment within his party, which will be strongly against a Treaty which fails to take into account major German concerns. The concerns expressed by Birrenbach, who is the leader of his party on this issue, are restrained in comparison with the views of the Christian Democratic Union/Christian Social Union rank-and-file. The fear of Germany's being isolated on this issue is shared by both members of the coalition, and may in the end prove to be the

~~SECRET~~

controlling reason why West Germany will adhere to the Non-Proliferation Treaty. I would consider it most dangerous, however, if we tried to take advantage of West Germany's apparent isolation in EURATOM. The effect on West Germany's relations with us and on its future orientation, if it were forced by a world opinion we have generated to sign a treaty which they feel does not protect basic German interests would, I believe, be very dangerous. If it is to sign, the German Government requires a treaty which it can defend publicly. This can best be accomplished by relying, to the maximum extent possible, on the draft language proposed by West Germany. It is of utmost importance that we do everything we can to counter the present deep concerns in Germany over the Non-Proliferation Treaty, through careful handling of the next stage of the negotiations -- in close consultation with the German Government.

~~SECRET~~

PRESERVATION COPY

Mr. Rostow *88*
Pres file

~~SECRET~~
CLASSIFIED
E.O. 12958, Sec. 3.4
MJ 94-477
4-28-95
NARA, Dist

November 8, 1967

MEMORANDUM FOR THE PRESIDENT

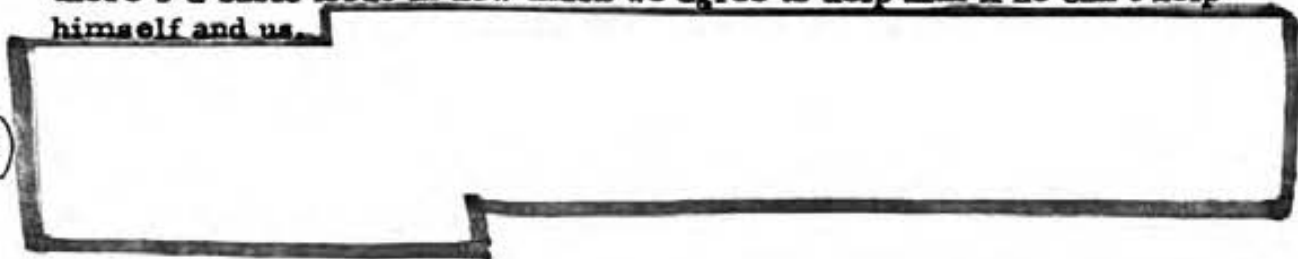
SUBJECT: Luncheon Discussion--Points to be Made to King Hussein
(5:30 p. m. Today)

The main question to discuss with Secretary Rusk at lunch is exactly what tack to take with Hussein.

The Secretary and Arthur Goldberg have reassured him that we would try to get him the best deal possible in a negotiation. The net effect of this reassurance is that we, as a matter of policy, do not envision a Jordan consisting only of the East Bank. We're prepared to support the return of a substantial part of the West Bank with boundary adjustments, and we would use our influence to get compensation for any territory Jordan has to give up. Although we don't agree with either Jordan's or Israel's position on Jerusalem, we're prepared to use our influence to obtain a role for Jordan in Jerusalem. All this was covered with the clear qualification that we can't guarantee anything and don't speak for Israel.

You will probably want to confirm that position, but the tough question is how much to qualify it. Our ability to make good on our reassurance will depend partly on what comes out of the UN. We told Hussein Monday evening he ought to try to block the Indian resolution in the UN if he wanted us to be much good to him. The move to introduce the Indian resolution yesterday seems to have surprised him. Therefore, we don't know whether the Arabs and Soviets in New York have undercut Hussein or whether he was already committed to the Indian resolution and did not tell us, hoping that we might do the blocking job without his getting involved.

We don't want your talk with Hussein to be overly tactical, but there's a basic issue in how much we agree to help him if he can't help himself and us.



W. W. Rostow

~~SECRET~~

Pres file

~~CONFIDENTIAL~~

Wednesday, November 8, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Visit of Crown Prince of Laos

Crown Prince Vong Sayang will arrive tomorrow (Nov. 9) at 12:30 p. m. at the diplomatic entrance and will accompany you to your office for a 30-minute talk before lunch.

The Crown Prince is 35, shy but friendly, and has no real responsibilities in the government. He is being groomed to succeed his father. We do not expect the Prince to raise any matters of substance.

You may wish to:

- recall your useful talks with Prime Minister Souvanna Phouma last month and his helpful analysis of the situation in Laos and Southeast Asia;
- praise the headway Laos has made toward political stability despite the strains of prolonged war;
- tell him you have heard of his interest in agriculture and note we have made arrangements for him to see some of our agricultural experimental facilities at Beltsville and something of rural America;
- say we are following progress of the Nam Ngum (Nahm-Goom) Dam with great attention. (We are one of nine countries involved in financing the dam which will produce 30,000 KW of power and will irrigate more than 12,000 acres of rice land;
- express our regret and concern at the loss of life (200-300 a month) and the economic drain of North Vietnamese aggression against Laos;
- ask for his views on recent heavy fighting in Laos, some of it 50 miles north of the royal capital (Luang Prabang).

The Prince may ask for U. S. help in building a new hospital outside Luang Prabang. The King is deeply interested in this.

DECLASSIFIED
 E.O. 12356, Sec. 3.4
 NEJ 94-477
 By kyj, NARA, Date 6-28-95

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

You may wish to reply:

-- we are cooperating with UNICEF (United Nations Children's Fund) and the British in building a new maternal and health center in Luang Prabang;

-- while we have no funds available now for a new hospital, we would be willing to help renovate the existing provincial hospital in Luang Prabang.

W. W. Rostow

~~CONFIDENTIAL~~

Wednesday,
November 8, 1967

copy
Pres file

MEMO FOR THE PRESIDENT

Mr. President:

You may wish to send the attached letter of sympathy to Mrs. Hertz, widow of the AID man who died in Viet Cong captivity.

W. W. Rostow

Att.

90a

November 8, 1967

Dear Mrs. Hertz:

I am deeply grieved at the report of your husband's death while a captive of the Viet Cong. He died a hero, as surely as any soldier in the front lines. And he was in the front lines -- of our long-continuing struggle to make this world a better place.

He was a man of courage, a brave man, a man who served others. He was in Viet-Nam to help the people, and for this he was kidnapped by the Viet Cong, and held illegally through the long years, only to die, tragically, still unjustly held by his captors.

You and your children can always be proud of a man who made the ultimate sacrifice as he sought to help improve the lives of others.

Mrs. Johnson and I extend our heartfelt sympathy -- a sympathy that is shared by a grateful nation.

Sincerely

Lyndon B. Johnson

Mrs. Gustav C. Hertz
Route 2
Leesburg, Virginia

LBJ:WJJorden:pas:11/8/67

THE WHITE HOUSE

WASHINGTON

Wednesday, November 8, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Meeting with Rectors of South Vietnamese Universities and Trustees of Education and World Affairs, November 9

The Rectors you are seeing represent each of the five South Vietnamese universities. They recently completed a seminar on "Policy Formulation in American Higher Education" conducted by Wisconsin State University, and financed by AID. (A Summary of this program is at Tab A). We do not yet know the participants' reaction to their visit, though in general, they are reported enthusiastic and pleased with what they have seen and done so far.

The Rectors (biographies at Tab B) and their universities are:

Dr. Tran Quang De, University of Saigon
 Father Nguyen Van Lap, University of Dalat
 Professor Nguyen The Anh, University of Hue
 Venerable Thich Minh Chau, Van Hanh (Buddhist) University
 Professor Pham Hoang Ho, University of Can Tho
 (Dr. Bui Xuan Bao, University of Saigon (Secretary to the group)
 Mr. Hoang Si Binh, AID/Vietnam interpreter

With the Rectors will be three trustees of Education and World Affairs (EWA). On Tuesday of this week, the Rectors met with the trustees to learn about EWA's activities and to discuss EWA's proposed Vietnam program. The EWA trustees present will be:

Mr. William W. Marvel, President of Education and World Affairs
 Mr. Herman B. Wells, Chancellor of Indiana University
 Mr. Vincent M. Barnett, Jr., President of Colgate University
Dr. Lee Dreyfus, President, Wisconsin State College
 (You met with Marvel and Wells and other EWA trustees last January).

I suggest the following scenario for the meeting:

1. Introduction of Vietnamese Rectors and EWA trustees.
2. Remarks by you along the following lines:

To the Rectors -- The Vietnamese universities have a vital task in preparing a new generation for responsibilities of independence and growth.

-- Higher education abroad for Vietnamese can affect only a few students. The Vietnamese universities have a far more important educational role to play in finding and teaching solutions to Vietnamese problems.

-- You are pleased that the Rectors have had an opportunity during their visit to learn something about American education and to meet with distinguished educators, such as those in Education and World Affairs.

To the EWA Trustees

-- You are impressed by the progress EWA has made since January in formulating a role for the US academic community in the reconstruction and further development of Vietnam. (A copy of this program, with brief summary is at Tab C).

-- Encourage EWA to move forward with their plan and offer the continuing cooperation of the Government in so doing.

Suggest to both groups

-- That they discuss means by which the US academic community could assist the vital work of Vietnamese institutions of higher learning.

-- That they examine the possibility of using educational television in Vietnamese universities to present selected lectures by outstanding American academicians -- and, more importantly, to permit the best Vietnamese teachers to be available to all university students.

3. After your remarks, you might:

-- Ask the Rectors for their impressions of the United States. (They understand English, but are reluctant to express themselves in it -- we will suggest to them in advance that a spokesman be designated).

-- Give one of the trustees an opportunity to say a few words about EWA.

This should cover all the necessary aspects of your meeting, but I would recommend that you have the photographers in to take pictures of the group. ~~Depending on how the meeting goes, you might want to suggest that they see the reporters on their way out.~~

In addition to those named above, Doug Cater, Bill Leonhart and I would be present if you wish.

A fact sheet on Vietnamese universities is at Tab D.

W. A. Rostow

TABA
9/a

AID Seminar for Vietnamese Rectors

The Rectors of the five universities in South Vietnam are visiting the U. S. under an AID-sponsored project. The project grew out of an AID higher education survey in South Vietnam completed last April. The object is to allow the Rectors to review the administration and development of U.S. higher education, both public and private, with emphasis not only on purely technical aspects but also on the role and relationship of the schools to the community (educator-layman relationships, Board of Regents operation, etc.).

The trip is being run by the Wisconsin State University at Stevens Point, Wisconsin, under AID contract. Most of the participants' time has been spent in Wisconsin, visiting schools and participating in various educational activities there. They have also visited the University of Chicago and Harvard briefly. Their trip totals six weeks; they will remain in Washington until November 13 and will return to Saigon from a final conference in Hawaii on November 18.

Upon their return to Vietnam, they are expected to lead a conference of higher educators in determining improvements in the Vietnamese system.

LIMITED OFFICIAL USEDr. Tran Quang De

Rector, University of Saigon
Born 1908, Sadec (South Viet-Nam)
Received Doctorate in Medicine at Faculty of
Medicine, Paris, 1935
Practicing surgeon and professor of medicine
at University of Saigon
Married, three children
Speaks French, some English

Father Nguyen Van Lap

Rector, University of Dalat
Born 1914, Quang Tri (Central Viet-Nam)
Graduate of the Faculty of Science and Letters
(History and Geography), University of
Aix-en-Provence, France
Formerly National Director of Catholic Action,
a Catholic welfare and community organization
Speaks French

Professor Nguyen The Anh

Rector, University of Hue
Born 1936 (Laos)
Received Doctorate in History from University of
Toulouse 1964, after "Agregat" degree from
University of Paris 1963
Married, four children
Speaks French and English

Venerable Thich Minh Chau

Rector, Van Hanh (Buddhist) University
Born 1920
Received M.A., Ph.D. in Buddhist studies from
Nalanda University, India
Author of several works on Buddhism, in Vietnamese
and Poli
Speaks English, French, Chinese, Poli
Comment: Minh Chau is highly respected as the
leading Buddhist intellectual. He has not
been involved in Buddhist political activity
and has managed to keep Van Hanh University
relatively clear of politics.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

- 2 -

Professor Pham Hoang Ho

Rector, University of Can Tho
Born 1931, Can Tho (South Viet-Nam)
Received Doctorate of Science (Biology and
Psychology) from University of Paris
Author of several books and articles on biology
and psychology
Was Director of Oceanographic Institute, Nha Trang
Married, three children
Speaks English and French

LIMITED OFFICIAL USE

TABC
910

Summary of Education and World Affairs Vietnam Program --
"Reconstruction and Further Development in South
Vietnam: A Role for the U. S. Academic Community"

EWA takes note of the alienation of segments of the US academic community from our Vietnam policy. Their program grows out of the belief that if the academic community addressed itself to the economic and reconstruction needs of Vietnam something can be accomplished to ameliorate this alienation, that this will be an outcome strongly in the national interest and congenial to EWA's purposes.

Their objectives are summarized as follows:

1. To help create and support a climate of intelligent and informed concern in the United States, especially in academic circles, with respect to the development problems of South Vietnam.
2. To study the various means that should be adopted in order to give effective voice to that concern.
3. To provide as broad a base as practicable for participation by the U. S. academic community in cooperative development efforts with that country.

Their program has two main elements: study and operations. Study programs would be conducted directly within the present pattern of their organization and would include:

1. Academic study groups on up to 20 campuses sponsored and supported by EWA. These groups would concern themselves with subjects such as the Vietnamese educational system, nutrition and agriculture.
2. Study of the transfer of developmental expertise with Vietnam as a case study.
3. Study of Vietnam's "brain drain" problem. EWA has recently launched a world-wide study of this phenomenon. (The Vietnamese Rectors were particularly interested in this idea).
4. Study of possible additional sources of third-country assistance to Vietnam.

Operational programs would be identified by EWA, but undertaken by qualified existing organizations. These programs would include:

1. Assessment of Vietnamese educational development and the relationship of educational planning and expansion to manpower utilization and employment.

2. Manpower identification and recruitment.

3. Identification, collection and dissemination of information and research results bearing on development problems in Vietnam.

Thus far, EWA has taken the following specific steps to implement their program:

1. Preparation for the formation of study groups.

2. Formation of an EWA advisory committee.

3. Consultation with other groups involved in Vietnamese development efforts. They are already working with David Lilienthal's Development and Resources Corporation. (Lilienthal, like Ambassador Bunker, is an EWA trustee.)

4. Establishment of an informal advisory relationship with AID.

Comment

EWA's greatest need at this point is:

1. Encouragement from the Government.

2. Foundation funds -- they have hopes of some Ford money.

August 1, 1967

TABC

gld

EDUCATION AND WORLD AFFAIRS
522 Fifth Avenue
New York, New York

RECONSTRUCTION AND FURTHER DEVELOPMENT IN
SOUTH VIET-NAM: A ROLE FOR THE U.S.
ACADEMIC COMMUNITY

This document is intended as a summary of several EWA memoranda and internal reports on this subject during recent months. In reflecting the June Board of Trustees decisions, it supersedes all the preceding EWA documents on this problem and sets the stage for what this organization will seek to accomplish on the Viet-Nam problem in the next year or two.

- I. Background of EWA Concern
- II. Elements of an EWA Program
 - A. Study Activities
 - B. Operational Activities
 - C. Categories of Personnel
in EWA Program
 - D. Steps Planned for Next
Six Months
- III. The Long-Term Nature of the Problem

Attachments

- A. Excerpt from EWA Board Meeting Minutes,
June 27, 1967
- B. I. Principal Features of Viet-Nam
Faculty Study Groups
- II. Report on Planning Undertaken for
Study Group at Cornell

For the past seven or eight months, Education and World Affairs has had under discussion the question of how the U.S. private sector (especially the academic community) might be more closely and more meaningfully related to the reconstruction and developmental needs of South Viet-Nam. Following the visit of the EWA trustees to the White House on January 20th, and especially since the regular March board of trustees meeting, the staff has been engaged in a wide range of conversations, and the establishment of new contacts, with individuals who are well informed on the nonmilitary side of the situation in South Viet-Nam. Our purpose over these weeks has been to accomplish the large amount of "homework" necessary for effective action on the ideas which EWA had formulated in a preliminary way prior to the January 20th discussions in Washington.

At their June 27th meeting, following a discussion of the problems of Viet-Nam with various invited guests who are knowledgeable about the country, the EWA board of trustees concluded that they had reached the definition of a role for this organization which is meaningful in terms of the problems of reconstruction and development in South Viet-Nam and at the same time is consonant with the nature of EWA itself. The trustees at that time voted approval for moving ahead with certain activities which had been proposed to them during the discussion and which had been fully explored during the meeting. (See Attachment A, excerpt from June 27 board meeting minutes.)

I. Background of EWA Concern

The compelling nature of the problem which South Viet-Nam constitutes for the United States forms the context of EWA's interest and concern. That country presents us with foreign policy di'lemmas unequalled in recent American history. Many Americans, both in and out of government, question not only our tactics and strategy in South Viet-Nam, but even the validity of the entire American posture in Southeast Asia.

Given a national mood of such unrest and alienation, it is not surprising that the developmental needs of South Viet-Nam have appeared to be in the background of U.S. concern. The constructive aspects of American efforts in that country

are not well known and have not caught the public imagination. X
Many people seem to reject the possibility of doing anything significant on the development front in the midst of active hostilities. They apparently believe that internal insecurity is so great, because of the Viet Cong, that institution-building and development remain irrelevant until the war is ended.

* * * * *

We believe that the problem now faced by the United States in supporting the development of South Viet-Nam has parallels to the background situation which brought EWA into being. In the late 1950's, it had been agreed by a number of responsible officials and observers in both public and private life that the major resources of knowledge and skill within the academic community were not being brought to bear as effectively as they should be on the nation's problems in international affairs. To improve this situation was the principal reason for the creation of EWA.

AS Now again, but in a highly specific context and under much more complex circumstances, the need is to mobilize the resources of the universities, colleges and other reservoirs of talent and skill in the private sector, to plan and carry out a cooperative program of reconstruction, institution-building, and long-term development in South Viet-Nam. If we can be skillful and inventive enough to move forward on this front even before hostilities have ended, this alone will be an historic achievement. But in any event, it is not too early to start the planning of what can be done -- indeed, what must be done -- when the war is over.

The sharp emotional dissension we find in American public and private life today over the Viet-Nam question is itself a source of concern to EWA. One of the objectives of this organization is to promote constructive and fruitful relationships between the academic community and the federal government. But we doubt that circumstances are propitious for direct reestablishment of a meaningful dialogue, or for genuinely closing the gap that now separates a number of academicians and intellectuals from their government.

Yet the fact is, that to a significant degree, the resources needed to assist in the rebuilding and development of that unfortunate Southeast Asian country are to be found in the U.S. academic community. If, therefore, in approaching the Viet-Nam problem from other angles, something can be accomplished to ameliorate the present picture of alienation, it will be an outcome strongly in the national interest and especially congenial to EWA's purposes. This is the basic assumption underlying our projected efforts.

There are also several other premises. One is that the United States has a deep moral obligation to assist further with the constructive development of South Viet-Nam, not only because that country's stability and independence have been declared essential to American national interests, but also because of the destruction and disruption which the prosecution of the war has visited on it. EWA believes that the more direct participation of the U.S. private sector will become increasingly important over time. Working relationships between American and South Vietnamese individuals and institutions should contribute significantly to reknitting and strengthening the social fabric of that country. Although in the immediate future warfare in South Viet-Nam will presumably limit the involvement of the U.S. private sector, ways should be sought, even while hostilities are going on, to extend and strengthen our nongovernmental ties with the South Vietnamese.

EWA believes that the South Korean case may be instructive, that what that country has achieved in recent years underlines the importance of beginning to build as early as possible for the future reconstruction and concerted development of South Viet-Nam. To some students of the problem, it now appears that we waited ten or fifteen years longer in the case of South Korea than was really necessary. They feel that the heartening progress which South Korea has shown in the 1960's might well have come earlier if Americans and Koreans had been able to think in those terms during or immediately after that war. (It is therefore especially encouraging that the Development and Resources Corporation, under AID contract, has begun to work cooperatively with the South Vietnamese on a broad long-range economic development program. It will be of the greatest importance for EWA to keep fully informed on D and R's project, a process that can be facilitated by direct contacts with Mr. David E. Lilienthal who is a trustee of EWA and has already been extremely helpful to this organization on the Viet-Nam problem.)

Finally, we assume that our fundamental ignorance of South Viet-Nam must be taken into account and corrected as we prepare to work effectively with the people of that country. It is therefore important that appropriate linkages be established between U.S.-supported research and writing on and in that country, and our efforts to contribute to the solution of developmental problems through technical assistance and educational exchange. With respect to the theory and practice of developmental assistance generally, the United States might succeed in making a dramatic advance if it systematically based its efforts on the potentially supporting relationships between research on the problems of another country and the whole process of cooperation for development.

* * * * *

Against this background, Education and World Affairs has three objectives in view in proposing the program of activities described in the remaining pages of this document:

First, to help create and support a climate of intelligent and informed concern in the United States, especially in academic circles, with respect to the development problems of South Viet-Nam;

Second, to study the various means that should be adopted in order to give effective voice to that concern;

Third, to provide as broad a base as practicable for participation by the U.S. academic community in cooperative development efforts with that country.

II. Elements of an EWA Program

We foresee a need for two different kinds of activity directed towards the reconstruction and further development of South Viet-Nam: study and operations. The nature of EWA suggests that the study function could more easily be accommodated directly within the present pattern of the organization. When operational functions are identified and EWA believes itself not to be in a position to undertake them

directly, it should assume responsibility for helping to place them with qualified existing organizations, including EWA's affiliate, Overseas Educational Service.

A. Study Activities

1. Academic Study Groups. The program idea most fully developed at this stage is that of EWA sponsorship and support of up to twenty college and university faculty study groups on aspects of Vietnamese reconstruction and development. The idea of encouraging such study groups was first explored through EWA staff visits to several college and university campuses; was then the subject of a letter from EWA board chairman Herman B Wells to eleven college and university presidents asking for nominations of faculty to attend a consultative conference; and was then discussed in depth at a conference held in New York in early June 1967.

The study groups would focus on problems of real and pressing concern in the reconstruction and further development of South Viet-Nam, such topics as: the present character and future reform of the educational system; problems of nutrition; improved patterns of agriculture; technical aspects of political development, with particular attention to the role of the hamlet in the Vietnamese political structure; transportation and water resource development; and architectural questions such as the adaptation of military structures to peace-time needs. Individual study groups might also expand the geographic focus beyond South Viet-Nam to include all countries in the lower Mekong region.

The study groups would be interdisciplinary, including not merely social scientists, but representatives from the humanities, natural sciences, and professional fields as well. Each group would be independent in the sense of adopting its own frame of reference on such matters as political and military expectations for South Viet-Nam. However, several groups would probably wish to develop some form of affiliation among themselves in order to share information, personnel, and financial resources. EWA would serve as the catalytic agent for the formation of the study groups, as a communication link between the various groups, as a channel both of information, and of financial and human resources to .

the groups and of recommendations from the groups to individuals involved in Vietnamese reconstruction and development.

The purposes of the study group program would be several: to develop new knowledge and information about South Viet-Nam and related problems; to disseminate this new knowledge to those individuals responsible for assisting in reconstruction and development programs; to provide those American faculty involved in the study groups an opportunity to explore and refine their theories of development; to provide U.S. government officials and others knowledgeable about South Viet-Nam an opportunity to meet with these faculty groups; and to facilitate the preparation of academic people for future service in programs of reconstruction and development.

(Attachment B gives further information on the faculty study group idea, being composed of "I. Principal Features of Viet-Nam Faculty Study Groups" and "II. Report on Planning Undertaken for Faculty Study Group at Cornell.")

2. Study of the Transfer of Developmental Expertise.

Programs for the reconstruction and development of South Viet-Nam should be based on an understanding of the ways in which a developing society can draw upon the accumulated expertise of a more advanced society. Despite twenty years of concentrated attention by the United States and other developed nations to the needs of the developing countries the concepts and techniques of this transfer of expertise are not nearly so well understood as one would expect.

Although this problem is obviously much broader than U.S. relationships with South Viet-Nam, nevertheless EWA hopes to carry out a study of it as part of the cluster of activities herein described. To work with the staff and other EWA consultants in thinking our way into this complex of questions will be one of the main assignments for the advisory committee, mentioned below. The objective would be, by making South Viet-Nam the main case study but drawing on other relevant experiences as well, to formulate basic concepts and operating principles applicable to the relationships in development cooperation between the United States and the less-advanced countries. It is anticipated that there will be opportunities for mutual support between this planning activity of the Advisory Committee and the deliberations of the faculty study groups.

(If a plan for a full-scale study of this range of problems is worked out three to six months in the future, it will probably require the designation of a study director and committee and the obtaining of special financing. What is projected here is only the exploration of the need for and possibility of such a study by the Advisory Committee working with the EWA staff.)

3. Study of Overseas Vietnamese. The willing or unwilling expatriation of many highly trained South Vietnamese seriously hinders the reconstruction and further development of their country. EWA has recently launched a major study of this "brain drain" phenomenon on a world-wide basis, under the title of "The International Migration of Talent." A special sub-study is now being explored to deal with these same "brain drain" problems with respect to South Viet-Nam.

This study would describe the present geographical distribution of overseas Vietnamese, analyze the reasons for their expatriation, and suggest policy recommendations that would encourage the return of some expatriates to useful positions in their own country.

4. Study of Third-Country Assistance to South Viet-Nam. Many Americans, in both the public and private sectors, have come to recognize the importance and relevance of multi-national approaches to development assistance. The peculiarly difficult problems of South Viet-Nam have prompted the effort to encourage participation of friendly European and Asian governments in present efforts to support that country, especially on the military front.

EWA believes there may be value in a careful study of the potential contributions from the private sectors of these other friendly countries to Vietnamese reconstruction and development. Of particular interest would be the possibility of increased attention by those Asian countries whose own national interests are most affected by the problems of South Viet-Nam, such as Australia, New Zealand, Japan, Thailand, the Philippines and South Korea. Such a review might be done within the framework of the study proposed above, in Point A, 2; or, it might be a separate undertaking.

B. Operational Activities

1. Education and Human Resource Development in South Viet-Nam. Given the nature and orientation of EWA, it is natural that education would be its principal area of potential contribution. Although the details of any such involvement remain to be worked out, there are several patterns that might be followed. An appropriate kind of relationship might be one that paralleled the role which EWA's committee on Education and Human Resource Development has had in Nigeria under a contract of more than two years' standing with the African Bureau of AID. In collaboration with both AID and the relevant Nigerian officials, this committee has carried on a series of assessments of Nigerian educational development and the relationship of educational planning and expansion to manpower utilization and employment.

Other roles suitable for EWA might be developed out of the report, "Public Universities of the Republic of Viet-Nam", a survey begun by the eight U.S. educators who lost their lives in the plane accident in that country in early 1967 and completed by a second team of American university people. There are several recommendations in this report, having to do with the working out of exchange and other support arrangements with American universities, that might be appropriate for EWA participation. Parallel plans might well be developed also by the two private universities of South Viet-Nam, which were not covered in this report.

Several observers who have reviewed the educational scene in South Viet-Nam have commented on the need for a general plan for integrated educational development in that country, a plan that would suitably relate the changes and reforms necessary at the various levels of education--primary, secondary, university and technical-vocational--with other aspects of economic planning and the expansion of employment. When the opportunity is at hand for the carrying out of such an effort, EWA, through the Advisory Committee on this project and Overseas Educational Service, might make appropriate contributions. Such planning will be meaningful, of course, only when South Vietnamese political leaders and educators recognize its value and genuinely want it to happen. It must, therefore, be set up as a joint, cooperative endeavor with the South Vietnamese; it would be a serious mistake to undertake it as a purely American exercise.

2. Manpower Identification and Recruitment. There are a number of Americans, Vietnamese, and nationals of allied countries who, though concerned and knowledgeable about the problems of South Viet-Nam, are not now involved in programs related to the developmental needs of that country. Of particular interest are those individuals who find themselves unable or unwilling to serve in governmental positions; many of them may, because of career patterns or personal preferences, be more amenable to accepting positions with private organizations concerned with Vietnamese development.

Given EWA's orientation toward encouraging the commitment of academic and other private expertise to problems of public concern, this organization, with its affiliate OES, would be an appropriate body to assist in locating this manpower and channeling it to organizations and programs connected with reconstruction and development in Viet-Nam.

3. Information Activities. There is a considerable amount of scattered and fugitive material on the development problems of South Viet-Nam which is not readily accessible to either the general public or to those with a special and serious interest in that country. No agency seems to be performing the general clearinghouse function for published material on South Viet-Nam.

It is possible that one of the universities involved in the academic study group program might undertake, through a contract, to identify, collect and disseminate information and research results bearing on development problems in Viet-Nam. Meanwhile, EWA will begin this task on a modest basis, particularly in support of the academic study group program.

C. Categories of Personnel in EWA Program

Education and World Affairs plans to draw on the expertise and service of five categories of individuals to develop and implement the Viet-Nam proposals:

1. Board of Trustees. EWA activities concerned with Viet-Nam have been approved by the board of trustees, with an ad hoc committee appointed at the March 1967 board meeting exercising special oversight. Its members are Messrs. Vincent Barnett, Grayson Kirk, David Lilienthal and Edward Mason.

2. Officers and Staff. Within EWA there is a Viet-Nam Task Force consisting of: William W. Marvel, president (chairman); Irwin T. Sanders, vice president; John Scott Everton, vice president and executive director of Overseas Educational Service; Peter N. Gillingham, executive associate; Andre E. Rheault, executive associate and director, EWA Washington office; and David B. Arnold, executive associate.

3. OES Staff. Overseas Educational Service, which functions under the authority of the EWA board, is expanding both its operational scope and its geographic focus. The number of U.S. registrants for overseas service (almost entirely academic people) on the OES roster now approaches 14,000. OES' earlier, almost exclusive concern with the identification of American faculty for African universities has now expanded to include recruitment of university faculty for Turkey and Thailand as well. With the arrival of Preston Schoyer (who has directed EWA's Universities Service Center in Hong Kong) to assume the post of deputy director of OES, three of the four senior staff people have had major experience in Southeast Asia. These OES developments clearly enhance the relevance of the organization for the Viet-Nam program now envisaged.

4. The Viet-Nam Advisory Committee. As indicated earlier in this document, EWA plans to assemble a committee of prominent experts on Viet-Nam, on development problems, and on related matters, to function in a role of continuing study, assessment, consultation and recommendation on all aspects of EWA involvement on this front. EWA believes there is great future potentiality in the concept of the Advisory Committee--if the right people can be persuaded to serve--and will seek to establish the group on the basis of a broad mandate and considerable flexibility of approach.

5. Consultants. EWA expects to make considerable use of outside consultants in the course of this program. The staff has already met with a number of individuals with relevant experience in Viet-Nam and is currently planning the further expansion of this crucial network of contacts.

D. Steps Planned for Next Six Months

As indicated throughout this document, EWA has a full but manageable Viet-Nam agenda for the next six months or one year. If the necessary additional financing required to begin various aspects of the program can be obtained, the following would be the projected timetable:

1. Launching of the Academic Study Group Program.

Building from the June 1967 exploratory conference, EWA is prepared to start the first of the faculty study groups during the late fall of 1967. Their initiation would depend, of course, on the state of readiness on any particular campus (in this connection, see the report from Cornell which is part of Appendix B) and, of course, the full number of study groups would probably not be organized until the close of the 1967-68 academic year. A part of the plan is to organize a three or four week summer seminar on goals and procedures for these study groups, based on the experience accumulated during 1967-68, and to hold this in the summer of 1968 for representatives of all the groups, organized or projected. Then, by the academic year 1968-69, it is assumed that this part of the program would be fully underway with perhaps as many as twenty such study groups going forward.

2. Formation of Viet-Nam Advisory Committee.

During the fall of 1967, the individuals who would be sought as members would be approached, and it is hoped that the committee could be fully organized and launched by the end of the calendar year 1967. One of its early activities might be the convening of a meeting of individuals knowledgeable about the institutional patterns of rural South Viet-Nam, thus launching a practical exploration of just what the socio-economic environment for development in that country actually is. This would be expected to lead into the kind of ongoing effort suggested earlier in this document under A, 2, Study of the Transfer of Developmental Expertise. Thereafter, the committee might turn its attention to the formulation and refinement of plans for other studies that would contribute toward the better understanding of how an advanced country like the United States can cooperate in development programs with a country such as South Viet-Nam.

3. Regular Consultation with Other Groups Involved in Developmental Efforts in South Viet-Nam. There are various organizations carrying on programs related to these same matters and it is important that EWA establish and maintain close liaison with them. Perhaps the two most important ones are the Development and Resources Corporation, which is carrying forward a long-range economic planning effort for South Viet-Nam under AID contract, and the Council on Vietnamese Studies of the Southeast Asia Development Advisory Group (SEADAG), which is giving its major attention to the furthering of research on Viet-Nam in the U.S. scholarly community. EWA believes that there is a distinctiveness of approach and emphasis as between these efforts and what this organization itself seeks to accomplish. But in order to assure that this is the case on a continuing basis and to enable EWA to plan its activities so that, to the extent possible, they are supportive of the efforts of these other groups, regular contact and liaison with the Development and Resources Corporation and the SEADAG Council are of great importance.

4. Beginning of Information and Personnel-Identification Activities. These aspects of the general program, as described above in this paper, will be undertaken on a limited basis starting immediately. EWA has already begun to bring together in a special collection within its Information Center, basic materials on problems of reconstruction and development in Viet-Nam. And it is currently developing a modest roster of individuals who have various kinds of specialized knowledge and experience in relationship to these problems. The groundwork will be laid during the last months of 1967 for what in the future may be an activity of considerably larger proportions. In the meantime, these beginnings will be important in support of both the Advisory Committee and the faculty study groups on the various campuses.

5. Informal Advisory Relationship. EWA will be prepared to work with the Agency for International Development and its new Bureau on Viet-Nam in an advisory relationship as appropriate matters, having to do with the United States academic community, arise. The ways in which EWA can be useful cannot be precisely charted at the present time, but informal liaison has already been established and several program activities have been discussed in connection with which the resources EWA could bring to bear appear to be of value.

6. Exploratory Field Visit to South Viet-Nam. Under an arrangement worked out with the Bureau on Viet-Nam of AID, and with several AID representatives in Viet-Nam, Peter N. Gillingham, executive associate of EWA, will visit that country in September 1967. His purpose will be to familiarize himself with those aspects of conditions in South Viet-Nam relevant to EWA's projected activities. He will be considering particularly the contributions which the U.S. academic community and other parts of the private sector of this country might, in the future, make for education and manpower programs as a part of the long-term reconstruction and development of that country.

III. The Long-Term Nature of the Problem

EWA fully recognizes that all efforts to assist with the reconstruction and national development of South Viet-Nam will be long-range. Given the nature of the development process, moves undertaken and activities begun now will frequently not have visible practical results for several years at best. One important part of our thinking has been the possibility that new institutional arrangements and administrative structures may eventually have to be created in order to support and facilitate a full program of U.S. cooperation in development with the South Vietnamese.

It is also EWA's conviction that the efforts described in this paper will succeed only to the extent that patterns of genuine cooperation between elements of the American private sector and appropriate South Vietnamese institutions and individuals can be given reality. It therefore seems likely that any new institutional arrangements or administrative structures that may be devised should have a substantial private and non-governmental character, especially at the United States end, and possibly in South Viet-Nam as well.

An important part of the thinking at EWA, over the past eight or nine months when these problems have been under active consideration, has been the concept of working toward a developmental foundation or commission appropriately grounded in the American private sector and effectively anchored in Vietnamese society. Although we have concluded that it would be premature at this time to draw a detailed blueprint of such an American foundation, or to encourage the South Vietnamese

to formulate their own plans for a counterpart institution, nevertheless we believe these developments, at a suitable time in the future, will prove to be highly desirable to undergird an extended U.S. commitment to developmental activities in South Viet-Nam. So far as EWA is concerned, the status of this part of the problem is revealed in the corresponding passage from the minutes included in the excerpt of the board meeting of June 27, (Attachment A):

"...the board approved the vigorous further exploration of the new institutional arrangements necessary to sustain a long-term effort of U.S. private sector cooperation with South Viet-Nam in reconstruction and development. At the same time, the board stipulated that EWA would not at this time be considered committed to any particular type or form of institutional arrangement."

With this board of trustees authorization and encouragement, EWA intends to make such "vigorous further exploration" a concerted part of the other more immediate program activities described in this document. EWA recognizes that in order to devise the appropriate institutional arrangements at the U.S. and South Viet-Nam ends of the relationship, and to assure their effective implementation, there will have to be extremely wide discussions and the development of a broad consensus. EWA does not underestimate the difficulty of this task. But for the long run, this may be the most important challenge we face and EWA therefore intends to pursue it as far as conditions and opportunities permit.

Attachment A - August 1, 1967 Paper

(Excerpt from Minutes of Meeting of the Board of Trustees of Education and World Affairs held at the Princeton Inn, on Tuesday, June 27th.)

After discussion, the board concluded that EWA should proceed with the further refinement and implementation of the program presented in the paper entitled, "The U.S. Private Sector and Developmental Efforts in South Viet-Nam: A Plan of Action" (Document I for this meeting).

The board agreed that the general objective of this effort, during Phase I, should be to create a climate of intelligent and informed concern in the United States, especially in academic circles, with respect to the development problems of South Viet-Nam; to study the various means that should be adopted in order to give effective voice to that concern; and to provide as broad a base as practicable for U.S. participation in cooperative development efforts with that country. A long-range objective would be to help create a situation in South Viet-Nam which would encourage the people of that country to define their own problems and to take the initiative in seeking help from the outside as necessary in order to solve them.

The trustees specifically approved the undertaking of the activities included in Phase I of the aforementioned document, with particular attention to the academic study groups that would be established on a number of U.S. university campuses. It was recommended that the target number of university-based study groups be twenty, the trustees, however, recognizing that considerable time and energy would have to be invested in order to reach this scale of activity.

With respect to Phase II, as outlined in the cited document, the board approved the vigorous further exploration of the new institutional arrangements necessary to sustain a long-term effort of U.S. private sector cooperation with South Viet-Nam in reconstruction and development. At the same time, the board stipulated that EWA would not at this time be considered committed to any particular type or form of institutional arrangement.

It was understood that the actual launching of any new activities included within this board authorization would be contingent upon EMA requesting and receiving sufficient funds, additional to those now available to the organization, to finance the new programs.

The board also approved the president's recommendation that a strong advisory committee for this project be formed. There was discussion of individuals who might be invited to serve.

The trustee committee appointed at the March board meeting, composed of Messrs. Barnett, Kirk, Lilienthal, and Mason, was requested by the chairman to continue as the chief point of regular contact between the board of trustees and the staff in overseeing this effort. Mr. Wells will join the committee as its chairman.

After discussion and upon motion duly made and seconded it was unanimously:

RESOLVED, to authorize the officers to proceed with Phase I of the special project on U.S. - Viet-Nam cooperation in development, along the lines proposed in the basic staff paper and discussed at the meeting, on condition that adequate special financing is secured; and to explore thoroughly the plan proposed for the second phase of the project, without, however, commitment to any specific form or means of implementing Phase II.

I. PRINCIPAL FEATURES OF VIET-NAM FACULTY STUDY GROUPS

A. In selecting universities as sites for a study group on the problems of reconstruction and development of Viet-Nam the EWA staff will take the following criteria into account:

1. There must be an identifiable core group of from 7-12 people interested in constituting such a study group and ready to devote reasonable time to it.

2. They must have agreed upon one or more topics dealing with some aspect of development and have the competence to treat, both theoretically and practically, this theme. This means, that representatives of 4 or 5 fields may each have a contribution to make to the theme or themes under study.

3. The study group must have an express interest in relating their theme or themes to Viet-Nam or to a broader Southeast Asian context. What expertise on Viet-Nam that does exist on the campus should be brought into the study group.

4. Where additional expertise on Viet-Nam is required, (this will prove true in most cases) the group should express a readiness to make use of relevant materials on Viet-Nam made available to it, as well as to utilize guest speakers familiar with Viet-Nam whose visits can coincide with study group discussions of topics related to the competence of the guest.

5. The study group will agree to prepare either a series of papers, each written by a member of the group, or a combined group report on the application of the themes investigated to the reconstruction or development of Viet-Nam or a wider area.

B. For its part, the EWA staff assumes that each study group will be related to some continuing interest within the university to developmental topics and/or an area interest in Southeast Asia. It also assumes that some of the senior, highly competent people in the university will be attracted to the study group if it sets out to deal with hard intellectual and theoretical problems but in terms of applying them to a specific set of local conditions that prevail in Viet-Nam.

EWA also assumes that each study group will set for itself the assumptions regarding the military, political and economic conditions in terms of which its analysis is being made.

C. Although EWA has not tried to negotiate the details of any study groups before funding is assured, it has thoroughly tested the idea behind these groups. On the basis of conversations with university administrators and faculty members and of remarks made at the June 11-12th conference in New York, the following illustrations are believed to be realistic:

One seminar, probably located at Vanderbilt, might focus on problems of nutrition in Viet-Nam.

Three or more seminars might deal with some aspect of agriculture, Iowa State, Cornell and Wisconsin being prime possibilities.

Three or more might deal with some of the technical aspects of political development, particularly as related to the role of the hamlet in the national political structure. (University of Michigan.)

Two or three might be devoted to problems connected with education such as human resource development, strengthening of the school and university systems, and adult education.

Engineering matters such as transportation and water resource development might interest a cluster of engineers as well as nonengineers. (MIT-Harvard group.)

Architects might concern themselves with the problem of adapting structures built for military purposes to peace-time uses. (Yale)

D. It should be pointed out that EWA is aware of the fact that some of the above topics have probably been studied in detail by various governmental and even private agencies. But a university study group might sift through what has been done

vis-a-vis Viet-Nam and relate it to development experience gained in South Korea, Taiwan, and other similar countries. As it begins to clarify its propositions, it might speed up the process of direct rigorous test before issuing any report or pronouncements.

In other words, the purpose of the study groups is to make it possible for university people and the guest experts associated with them to think about the problems of Viet-Nam and share the results of their deliberations. Such a luxury is seldom found off the university campus where people are involved day-by-day in all-absorbing action programs. At some point thought and action must be related, and both deserve support.

E. In closing, certain obvious benefits of these study groups might be mentioned:

1. On selected campuses across the U.S. there will be groups looking seriously at the development aspects of Viet-Nam, on a sustained basis, and from a professional, non-political point of view. This will be the focal point for widening information and contacts concerning Viet-Nam. The academic community will to some degree become better informed about the issues so much in debate.

2. It is most likely that some professional school people who participate in these study groups will be willing to engage in technical cooperation projects in Viet-Nam, having been attracted to this activity largely by the study group experience.

3. The analysis of some aspect of the development problem in Viet-Nam carried out by each group can provide helpful leads for those responsible for programs in that country. The degree to which this will happen will depend upon the competence of the people involved and the extent to which reliable Viet-Nam data are provided. In several fields, however, it seems reasonable to expect that "the state of the art" will be advanced.

4. Government officials and others with first-hand knowledge of Viet-Nam will be given the opportunity to meet with these study groups. Such "action" personnel may clarify their own ideas by having a chance to talk with these groups.

5. By maintaining communication links among all of the seminars the work being done by one group can stimulate the others. Thus, we are not proposing a set of discrete, separate, unrelated seminars that rise and fall on the enthusiasm of just a few people. Participants will be made to feel that they are part of a much larger undertaking and will visit back and forth between various study groups. The three- or four-week seminar or workshop for representatives of the different groups during the summer of 1963 should give further meaning and coherence to the whole effort.

II. REPORT ON PLANNING UNDERTAKEN FOR FACULTY STUDY GROUP AT CORNELL.

A meeting of Cornell faculty members concerned with the EWA project on Viet-Nam study groups met on July 15 to consider what steps might be taken to create such a group on the Cornell campus. It was felt that both the library resources at the university and the strong interest in Southeast Asia and development problems warranted an attempt to set up a group, which would include qualified graduate students as well as faculty members and would stress the coordination of information and methodology of the applied and social sciences. The establishment of such a group, it was stressed, would not indicate endorsement or rejection of the current U.S. role in Viet-Nam.

Although faculty members likely to participate in such a study group had heavy work commitments, it was felt probable they would devote time to active participation in it providing there was enough leadership and resource material to make the sessions useful. Here the major problem is that in spite of its interest in Southeast Asia, Cornell does not possess a faculty member whose area specialty is Viet-Nam and who could therefore be looked to for the necessary expertise and

willingness to devote considerable time to the project. It is unlikely that this gap will be filled in the immediate future, as the qualifications asked of a permanent Viet-Nam specialist are rather stringent. However, it would seem possible that as an interim measure we might undertake the temporary appointment of a more junior person with experience and interest in Viet-Nam who might act as a human resource and development administrator while pursuing his own funds for such a person, and it would have to be seen if money for this purpose could be diverted from ongoing projects at Cornell or, if this was impossible or insufficient, whether EWA's aid could be enlisted in securing the necessary support.

Even if no difficulty develops in funding such an appointment, it seems unlikely that we will be able to obtain a qualified person to fill this position by September, and perhaps not before the end of the coming academic year. It was felt, nonetheless, that it would be worthwhile holding intermittent sessions of the study group during the coming year in order to develop interest and commitment, to survey the available human and library resources, and to define problems and methods of approach. Perhaps half a dozen such sessions would be held. While the first session or so might rely on persons at Cornell to lead the discussions, it would be necessary, to preserve momentum and provide qualified background, for outside experts to be brought in to lead subsequent meetings. Recommendations for such leaders are now being requested of faculty members, and information from EWA regarding possible outside resource persons would be appreciated. We should also like to know whether EWA would be able to provide, or help secure the provision of, funds to bring session leaders to Cornell or to provide for the commuting of a Viet-Nam specialist at another university who would be willing to lead a series of sessions at Cornell. As the lack of a Viet-Nam area specialist is not peculiar to Cornell among the universities interested in sponsoring study groups, it might be appropriate for EWA to consider the possibility of recruiting someone who would be able to lead study groups at several participating universities on a "circuit-riding" basis.

We felt that the orientation of the study group at Cornell should be towards a problem which could provide a focus for discussion and a means for utilizing the expertise of faculty members in other Southeast Asian areas and in developmental problems in general. It was generally agreed, pending a more thorough polling of faculty interest and abilities in the fall, that the question of land usage, tenure, and reform would be a good topic. It is a subject whose importance for Viet-Nam and other areas of Southeast Asia is widely recognized, but on which policy decisions are often made (or avoided) on the basis of a superficial understanding. There is a good deal of available material, especially in French, which has never been properly brought together and considered in the light of current conditions. As a thorough investigation would involve such questions as kinship patterns, social structure, historical development, and the impact of past and potential technological change on land usage, production and social relationships, it would involve a broad spectrum of expertise and hopefully would result in a useful synthesis of knowledge and methodology. As other study groups will be developing their own interdisciplinary approaches to the subject, it is to be hoped that there may be an exchange of plans and experiences while the formation of the study groups is in process and that EWA will facilitate this. Meanwhile, so that we may be able to determine better the possibilities to be suggested to the larger group of potential participants meeting in the fall, we should appreciate having EWA's reaction to the queries concerning outside support contained here.

TAB D
91e

UNIVERSITY EDUCATION IN VIET-NAM

Historically, the first university in Indo-China was established at Hanoi in 1917. After the second World War, some branch units were created in Saigon. They were (1) a Higher School of Sciences (1946), (2) a Center for Medical Studies and a High School of Law (1947), (3) Faculty of Letters (1948).

In 1953, a new set of regulations was developed and became the law for governing the University of Hanoi. These later became the basis of a constitutional document for the universities established at Saigon, Hue and Can Tho.

Following the partitioning of Viet Nam at the 17th parallel, the first new university was officially established at Saigon in 1955.

Characterized by a very rapid growth in student population, the University of Saigon overshadows the entire educational system with an enrollment of 26,916. Enrollment by faculties in 1966-67 was

Letters	7,882
Law	7,877
Science	4,854
Pharmacy	2,880
Medicine	1,352
Architecture	1,084
Pedagogy	814
Dentistry	<u>173</u>
	26,916

With the selection of Hue (1957), the old imperial city of Viet Nam, for the site of a second state university, this new institution was given a special responsibility for developing Vietnamese culture. Despite serious turmoil in recent years, there are 3,247 students now enrolled in the various faculties. Science and letters are most frequently selected by the students

with Law, Pedagogy, Medicine and Chinese studies having much smaller enrollments.

The University of Dalat is located in a beautiful highland resort area. It is a private institution which operates under Catholic auspices. Since its inception in 1957, however, it has maintained a close relationship with the Vietnamese Government and has received considerable financial assistance. It has grown slowly but now enrolls more than 1,500 students in Letters, Science and Political, Economic and Administrative Sciences.

A fourth institution, the University of Van Hanh, was established in 1964 by the Buddhists. This private institution emphasizes ancient and modern languages, oriental studies, Buddhist philosophy and a concept of social service. Its current enrollment is 1,200 students.

The fifth and newest university is a public institution which was established at Can Tho in 1966. Serving the needs of the Mekong Delta, this new university opened its door to 974 students who attend four faculties: Science, Letters, Pedagogy and a new combination listed as Law and Social Sciences.

Wednesday,
November 8, 1967

Profile

MEMO FOR THE PRESIDENT

Mr. President:

You may wish to send the attached letter of sympathy to Mrs. Hertz, widow of the AID man who died in Viet Cong captivity.

W. W. Rostow

Att.

92a

November 8, 1967

Dear Mrs. Hertz:

I am deeply grieved at the report of your husband's death while a captive of the Viet Cong. He died a hero, as surely as any soldier in the front lines. And he was in the front lines -- of our long-continuing struggle to make this world a better place.

He was a man of courage, a brave man, a man who served others. He was in Viet-Nam to help the people, and for this he was kidnapped by the Viet Cong, and held illegally through the long years, only to die, tragically, still unjustly held by his captors.

You and your children can always be proud of a man who made the ultimate sacrifice as he sought to help improve the lives of others.

Mrs. Johnson and I extend our heartfelt sympathy -- a sympathy that is shared by a grateful nation.

Sincerely,

Mrs. Gustav C. Hertz
Route 2
Leesburg, Virginia

LBJ:WJJorden:pas:11/8/67

~~CONFIDENTIAL~~

Wednesday, November 8, 1967

Pres file 93

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Visit of Crown Prince of Laos

Crown Prince Vong Savang will arrive tomorrow (Nov. 9) at 12:30 p. m. at the diplomatic entrance and will accompany you to your office for a 30-minute talk before lunch.

The Crown Prince is 35, shy but friendly, and has no real responsibilities in the government. He is being groomed to succeed his father. We do not expect the Prince to raise any matters of substance.

You may wish to:

-- recall your useful talks with Prime Minister Souvanna Phouma last month and his helpful analysis of the situation in Laos and Southeast Asia;

-- praise the headway Laos has made toward political stability despite the strains of prolonged war;

-- tell him you have heard of his interest in agriculture and note we have made arrangements for him to see some of our agricultural experimental facilities at Beltsville and something of rural America;

-- say we are following progress of the Nam Ngum (Nahm-Goom) Dam with great attention. (We are one of nine countries involved in financing the dam which will produce 30,000 KW of power and will irrigate more than 12,000 acres of rice land;

-- express our regret and concern at the loss of life (200-300 a month) and the economic drain of North Vietnamese aggression against Laos;

-- ask for his views on recent heavy fighting in Laos, some of it 50 miles north of the royal capital (Luang Prabang).

The Prince may ask for U. S. help in building a new hospital outside Luang Prabang. The King is deeply interested in this.

DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 94-477

By *rip*, NARA, Date *6-28-95*

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

You may wish to reply:

-- we are cooperating with UNICEF (United Nations Children's Fund) and the British in building a new maternal and health center in Luang Prabang;

-- while we have no funds available now for a new hospital, we would be willing to help renovate the existing provincial hospital in Luang Prabang.

W. W. Rostow

~~CONFIDENTIAL~~

INFORMATION

~~CONFIDENTIAL~~

Wednesday - November 8, 1967

Free file

Mr. President:

I understand Covey Oliver mentioned to you this afternoon the remark which President Belaunde made to Jack Valenti about hoping he would not live to wish that he had gone to the University of California instead of Texas.

Attached is a report on the Belaunde-Valenti conversation where you will see the crack in context. I think he is trying to say that you should not let Reagan or Nixon get the best of you next year.*

W. W. Rostow

Attachment

Lima's ExDis 2139, 11/7/67.

** That's Bill Bowdless's interpretation. mine is less charitable.*

DECLASSIFIED
E.O. 12356, Sec 3.4
NLJ 81-467
By sig, NARA, Date 11-18-92

~~CONFIDENTIAL~~

CONFIDENTIAL

94a

Wednesday, November 8, 1967

CABLE FROM AMBASSADOR JONES IN LIMA, PERU (2139)

Jack Valenti has been in Lima the past few days on motion picture business. He was thoroughly briefed in Washington as you know on U. S. - Peruvian problems and saw President Belaunde yesterday with me.

Valenti opened the conversation by saying he knew from personal experience how busy Presidents were and thus doubly appreciated Belaunde receiving him.

Belaunde replied he was not as busy as he was worried.

Valenti said he could assure him of President Johnson's deep interest in Peru, in the Belaunde Administration and in its current problems. The kind of democratic, constitutional regime which Belaunde's Government represented must succeed. There was great appreciation in Washington for what Belaunde was trying to do in Peru and it would be tragic if anything intervened to interrupt his constitutional period of office, Valenti added.

Because Belaunde had expressed irritation in a speech the night before over a Time Magazine article on Peru, Valenti referred to it and said President Johnson, too, was very often offended by what this magazine had to say about him and his administration. In fact, Valenti went on, there was great similarity between the two Presidents, Johnson and Belaunde, in their serious problems with reluctant Congresses, in their efforts to raise more taxes to decrease budget deficits, and in having to tolerate a critical press.

Belaunde replied that some of the local Peruvian press had connection with the international press and thus were able to carry internal politics into the international arena.

In his effort to assure Belaunde that Peruvian problems were receiving high-level attention in Washington in an effort to overcome obstacles to full U. S. collaboration, Valenti once mentioned the Mirage issue.

President Belaunde did not pick this one up and the subject was not raised again.

Since Valenti had said he would see President Johnson on return from his South American tour to report on his impressions, Belaunde said at the end of the 35-minute interview:

"Tell President Johnson I am ready for action".

CONFIDENTIAL

DECLASSIFIED
E.O. 12812, Sec. 3.4
By: jic/gjg NARA, DATE 12-16-09

Then, with reference to his Texas University education, Belaunde added that he hoped he would not live to wish he had gone to the University of California instead.

On leaving, I told the President I had been recalled to Washington for consultation for a few days and asked if there were any messages I could carry for him.

He replied that the telephone problem had finally been solved despite continuing grumblings from Senator Carrillo-Smith and that he had that day approved a bid of Hughes Aircraft International to construct a ground station for Peru's participation in COMSAT. He did not touch on more fundamental issues, so I added I would be in Lima all day today in case he had any additional suggestion before my departure.

ACTION 95

Pres file

CONFIDENTIAL

Wednesday - November 8, 1967

Mr. President:

Ambassador to Peru J. Wesley Jones arrived in Washington this morning.

He is being briefed on the F-5 proposal which we are prepared to make in an effort to get the Peruvians to cancel the Mirage contract.

We are not recommending that he go back with a letter from you -- as we did in the case of Ambassador Tuthill last July -- but it would strengthen his hand considerably if he could say to President Belaunde that he had discussed Peruvian developments with you.

I recommend that you make 5-10 minutes available in your schedule today or tomorrow for Ambassador Jones.

W. W. Rostow

DECLASSIFIED

Authority 7169 90-10

By 12/29/91, NARA, Date 12/29-91

Pres file

Wednesday, November 8, 1967

Mr. President:

Attached, for your signature, is an instrument of ratification for a routine supplementary tax convention between the U.S. and Canada signed on October 25, 1966. The Senate gave its advice and consent on November 7, 1967.

W. W. Rostow

FR
RDM
RHU:em



DEPARTMENT OF STATE
WASHINGTON

NOV 7 1967

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1 - Fried
2 - Ret.

MEMORANDUM FOR MR. WALT W. ROSTOW
THE WHITE HOUSE

Subject: Ratification of supplementary income-tax
convention with Canada

I enclose for the President's signature an instrument of ratification, in duplicate, of the supplementary convention between the United States and Canada, signed at Washington on October 25, 1966, modifying and supplementing the convention of March 4, 1942, for the avoidance of double taxation and the prevention of fiscal evasion in the case of income taxes, as modified by supplementary conventions of June 12, 1950, and August 3, 1956.

On November 2, 1967, the Senate gave its advice and consent to ratification of the 1966 supplementary convention. According to its terms, the convention will enter into force on the date of the exchange of the instruments of ratification of the two countries.

The 1966 supplementary convention contains a single substantive article, the sole purpose of which is to add to Article XI of the 1942 convention, as modified, a new paragraph whereby it is provided that paragraph 1 of Article XI shall not apply in respect of income derived from sources in one of the countries and paid to a corporation organized under the laws of the other country if such corporation, by reason of the fact that it is not a resident of the last-mentioned country for purposes of its income tax, is not subject to tax by the last-mentioned country on that income. Under paragraph 1 of Article XI as now in force, the rate of tax with respect to income other than earned income "shall not exceed 15 percent for each taxable year."

B. H. Read
Benjamin H. Read
Executive Secretary

Enclosure:
Ratification,
in duplicate.