FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#1 memo	Rostow to President, 8:00 p.m. PCI 1p open 12-29-52	1/24/68	A
#1a cable	Prime Minister, to President S 2 p (Dup. of #51a, SHOSC, UK, Box 56; Exempted 199	1/24/68 OPEN	3·25·99
#5 memo	Rostow to President open 4/96 C 1 p (Sup of 19)		8.30E
#5a cable	Djakarta 4182 (Dup in NSFI CF, Indonesia ; sonit 1985) C 2 p (Paparta) spen 10-21-97 NLT96-266	1/23/68	A
#6a ltr	President to PM Gorton ONEA 4-11-97 NET 96-189 PCI 1 P Dup. OFF 25, Hofse, Australia, PM 60xpx		h) A
#7 memo	Duplicate of #5		
77a cable	Duplicate of #5a (Sanit 1985) - Duplicate of #5a (Sanit 1985)	96-266	
#8a cable	Dar es Salaam 2014 open 10-2+97 NL596-266 C 4 p	1/21/68	A
#10a cable	Scoul 3598 agen 3-25-94 NL J93-367	1/24/68	A
/12 memo .	Rostow to President, 4:25 p.m. S 1 p open 3-3-97 NLJ 95-193	1/23/68	A
#12a memo	Intelligence Memorandum S 1 p sanitajed 6-2-98 NLJ 95-103; pame sanik	1/22/68	A
#14a memo	Intelligence Memorandum open 6-2-98 Rea NLJ 95-103 S 2 p (Possdup of # 120, Pueblo, Vol I-B, Bx 257)		A
17 memo	Rostow to President, 12:55 p.m TS 1 p open /0-17-95 NLJ95-154	1/23/68	A
19 memo	Rostow to President, 10:30 a.m. C 5 p 3-19-96 NL 3 95-199	1/23/68	A
200 EATON	Duplicate of #19		À

NSF, Memos to the President, Walt Rostow, Vol. 57, Jan. 16-24, 1968

Box 27

 ⁽A) Closed by Executive Order 12356 governing access to national security information.
 (B) Closed by statute or by the agency which originated the document.
 (C) Closed in accordance with restrictions contained in the donor's deed of gift.

WITHDRAWAL SHEET (PRESIDENTIAL LIBRA

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#23 memo	Rostow to President open 4-11-97 NLJ 96-189	1/22/68	A
#24a rpt	State Dept. Activities Report S 2p open 1-7-94 NLJ 93-118	1/22/68	A-
#24b note	Asst. SecState to President sanitized more released 10-21-97 NLT-96 S 3 p Danity 1-7-94 NLT-93-118	-24/22/68	A
#26-meme	Rostow to President, 4:40 p.m. open 4-11-93 NLT 96-1	1/22/68	A
#26a cable	Moscow 2529 Open 10-2197 NLJ 96-266	1/22/68	A
#26b cable	Deptel 102228 to Moscow	1/20/68	A
#27 memo	Rostow to President, 3.00 p.m. 94-11-97 NLJ 96-189	1/22/68	A
#27a cable	Wheeler to Rostow open 3:11.05 My 96198	1/22/68	A
#27b eable	Saigon 16515 open 10-2197 NHJ 96-266	1/21/68	A
#29 memo	Rostow to President, 10:35 a.m. S 1 p sanitized NLT 14-199 8.19.18	1/22/68	A
#29a cable	Intelligence Information Cable S 7 p sanitaged 7.15.98 NLJ 16-200	1/19/68	A
#33 memo	Rostow to President, 10:35 a.m.	1/22/68	Α
#33 a memo	Rostow for Record open 12 39 92 PCI 1p	1/22/68	A
#34 memo	Rostow to President, 8:55 a.m. TS 1 p 7-12-99 WLJ 96-203	1/22/68	A

NSF. Memos to the President, Walt Rostow, Vol. 57, Jan. 16-24, 1968

Box 27

 ⁽A) Closed by Executive Order 12358 governing access to national security information.
 (B) Closed by statute or by the agency which originated the document.
 (C) Closed in accordance with restrictions contained in the donor's deed of gift.

	WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)		
FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#35 memo	Rostow to President S 1 p N2 J 91-348 [Duplicate of #16a, NSF, Country File, Saudi Arabia, Vol. 2]	1/22/68	A
#39-memo	Rostow to President, 11:30 a.m. Spen 4-11-97 N/J 96-18	£ 1/21/68	A
#39a memo	Rusk to President open 10-2197 NLJ 96-266	1/20/68	A
#40 memo	Rostow to President, 11:25 a.m. S 1 p pan 8:30:45 N=3 91-448	1/21/68	A
#40a eable	Cairo 1413 S 4p open496	1 /20/68	A
#42 memo	Rostow to President, 3:25 p.m	1/20/68	A
#42a memo	Hughes to Secretary open 10-21-97 NLJ 96-266	1/19/68	A
#43 memo	Rostow to President, 11:45 a.m. pom 4-11-97 NIJ 96-189	1/20/68	A
#43a cable	Saigon 16503 open 10-21-97 NLT96-266	1/20/68	A
#44 memo	Rostow to President, 10:00 a.m. S 1 p epen 3-10-00 NL 8 96-199	1/20/68	A
#44a cable	Paris 9336 - S 1 p	1/19/68	A
#46a cable	Paris 9276 ppen 10-21-97 NLJ 96-266	1/19/68	A
#47a cable	Deptel 101867 to Saigon S 2 p open 4/96	1/20/68	A

(A) Closed by Executive Order 12358 governing access to national security information.
 (B) Closed by statute or by the agency which originated the document.
 (C) Closed in accordance with restrictions contained in the donor's deed of gift.

NSF. Memos to the President, Walt Rostow, Vol. 57, Jan. 16-24, 1968
RESTRICTION CODES

Box 27

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#50 memo	Rostow to President (Pass dup of #30, NSF, CF, Guyana, VI) C 1 p open 11/25/96 NLJ 94-290	-1/20/68	A
#50a memo	Rusk to President open 10-21-97 NLJ 96-266	1/20/68	A
#50b 1pt	Talking Points C 3 p	1/22/68	A
#50c rpt	Bio Sketch 7.15.98 C 2 p exempt (1.5 (c)(d) 3.4(b)(4)	undated	A
#50d rpt	Background Paper open 10-21-97 NLS-96-266	1/68	A
#50e rpt	Background Paper (1	1/68	A
#50f rpt	Background Paper	1/68	A
#52 memo	Rostow to President open 4-11-97 NLJ 96-189 -S 1-p	1/20/68	A
#52a cable	Rio de Janeiro 4840 S Z p [Duplicate of #34a, NSF, Country File, Brazil, Vol. 7a]	1/20/68	A
#53 memo	Rostow to President, 7:50 p.m. S 1 p oren 6/2495 NLJ 94-344	1/19/68	A
#53a cable	Deptel to Moscow (draft) S 4p 4p 12-23-94 NLJ 94-342	1/18/68	A
#54 memo	Duplicate of #53 - open		
#54a memo	Duplicate of #532 open 12-23-94 NLS 94-342		

NSF. Memos to the President, Walt Rostow, Vol. 57, Jan. 16-24, 1968
RESTRICTION CODES

Box 27

FILE LOCATION

 ⁽A) Closed by Executive Order 12358 governing access to national security information.
 (B) Closed by statute or by the agency which originated the document.
 (C) Closed in accordance with restrictions contained in the donor's deed of gift.

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)		
CORRESPONDENTS OR TITLE	DATE	RESTRICTION
tze to President 4 p (Exempted 4/93) uplicate of #208a, NSF, Country File, UK, Vol. 13]	1/18/68	A
stow to President, 5:55 p.m. 1 p	1/19/68	A
stow to President, 5:50 p.m. 1 p sanitaged NLJ 16-199 8.11.98	1/19/68	A
stow to President, 1:50 p.m. open 4-11-47 NJ 96-13	9 1/19/68	A
9500W 2495 1 p pen 10-21-97 NLT 96-266	1/18/68	A-
on to Read Open 10-21-97 NLJ 96-266	1/18/68	A-
stow to President 1 p (dup 44 47a, NSF, CF, Greece, Vel4, PY 137	1/19/68	A
esident to PM Papadopolulos 1 2 P dup of # 470, see above	undated	A
A Papadopolulos to President " The supplies of the supplies o	1/6/68	A-
1king Paper with Dr. Chandrasckhar open 10-21-97 NIJ96	2661/19/68	A
stow to President open 12/16/09 3 p (Dup of + 13, WUR NON VN 1-2/168 Bx/6)	-1/19/68	A
ostow to President, 7:00 p.m.	1/18/68	A
etnam Peace Talks Spen 10-21-97 NIJ 96-266	1/18/68	Λ-
etn	am Peace Talks Down 10-21-97 NLT 96-24010	am Peace Talks Doen 10-21-97 NIT 96-21-96 1/18/68

NSF, Memos to the President, Walt Rostow, Vol. 57, Jan. 16-24, 1968 Box 27

 ⁽A) Closed by Executive Order 12356 governing access to national security information.
 (B) Closed by statute or by the agency which originated the document.
 (C) Closed in accordance with restrictions contained in the donor's deed of gift.

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES) FORM OF CORRESPONDENTS OR TITLE DATE RESTRICTION DOCUMENT #75 memo Rostow to President 1/18/68 2 p OPEN 7/20195 NY 94-18 [Duplicate of #69, NSF, Country File, Chile, Vol. 5] #75a airgrm Santiago A-327 1/3/68 5 210 p open 4/96 Duplicate of #69a, NSF, Country File, Chile, Vol. 51 enclosure to #150 Secret 8p. (Sanit 1994) Op- 4/5/01 -11 1/3/68 Secret 8p. (Sanit 1994) Op- 4/5/01 -21 1/3/68 #195a-1 #77a cable 8p - Open 10-21-97 NLJ 96-264 Sanitized NLJ/CBS 101 #81 memo Rostow to President, 10:10 a.m. 1/17/68 S 1p open 3-10-00 NL 8 96-199 #81a telcon Kissinger and Read 1/17/68 Open 10-01-97 NL5 96-266 3 1p #88a cable Salgon 15890 1/13/68 c +p open4/96 Duplicate of #24/24a, NSF, Country File, Vietnam, "7F2(A), 12/67-3/68, Congressional Attitudes and Statements"] Rostow to President, 12:20 p.m. Santual 7/12/01 wsb1-22 #93 memo 1/16/68 A 1 p exempt 8.31.98 NLT 96-199 [Duplicate of #122, NSF, Country File, Israel, Vol. 8] #93a memo Intelligence Memorandum 1/16/68 1 p [Duplicate of #122a, NSF, Country File, Israel, Vol. 8] Exempt NLJ 85-1951 exempt NLJ 96-200 7.15.98 #93b memo Intelligence Memorandum undated 2 p

FILE LOCATION

#94 memo

NSF, Memos to the President, Walt Rostow, Vol. 57, Jan. 16-24, 1968

Rostow to President, 12:20 p.m.

[Duplicate of #122b, NSF, Country File, Israel, Vol. 8] [Exempt NLJ 85-195] exempt NLJ 96-200 7.15.98

open 3-10-00 NL 996-199

Box 27

1/16/68

Closed by Executive Order 12356 governing access to national security information.

Closed by statute or by the agency which originated the document.

Closed in accordance with restrictions contained in the donor's deed of gift.

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)				
FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION	
#94a cable	Paris 9096 Open 10-31-97 NL596-266	1/15/68	A	
#96 memo	Rostow to President same sanity time 3-10-00 N=9 96-1 C 1 p (Abrut 1993) [Duplicate of #100, NSF, Country File, Guatemala, Vol. 2]	99 1/16/68	A	
#97 memo	Rostow to President (Sanit 1995) S 3 p (Poss. dup of 492, DR, Vall8, Bx 48)	1/16/68	A	
#98 rpt	"Lunch meeting with President" open 4-11-93 NIJ 96-18	1/16/68	A-	
			1. 7	

FILE LOCATION

NSF, Memos to the President, Walt Rostow, Vol. 57, Jan. 16-24, 1968
RESTRICTION CODES

Box 27

(A) Closed by Executive Order 12356 governing access to national security information.
 (B) Closed by statute or by the agency which originated the document.
 (C) Closed in accordance with restrictions contained in the donor's deed of gift.

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)					
FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION		
#15 memo	Walt Rostow to the President - sandized 3-24-97 NAT95-195 TS 1 p Sanitized 6/19/01 MS 15-195 appeal	1/23/68	Α'		
#22 memo	Walt Rostow to the President - Spen 10/29/09 TS 1 p Sanitized, NLJ/CBS 19-1984	1/22/68	A		
#22a cable	MAG 00967 - Open 10/29/09 S 5 pp Sanitized, NLJ/CBS 8 - 1983	1/22/68	A		
#25 memo	Walt Rostow to the President - 5 1 p. open 8.9.04 NW/RAC03.254	1/22/68	A		
#25a cable	Sanitized, NLJ/CBS 8, Sanitized 19	1 <u>/22/68</u> 983	A		
#59 memo	Walt Rostow to the President open 8 9.04 NW/RAC03.254	1/19/68	A		
#59a map	South Vietnam = popon S. 804 Nw PAC 03:255	1/19/68	A_		
#61 memo	Walt Rostow to the President - TS 1p Sanifized 89.09 NW/FACO 3.254	1/19/68	А		
#71 memo	Walt Rostow to the President 8.9.04 NWIERCO3.28	4 1/18/68	А		
#71a cable	intelligence report - TS 2 pp exempt \$304 hulpar 03.255	1/18/68	А		
		4			

FILE LOCATION

National Securitu File, Memos to the PResident, Walt Rostow, Volume 57, January 16-24, 1968 Box 27

RESTRICTION CODES

 ⁽A) Closed by Executive Order 12358 governing access to national security information.
 (B) Closed by statute or by the agency which originated the document.
 (C) Closed in accordance with restrictions contained in the donor's deed of gift.

1

January 24, 1968 Wednesday, 8:00 P.M.

Mr. President:

Herewith Prime Minister Wilson's reports on his difficulties with Russians over the sentences covering Vietnam in the communique.

The text of the communique is also attached.

W. W. Rostow

BKS: AC

Presfile

RECEIVED MHCA

SECRET
ET
PERSONAL FOR THE PRESIDENT
FROM THE PRIME MINISTER

1968 JAH 24 22 58

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 98-304 By jus , NARA Date 3-25-99

I WAS MOST GRATEFUL FOR YOUR VERY PROMPT REPLY TO MY MESSAGE LAST NIGHT FROM MOSCOW. IT ARRIVED JUST IN TIME TO ARM ME FOR WHAT PROVED A CLASSIC KREMLIN BATTLE OVER THE PASSAGE ON VIETNAM IN THE COMMUNIQUE.

I WILL TRY TO LET YOU HAVE, BEFORE OUR OWN MEETING NEXT MONTH, SOME CONSIDERED THOUGHTS ABOUT THE MOSCOW TRIP AND ESPECIALLY ABOUT THE ATTITUDE ON VIETNAM. BUT MEANWHILE I WANT YOU TO HAVE STRAIGHT AWAY THE BACKGROUND TO WHAT WE MANAGED TO AGREE IN THE COMMUNIQUE (WHICH WILL OF COURSE BE AVAILABLE TO YOU). AFTER OUR OFFICIALS HAD BATTLED FOR SEVERAL HOURS YESTERDAY, KOSYGIN AND I ARGUED ABOUT IT FOR NEARLY THREE HOURS THIS MORNING AND EARLY AFTERNOON.

THE SIGNIFICANCE LIES IN WHAT HE WAS DETERMINED IF HE COULD TO GET IN, AND IN THE PASSAGES WE WANTED WHICH HE WAS EQUALLY RESOLVED TO KEEP OUT. THIS TEXT WAS OF COURSE FOR PUBLIC CONSUMPTION SO I DO NOT SUGGEST THAT ONE NEED DRAW TOO FIRM CONCLUSIONS ABOUT HIS REAL ATTITUDE TO YOUR CURRENT ATTEMPTS. BUT ALL THE SAME I DID NOT FIND IT - OR THE SUBSEQUENT PRIVATE 🌗 TALKS I HAD WITH HIM AT OUR VERY DELAYED LUNCH -ENTIRELY ENCOURAGING. BRIEFLY HE (AND A PLATOON OF MINISTERS AND OFFICIALS, INCLUDING POLIANSKY AND GROMYKO AT HIS MOST RIGID) FOUGHT WITH TOTAL INTRANSIGENCE FOR A FORMULA WHICH WOULD HAVE HAD US DENOUNCE OUTSIDE (IE AMERICAN) INTERFERENCE AND DECLARE THAT ANY SETTLEMENT SHOULD BE BASED ON THE RIGHT OF THE LOCAL PEOPLES TO SOLVE THEIR INTERNAL AFFAIRS WITHOUT IT. THEY ALSO REFUSED TO CONSIDER INCLUDING A GOOD PASSAGE WE HAD DRAFTED. TRYING TO TIE THEM AS WELL AS US TO SUPPORT FOR YOUR CURRENT EFFORTS, IN THE LIGHT BOTH OF SAN ANTONIO AND OF TRINH. I MADE IT CLEAR THERE WAS NOTHING DOING ON INTERFERENCE AND THAT WE WERE NOT GOING TO BASE CURSELVESON SOVIET DOUBLE TALK, AND IN THE END WE AGREED TO DROP BOTH THE CONTENTIOUS PASSAGES.

ON THE OTHER HAND I GOT IN A GOOD REFERENCE
TO THE GENEVA AGREEMENTS AND THE CO-CHAIRMANSHIP.
I WAS ALSO DETERMINED DESPITE KOSYGINS STRONG
OPPOSITION TO COMMIT HIM TO ACTING WITH US IN
SUPPORT OF A NEGOTIATED POLITICAL SETTLEMENT, AND, IN RETURN
FOR SECURING THIS, WE FINALLY FOUND A FORM OF WORDS WHICH HE.
WEARILY CONCEDED (AGAINST GROMYKOS MORE OR LESS VERTICAL
EYEBROWS) WHICH, AFTER THE REAFFIRMATION OF THE GENEVA
PRINCIPLES, SAYS THAT SUCH A SETTLEMENT MUST RESPECT THE
RIGHTS OF THE LOCALS TO MANAGE THEIR OWN AFFAIRS.
THESE ARE JUST SOME HASTY FIRST IMPRESSIONS.

THESE ARE JUST SOME HASTY FIRST IMPRESSIONS.
AS I SAY, I SHALL WANT TO REFLECT MORE CAREFULLY ON THE TALKS AS A WHOLE BEFORE I TRY TO GIVE YOU A CONSIDERED

VIEW.

JANUARY 24, 1968

SECRET

END OF MESSAGE

ACTION

Presple

Wednesday, January 24, 1968 5:00 p.m.

Mr. President:

I am scheduled to go to New York tomorrow morning to have lunch with Arthur Krim and his group. The Vice President is also to be there.

I am scheduled to catch a plane at 10:30 a.m. and would probably catch the 3:30 p.m. shuttle back, arriving at about 4:30 p.m.

Should I proceed with this schedule? ____Or cancel out?____

W. W. Rostow

ACTION

January 24, 1968

Mr. President:

Ambassador Davis and the State
Department recommend this message
to Ceasescu (now Romania's Chief
of State). It will serve as an added
acknowledgement of Romania's
independent course. You sent
a similar message to Tito recently,
on his 75th birthday.

W. W. Rostow

2. Pres file

wwr. D gg

SUGGESTED MESSAGE

Excellency:

I extend to you cordial greetings and congratulations on the occasion of your 50th birthday.

Sincerely,

Lyndon B. Johnson

His Excellency
Nicolae Ceausescu
President of the Council of State of the
Socialist Republic of Romania
Bucharest

ACTION

January 24, 1968

2. Pres file

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Annual Letter to Michael Haider for Benefit of Radio Free Europe

Michael L. Haider, Chairman of the Board of the Standard Oil Company of New Jersey, has written that he has agreed to stop mass-media advertising and solicitation from the public for Radio Free Europe as the Katzenbach Committee recommended. Only institutional, educational messages without requests for funds will be used in the future.

However, Mr. Haider hopes to obtain continued solicitations from corporations—these would not be in conflict with our recent policy decisions. In order to get this annual drive off to a good start, I recommend that you sign the attached letter which would be a great help in this campaign commencing February 7th. This will serve as a reaffirmation of the importance of the radio to the national interest—a necessity if business leaders are to volunteer to raise funds from major corporations.

This letter has been coordinated with CIA.

Also attached is the letter you wrote December 20, 1966, to Mr. Haider with the same purpose in mind.

W. W. ROSTOW

Attachments (2)

WWR/FPJESSUP:etd (24 Jan 68)

January 24, 1968

Dear Mr. Haider:

I am pleased that you have accepted for another year the chairmanship of the national fund-raising effort for Radio Free Europe.

Radio Free Europe has pioneered in a new dimension of person-to-person communication with Eastern Europe, an area of great importance. It has been successful to a remarkable degree in providing its millions of listeners with a substitute for the free press they lack. In so doing, Radio Free Europe serves both the national interest and the cause of peace.

I am sure that this year, as in every other year since its inception, RFE will continue to have the endorsement and support of the American people.

I applaud your efforts and those of the thousands of civic and business leaders who volunteer their services to make Radio Free Europe possible, and wish you every success in your 1968 campaign.

Sincerely,

15/ Lyndon B. Johnson

Mr. Michael L. Haider Chairman of the Board Radio Free Europe Fund 2 Park Avenue New York, New York 10016

LBJ:Peter Jessup:etd:rln

THE WHITE HOUSE WASHINGTON

December 20, 1966

Dear Mr. Haider:

I have observed the work of Radio Free Europe since its beginning sixteen years ago when it was the pioneer voice of freedom to the peoples of East Europe. Today Radio Free Europe is a mature institution of which Americans can be proud—an activity which has become part of the lives of eighty million East Europeans. It is a broad highway of news and information, linking the progressive forces for change in East Europe with the ideas and ideals of Americans and West Europeans.

The dollars and resources contributed by Americans to the rebuilding of Western Europe after World War II have redounded immeasurably to our own security and prosperity. This great work will not be complete until the peoples of East Europe rejoin the European community.

These people rely on Radio Free Europe to help them toward a freer life. To perform its task, Radio Free Europe needs the continued support of American citizens.

I am pleased that you have accepted the chairmanship of the Radio Free Europe Fund and hope that you will convey my continuing interest in the work of Radio Free Europe to the many volunteers who are helping you this year.

Mr. Michael L. Haider Chairman of the Board Radio Free Europe Fund, Inc.

2 Park Avenue New York, New York 10016

Standard Oil Company

INCORPORATED IN New Jersey

30 ROCKEFELLER PLAZA, NEW YORK, N.Y. 10020

January 19, 1968

MICHAEL L. HAIDER CHAIRMAN OF THE BOARD

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

Dear Walt:

In our telephone conversation a few days ago regarding the Radio Free Europe fund-raising campaign this year, we discussed briefly the question of mass-media advertising and My colleagues and I have given further consideration to this problem and have taken into account the views which have been expressed against public solicitation. Accordingly, we intend to stop such solicitation and to confine advertising to purely institutional, educational messages which make no request for funds, either in the advertisements themselves or in any literature given to the general public. Such advertising will enable us to maintain the positive image of RFE as a private institution and we feel this is essential to support the continued solicitation of corporations for contributions. It is our feeling that this procedure fully conforms with the policy decisions which have been made with respect to RFE, but if you feel it is in conflict, I would be glad to discuss this further with you.

As I mentioned to you on the telephone, it would be extremelyhelpful to our fund-raising effort if the President would be able to host a luncheon meeting or a reception at the White House for top business leader-contributors. However, I appreciate the fact that the President's schedule is very tight and that this may not be possible. In any event, a letter from the President endorsing RFE, as has been customarily done annually, would be extremely helpful in our campaign. an affirmation of the importance of RFE to the national interest is essential if we are to ask business and community leaders to volunteer their services in fund raising and if we expect executives of major firms to contribute corporate funds. Perhaps you have already drafted such a letter, but I am taking the liberty of attaching a draft, for whatever assistance it may be to you, which would be an adequate letter, appropriate for the business community. Also attached for your convenience is a copy of the letter the President wrote me in connection with last year's campaign.

Also, as I mentioned to you, this year's corporate fund-raising campaign will be kicked off at a luncheon meeting in San Francisco which I am to address on February 7th. I would be most grateful if the requested letter from the President could be in my hands before that meeting.

Again thanking you for your continuing interest and help on this problem, I am

Sincerely,

Truke

DRAFT January 19, 1968

Mr. Michael L. Haider Chairman of the Board Radio Free Europe Fund 2 Park Avenue New York, New York 10016

Dear Mr. Haider:

I am pleased that you have accepted for another year the chairmanship of the national fund-raising effort for Radio Free Europe.

Radio Free Europe has pioneered in a new dimension of person-to-person communication with Eastern Europe, an area of great importance. It has been successful to a remarkable degree in providing its millions of listeners with a substitute for the free press they lack. In so doing, Radio Free Europe serves both the national interest and the cause of peace.

I am sure that this year, as in every other year since its inception, RFE will continue to have the endorsement and support of the American people.

I applaud your efforts and those of the thousands of civic and business leaders who volunteer their services to make Radio Free Europe possible, and wish you every success in your 1968 campaign.

Sincerely,

5

INFORMATION

CONFIDENTIAL

Wednesday January 24, 1968 surp

Mr. President:

You might be interested in this report from Marshall Green on the civic action projects in the Indonesia countryside.

Suharto is having his difficulties in Djakarta, but it looks as if the same rural self-dependence and resiliency which carried Indonesia through the long years of Sukarno's mis-management is now working on Suharto's side.

By plice

J. NARA. Date 4114/900

DECLASSIFIED

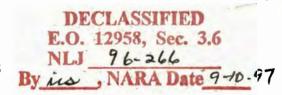
V. W. Rostow

Att.

CONFIDENTIAL-

MWright:wpt

FROM DJAKARTA 4182, January 23, 1968



- 1. I spent stimulating and encouraging weekend with General Dharsono, Senator Birch Bayh, DLG Chief and members of our respective staffs viewing civic action projects in western-most Java. A few dominant impressions:
- 2. Effectiveness of civic action. We have already reported on civic action effectiveness in rebuilding Java's roads which are today in better shape than in many years; and on Saturday we drove some distance down pre-war road, running south from Pandegland to South Coast, which not maintained for 20 years and lower half of which still considered impassable at present. This road should be major economic stimulus to long depressed Baten area, being only north-south road crossing Java west of Djakarta. It will open up important new areas for rubber, palm oil, copra. (Incidentally, most beautiful countryside I have seen in my many trips around Indonesia.) Civic action has also built new fishing harbor and seaward channel at Banten, utilizing old U.S. dredge raised from bottom of Tjirebon Harbor and repaired. Port of Banten, in recent years unusable, is now bustling with activity -- mostly fishing vessels but also vessels engaged in rubber, wood, copra exports. For first time, I saw civic teams engaged in housing projects, mostly for NCOS's; layouts and workmanship seemed good.
- 3. Self-sufficiency and resiliency of countryside. Indonesia would have comparatively few problems if it could run itself at national level as it does at district levels, where Indonesian people have acquired over the centuries effective self-help and cooperative measures. Of equal importance was ability of Siliwangi Command, sub-commands and local districts to manage and to finance all of above projects virtually without recourse to central government budget. Local Army command advancing some funds from its budget for purchases of supplies (cement, asphalt), but this is to be recouped from levy on users of projects. For example, rubber production from the estates in the District being taxed at RP. 250 per metric ton. Similar small levy on fishing catch at Banten.
- 4. Spirit of good will toward America. Even though US not directly involved in these projects, our overall support for civic action and especially for Indonesia's Government and people in general, helps explain overwhelmingly cordial reception our party had throughout visits. Siliwangi had obviously done effective job in organizing the reception, but the crudely scrawled signs ("long live Indonesia-US friendship") and the yells of hidup (long live) America from hundreds of thousands of throats along our 250-kilometers' drive was heartwarming indeed.

CONFIDENTIAL

5. Ironic notes. My Soviet colleague was recently complaining to me about serious pilferage of steel construction parts from Soviet-built Tjilegon steel works (which is totally uneconomic project and will be completed, but for which Indonesia already owes USSR \$40 million). During our trip we discovered that steel beams, window frames and other parts are coming from construction stocks and even framework of this nearby Soviet-built steel plant. Thus, by stealing the works from the Russian steel works, Indonesia's Army is managing to turn this useless Sukarno prestige project into something useful for people. Related to this fact that many work gangs along roads were made up of Communist prisoners, some of whom undoubtedly at one time lorded it over this area. Less comfortable to us is the irony of a weekend when things seemed to be going so well in the countryside in contrast to the growing restiveness in Djakarta and other cities over rice and other issues on which we have reported.

January 24, 1968 Fres file

MEMORANDUM FOR THE PRESIDENT

Last week Secretary McNamara approved the purchase of 54 million pounds of Australian sugar, worth \$6.5 million, for use by free world forces in Vietnam. This responds to repeated Australian requests for some kind of offsetting of their expenditures in connection with their Vietnam contribution.

The Australians are not aware that this is coming. It seems, therefore, to be an ideal opportunity to initiate a personal correspondence between yourself and Prime Minister Gorton.

I recommend you sign the attached letter.

W. W. Rostow

Att.

MWright:wpt

January 24, 1968

Dear Mr. Prime Minister:

As you know, we place an extremely high value on Australia's contribution to the allied cause in Vietnam. We recegnise that this contribution entails additional overseas defense expenditures, and have been looking for ways to help you effect these. I discussed the matter with Harold Holt when he came here last year, and I note that the subject was raised by Prime Minister McEwen during Under Secretary Rostow's recent visit to Canberra.

Among the possibilities which have been discussed from time to time is the purchase of refined sugar from Australia for use by free world forces in Vietnam. After careful study we have concluded that this would be a logical arrangement and should be distinctly helpful to you. Accordingly, I would like to propose that Australia supply the sugar requirements of the United States and other free world forces in South Vietnam. These requirements total about 54 million pounds a year, at an estimated value of \$6.5 million when supplied by Australia. If such an arrangement is agreeable to you, we will proceed to work out the details for the Department of Defense to obtain the sugar in Australia.

With best wishes and warm personal regards.

Sincerely.

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 96-189 By irs , NARA Date 3-24-97

The Right Honorable John G. Gorton Prime Minister of Australia Camberra

State LBJ:MWright:wpt

INFORMATION

CONFIDENTIAL

Wednesday January 24, 1968 Prespile

Mr. President:

You might be interested in this report from Marshall Green on the civic action projects in the Indonesia countryside.

Suharto is having his difficulties in Djakarta, but it looks as if the same rural self-dependence and resiliency which carried Indonesia through the long years of Sukarno's mis-management is now 'working on Suharto's side.

W. W. Rostow

Att.

DECLASSIFIED

E.O. 12356, Sec. 3.4

NU 53-03

By Dicc, NARA, Date 4/16/96

CONFIDENTIAL

MWright:wpt

DECLASSIFIED

E.O. 12958, Sec. 3.6

NLJ 96-266

By is, NARA Date 9-10.97

FROM DJAKARTA 4182, January 23, 1968

- 1. I spent stimulating and encouraging weekend with General Dharsono, Senator Birch Bayh, DLG Chief and members of our respective staffs viewing civic action projects in western-most Java. A few dominant impressions:
- 2. Effectiveness of civic action. We have already reported on civic action effectiveness in rebuilding Java's roads which are today in better shape than in many years; and on Saturday we drove some distance down pre-war road, running south from Pandegland to South Coast, which not maintained for 20 years and lower half of which still considered impassable at present. This road should be major economic stimulus to long depressed Baten area, being only north-south road crossing Java west of Djakarta. It will open up important new areas for rubber, palm oil, copra. (Incidentally, most beautiful countryside I have seen in my many trips around Indonesia.) Civic action has also built new fishing harbor and seaward channel at Banten, utilizing old U.S. dredge raised from bottom of Tjirebon Harbor and repaired. Port of Banten, in recent years unusable, is now bustling with activity -- mostly fishing vessels but also vessels engaged in rubber, wood, copra exports. For first time, I saw civic teams engaged in housing projects, mostly for NCOS's; layouts and workmanship seemed good.
- 3. Self-sufficiency and resiliency of countryside. Indonesia would have comparatively few problems if it could run itself at national level as it does at district levels, where Indonesian people have acquired over the centuries effective self-help and cooperative measures. Of equal importance was ability of Siliwangi Command, sub-commands and local districts to manage and to finance all of above projects virtually without recourse to central government budget. Local Army command advancing some funds from its budget for purchases of supplies (cement, asphalt), but this is to be recouped from levy on users of projects. For example, rubber production from the estates in the District being taxed at RP. 250 per metric ton. Similar small levy on fishing catch at Banten.
- 4. Spirit of good will toward America. Even though US not directly involved in these projects, our overall support for civic action and especially for Indonesia's Government and people in general, helps explain overwhelmingly cordial reception our party had throughout visits. Siliwangi had obviously done effective job in organizing the reception, but the crudely scrawled signs ("long live Indonesia-US friendship") and the yells of hidup (long live) America from hundreds of thousands of throats along our 250-kilometers' drive was heartwarming indeed.

CONFIDENTIAL

5. Ironic notes. My Soviet colleague was recently complaining to me about serious pilferage of steel construction parts from Soviet-built Tjilegon steel works (which is totally uneconomic project and will be completed, but for which Indonesia already owes USSR \$40 million). During our trip we discovered that steel beams, window frames and other parts are coming from construction stocks and even framework of this nearby Soviet-built steel plant. Thus, by stealing the works from the Russian steel works, Indonesia's Army is managing to turn this useless Sukarno prestige project into something useful for people. Related to this fact that many work gangs along roads were made up of Communist prisoners, some of whom undoubtedly at one time lorded it over this area. Less comfortable to us is the irony of a weekend when things seemed to be going so well in the countryside in contrast to the growing restiveness in Djakarta and other cities over rice and other issues on which we have reported.

fres file

Wednesday. January 24, 1968

MR. PRESIDENT --

Attaches is the text of a cable from Dar es Salaam containing a reply from President Nyerere to your recent letter. We shall be consulting with State on whether a reply is required and, if so what form it should take.

nothing new in it.

W. W. Rostow

Att.

CONFIDENTIAL/EXDIS Attachment

CONFIDENTIAL/EXDIS

FM AMEMBASSY DAR ES SALAAM TO SEC STATE (2014)(1/21/68)

1. President Nyerere has asked that the following letter be transmitted to President Johnson:

QUOTE

Dear Mr. President:

Thank you for your letter of 15th January, and your clear exposition of America's position on the possibility of opening talks with the Government of North Vietnam. I have studied this with care, and also your discussion of this subject in your State of the Union Message to the United States Congress. It is this study together with the intensity of my desire to see peace in South East Asia, which has encouraged me to write further on the same matter.

As I think you are aware. I had written to his Holiness Pope Paul VI in December after he had announced his willingness to mediate in this conflict, and before the Foreign Minister of North Vietnam spelled out publicly the current position of his country -- after which I wrote direct to you. After receiving my letter, His Holiness this week sent one of his officials to see me, and we discussed at length the position of North Vietnam. I then called in the Charge d'Affaires of the North Vietnamese Embassy in Dar Es Salaam and further pressed him on the points which seemed to be giving rise to doubt.

The position as I understand it therefore, is that the North Vietnamese are most certainly genuine in their desire for peace. As America is also genuine, it seems to me that our task is to translate this mutual desire into a chance of life for the Vietnamese people and the 500 000 American soldiers who are now in that country -- for all of these people are now in danger of death or injury or misery.

The North Vietnamese have said they will talk if the bombing ceases. In your letter you say 'The United States is willing to stop all aerial and Naval bombardment of North Vietnam which this will lead promptly to productive discussions'. And in your State of the Union Message 'The bombing would stop if talks would take place promptly and with reasonable hopes they would be productive'.

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 96-266 By iis , NARA Date 9-11-97

-CONFIDENTIAL/EXDIS-

In this there are thus two points of apparent difference. The first is how quickly the talks would start after the bombing had stopped. You say it must be 'promptly'. The North Vietnamese in their discussions with me have indicated that they would need an 'appropriate' period in which to convince themselves and the world that the bombing had really stopped and that they are therefore not talking under durss. I am not in a position to say exactly what 'appropriate' means in this context. My impression, however, is that it would be something like three to four weeks. Let me repeat that this is just an impression. If you were interested I have no doubt but that you would be able to get more precise information on this point,

Your second point is that of 'reasonable hopes' that the talks would be productive. Here I do not know how anyone can answer. You and the North Vietnamese are certainly a long way apart in your interpretation of the war. To them it is a war of national liberation and a civil war within Vietnam. And to you it is a question of 'self-determination for South Vietnam' yet even here it seems to me that there is a basis for discussion if both sides are genuine, and that is the Geneva Agreement of 1954. The United States was involved in the cease fire agreement and Secretary of State Mr. Dulles was a member of the conference which drew it up. Mr. Ho Chi Minh's government was also involved in these discussions. Is this not a possible point of departure?

But the only way in which conflicting groups can really see whether these are 'reasonable hopes of productive discussions' is to enter into them with a determination to make them fruitful. I have no doubt but that at the beginning the North Vietnamese and yourselves would enter the conference room with wildly conflicting demands. I have equally no doubt but that in keeping with the United States principles of equality and self-determination these conflicting stands could be brought together. This is only an expression of opinion but I do not see how it is possible for anyone to say more at this stage. If there were a mutually accepted mediator such as Pope Paul or U Thant it might be possible to find out more. But it appears to me to be unlikely that anyone could adopt such a role until after the bombing had stopped!

The American stand, however, goes one stage further. In your letter you say 'We assume that while discussions proceed, North Vietnam would not take advantage of the bombing cessation or limitation'. And in your message 'The other side must not take advantage of our restraint as they have in the past'.

As I understand it, this demand is the real stumbling block on the road to peace. The North Vietnamese 50 000 or so troops, and the Vietcong are largely supplied with arms and ammunition, and with some food, by the North. Just as the American troops are supplied from the United States. Despite the bombing the supplies still continue, but it is obvious that Byour opponents do not have the same kind of reserves at the front line as the American troops do. To demand that all supplies and reinforcements from the North should cease is therefore tantamount to demanding that opposition be allowed to rumout of food and weapons while the fighting continues, and while the American troops continue to get normal supplies. With this fact in mind, I was not surprised when the North Vietnamese Charge d'Affaires indicated that his government could not accept this American condition.

The point at issue Mr. President, is the cessation of the bombing of North Vietnam; not the cessation of bombing within South Vietnam -- much as I personally long for the day when this happens. At present there are two supply points for the war -- North Vietnam and the United States. The condition for talks is that both the United States and North Vietnam should be equally free from bombardment. Is this really unreasonable?

Let me say again that I do realise the political difficulties you will face within the United States if you order the bombing to stop. But despite the fact the Ho Chi Minh's Government is a communist one, that President too much have his political problems. There are North Vietnamese 'hawks' as well as American ones. Somehow a breakthrough has to be achieved. It is true that if the bombing stops the North Vietnamese people will repair their bridges and their roads mend their houses and get their factories going. They are doing this all the time now; the difference will be that they will not be destroyed again. North Vietnam is a poor and undeveloped country; its people live at subsistence level. The restoration of motorised transport may make it easier for them to convey supplies to the border with South Vietnam -- as easy as it is for America to transport her supplies there. But it will also make it possible for them to ensure that their citizens are fed and housed, and have minimal medical treatment, and so on. It is very evident now that they earnestly desire this.

Mr. President, you will see that I have taken full advantage of the kindness with which my last letter was received. But my objective is still the same -- to contribute towards the development of peace in Vietnam.

To this end I have abjured any discussion about the origins and the growth of this dreadful war. because I believe we know one another's attitude on this, and because arguments about the past do not matter now -- what matters if the future. If these confidential communications between us can make any constructive contribution to that future I shall be well content.

Yours sincerely

J. K. Nyerere

UNQUOTE

- 2. The signed original of this letter will be sent to Washington by courier on January 27.
- 2. COMMENT: I believe I should mention that in my talk with Nyerere He more than once expressed concern that his addressing President Johnson on the subject of Vietnam might be regarded as presumptuous and naturally I assured him that this would not be the case. At one point he said with a good deal of feeling "how many doors could be opened if the Vietnam problem could be resolved."

BURNS

-CONFIDENTIAL/EXDIS-

Mr. President:

Herewith Bunker and Westy urge that we:

- -- lift the Tet cease-fire in the northern combat area;
- -- continue bombing North Viet Nam south of the general area of Vinh.

TOP SECRET attachment (Salgon 16851)

TEXT OF CABLE FROM BUNKER (SAIGON 16851)

SUBJECT: TET Ceasefire

The current military situation in Quang Tri Province and the adjoining DMZ and Laos areas raises the question in General Westmoreland's and my minds of the feasibility of observing a TET ceasefire in that general area. In our view the overt and massive invasion of South Vietnam in strength by fresh, well-armed and well-equipped North Vietnamese regulars makes it clearly undesirable for us to be a party to a truce in Quang Tri, the DMZ, in at least part of North Vietnam at this time. The latest example of their aggressive intentions is the overrunning today of the far post at Ban Houei Sane on Highway 9 in Laos west of Khe Sanh.

By his accelerated aggression in Southeast Laos and northwest South Vietnam, the enemy has nullified completely any peaceful potential that may have attended a truce in that area at TET, once again clarifying Hanoi's repeatedly stated and demonstrated objectives with respect to Sough Vietnam. Our experience with past holiday ceasefires gives us little reason to presume that North Vietnam forces intend to observe the ceasefire themselves on this occasion where it is not to their advantage. The present communist posture along the DMZ and in Quang Tri Province removes any doubt as to this. At the same time, it is clear that he will be able to improve his relative military position in this area during the ceasefire at the cost of U.S. and Vietnam lives.

Our concern also relates to the cessation of bombing of North Vietnam since the enemy continues to move massive quantities of men and munitions south to support his open invasion of South Vietnam. It is not considered politically feasible to maintain bombing throughout North Vietnam during the TET truce, we consider that it is essential to continue the bombing in the areas through which the main movement is funneling. This would be south of the general area of Vinh, about half-way between the 18th and 19th parallels, and would include the Tally Ho and Route Package One areas. To do less would, in Westmoreland's view, commit our forces in Quang Tri to greatly increased casualties and decidedly disadvantageous tactical positioning.

We both strongly urge early acceptance of this position. We would then plan to discuss it with President Thieu, inform our seven nations allies here, and announce it as soon as possible in terms which would gain the maximum propaganda advantage for the Free World Forces.

Authority NLJ 83-213
By ..., NARS, Date 5-15-84

TOP SECRET/EXDIS

INFORMATION

SECRET

Wednesday, January 24, 1968 10:15 a.m.

Mr. President:

This will give you the flavor of President Park's reaction to recent events in Korea.

W. W. Rostow

Seoul 3598

-SEGRET

WWRostow:rln

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By 12, NARA, Date 12-27-91

Pres file

SECRET/EXDIS

DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 93-367

By NARA, Date 2-8-94

Wednesday, January 24, 1967

TEXT OF CABLE FROM AMBASSADOR PORTER (Seoul, 3598)

President Park reacted strongly to representations made to the Prime Minister to the effect that the South Korean Government avoid reprisals against the North Koreans. He asked me to call this afternoon and kept me for an hour and a half. He opened with a request for a statement of the position as I knew it, with emphasis on the Pueblo incident. I recounted the facts as they have been transmitted to us as well as the attitude we took in the Military Armistice Commission meeting this morning. I also told him of naval movements and said he could rely on us to remain in contact with him as this affair developed.

Park commented immediately on the fact that we had asked North Korea for an apology and immediate return of the ship. To this we should have added, he said, that we wanted assurance that there would be no more raiding of any kind into South Korean territory. I said the UN Command had asked for the Military Armistice Commission meeting because we wanted to get at the North Koreans on the subject of the raid, and the ship affair had developed later. He could be sure that the raid would figure prominently in the exchange at Panmunjom though we had no precise indication from the South Korean government prior to my conversation with him as to what it desired. Park said that the problem would become acute when the North Koreans say first, that there was no raid, that the attack on Blue House in Seoul was simply a peoples' uprising; and second, when they reject our request for an apology and refuse to return the ship. If we try to minimize the affair from then on, American prestige will fall greatly as the matter has gone too far on both sides.

I said the matter has to be considered very carefully and that we must think about rather than react immediately to the enemy's initiatives. The enemy had taken these actions at times and in places of his own choosing. He was now undoubtedly in an alert posture and there were many reasons why we should not accommodate him. It was this which led us to make representations to the Prime Minister this morning on the subject of reprisals.

Park said vehemently that we seemed to be more worried about reprisals by the South Korean government than we are about getting satisfaction out of the

SECRET/EXDIS

North Koreans. He said he respects the UN Command and the wishes of the American ally and he will not undertake unilateral reprisals at this point. He wanted to make it very clear, however, that retaliation will become inevitable if there are any more attacks by the North on South Korea. He said the objective of the raid was to kill the President and his family and they had very nearly succeeded. He knows that there are 2400 additional men in North Korea with similar training and purpose. These men have been taken from the North Korean Army and given special training. They are located in six centers and he would like to strike them and eliminate the entire unit in one blow. He said he is convinced that this will have to be done sooner or later or they will come down here again and again, striking at many different targets.

Park said that if the United States gets no satisfaction in the matter of the Pueblo, we should strike North Korean naval ships along the east coast after first neutralizing North Korean air power. The South Korean government would be glad to cooperate in such a venture.

When he paused I said his friend President Johnson would be pleased to have his assurance that there would be no unilateral action against the North by the South Korean government. I said we understand that he has been subjected to great provocation but that he would be measured in the United States and everywhere else throughout the non-Communist world by the restraint he shows in these difficult circumstances. He repeated again his view that we are going to have to do something because of the attitude we have taken in demanding an apology and the immediate return of the ship, and he wants added to that in any way we can get it across that there must also be assurance to the South Korean government that there will be no more forays from the North. He is convinced that if we have to act against North Korea, Chinese internal troubles will keep them from moving provided they are given assurance that there will be no threat to their territorial integrity.

The meeting terminated on the note of reiteration that the South Korean government would engage in no unilateral reprisals in connection with this incident. I assured him that we would consult fully with him as developments occur.

Comment: I think we have what we want from him in the way of assurance, but if there is another incident all bets are off. I suggest you consider a brief message from President Johnson to Park admiring his restraint and statesmanship and assuring him of close cooperation and consultation.

SECRET/EXDIS

11 Wednesday, January 24, 1968 10:00 a.m. Pres file Mr. President: You have agreed to meet with Mr. Raymond Guest, U.S. Ambassador to Ireland today at 12:30 p.m. You last met Ambassador Guest on March 16, 1967 at the White House. Our relations with Ireland are good. The only significant issue between us concerns Ireland's refusal to grant Pan-American landing rights at Dublin Airport in addition to its present landing rights at Shannon. The Irish airline Aer Lingus has captured 75 per cent of trans-Atlantic traffic to Ireland because it provides direct service to Dublin. You may wish to ask Ambassador Guest how he would propose to move the Irish from their adamant position. The Irish are concerned that our new tourism program will hurt their economy. You may wish to ask Ambassador Guest for his appraisal of the situation. The Irish object to visits by nuclear powered or nuclear armed U.S. Naval vessels. They have set conditions which could discourage further U.S. Navy visits to Ireland. Ambassador Guest may have some suggestions on how to deal with this problem. Despite growing public and opposition party criticism, the Irish Government continues to support our Vietnam policy. A biographic sketch is attached. W. W. Rostow MWG:em

BIOGRAPHIC SKETCH

Raymond Richard Guest

Ambassador Guest has served as Ambassador to Ireland since April 1965. He was born in New York City November 25, 1907, and educated at Yale University from which he received his B. A. degree in 1931. He is a second cousin of the late Sir Winston Churchill. Together with his brother Winston, he became a well-known polo player. He served in the U.S. Navy between 1941-47, being designated Special Assistant to the Fiscal Director during his last year of active duty. He retired in 1964 with the rank of Commander, USNR.

Much of Mr. Guest's life has centered on Virginia. He operated a farm at Front Royal from 1931 to 1955 when he moved to his present home, Powhattan Plantation, at King George. From 1948 to 1953, he was a State Senator and he has been a member of the State Commission on Fisheries and Game since 1959. From 1948-65 he was a director of Bessemer Securities, Inc. of New York.

In addition to the breeding and racing of horses on both sides of the Atlantic, Mr. Guest is a shooting and angling enthusiast. In 1960 he married the former Princess Caroline de Murat. Mrs. Guest is now an American citisen. They have one child, four-year-old Achille Murat.

MEMORANDUM FOR MR. WALT W. ROSTOW THE WHITE HOUSE

Subject: Ambassador Guest's Appointment with the President

The President has agreed to meet with Raymond R. Guest, U.S. Ambassador to Ireland, on January 24, at 12:30 P.M. A biographic sketch of the Ambassador is attached. The President last saw Ambassador Guest on March 16, 1967.

U.S.-Irish relations have traditionally been close and cordial. There are no significant problems which might disturb this relationship with the possible exception of the long-standing Dublin Landing Rights question.

Since 1961 we have participated in a fruitless dialogue with the Irish about their adamant refusal to grant to Pan-American landing rights at Dublin Airport. The American carrier is now permitted to fly only to Shannon while Aer Lingus, the Irish airline, has landing rights in three American cities. Aer Lingus carries over 75% of the trans-Atlantic traffic to and from Ireland primarily because it provides direct service to Dublin. The Irish have refused to make the slightest concession on the landing rights problem and their latest response categorically rejected our representations.

The Irish have also recently expressed their concern that moves by the U.S. Government to restrict travel by American citizens might have serious adverse effects on the Irish tourist trade. The Irish have estimated that possible curtailment of U.S. tourism to Europe will result in a cut of about one-third in Ireland's tourist revenues. The Irish economy is still in the process of adjusting to the Government's decision to devalue the Irish pound simultaneously with the British devaluation in November.

The Irish have recently informed us that they strenuously object to U.S. Navy vessels, either nuclear-powered or carrying nuclear weapons, entering Irish territorial waters. They have said that they will assume that any U.S. ship entering Irish waters is non-nuclear. Navy's position, which has been challenged only by Ceylon, is not to confirm or deny that a particular vessel is nuclear or non-nuclear. We are now considering our reply to the Irish.

On Vietnam, the Irish Government has steadfastly supported the United States Government even while public and opposition criticism of its position has increased. The Prime Minister told the Irish Parliament in November that an effective ceasefire must encompass a total cessation of hostilities and that a move to stop the bombing would be to no avail if attacks on the ground by either side were to continue.

Benjamin H. Read Executive Secretary

Enclosures:

Tab A - Biographic Sketch

Tab B - Background Notes on Ireland

SECRET-SENSITIVE

Tuesday, January 23, 1968 4:25 p.m.

Pres file

Mr. President:

Herewith Amb, Bunker, Westy, and Bob Komer agree that Bill Celby is still the man they want as Bob's Deputy, despite the need to replace the CIA Station Chief in Saigon.

Dick Helms is agreeable to this solution.

Dick now thinks it is unnecessary to have Celby serve on the NSC staff for a transitional period. On the other hand, Dick wants to know as soon as possible that you approve Celby's assignment to Vietnam so that he can make plans to move Celby; to replace him here; and to find a new Station Chief in Saigon.

W. W. Rostow

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 95-193
By ..., NARA Date 2-21-97

Colb	y okay	as Bol	Komer'	s Deputy	
No					
	B3-0				
		- CF		BOLICO POPULO	

WWRostow:rin



CENTRAL INTELLIGENCE AGENCY WASHINGTON, D. C. 20505

Company of the second of the s

OFFICE OF THE DIRECTOR

22 January 1968

MEMORANDUM FOR: Mr. Walt Rostow -

Herewith is Ambassador Bunker's reply to my cable of 8 January, of which you have a copy:

n <u>ı</u>	CREATLY	APPRECIA	e Your	MESSAGE		A	ND YOU	IR.
THOUGHTS	ABOUT BI	LL COLEY.	WE ARE	ALL DIS	TRESSED,	OF COURS	E, TO	LEARN
203				an here,	, BUT I A	M CERTAIN	ALSO	THAT
NO OTHER	DECISION	COULD BE	MADE.					

"2. I HAVE GONE INTO THE QUESTION OF BILL COLBY'S ASSIGNMENT AT LENGTH WITH GENERAL WESTMORELAND AND BOB KOMER. AS A RESULT, WE ARE ALL AGREED THAT COLBY CAN MAKE A MORE IMPORTANT CONTRIBUTION HERE BY TAKING OVER FROM LATHRAM AND AND AND A SOUL KNOW, PACIFICATION IN CUR VIEW HAS THE HIGHEST PRIORITY HERE. IF WE ARE TO HAVE ANY PERMANENT SOLUTION OF OUR PROBLEM, PACIFICATION MUST SUCCEED. IF IT DOES NOT, I DOUBT WHETHER MILITARY VICTORY WILL BE POSSIBLE, AND IF IT WERE POSSIBLE, WHETHER IT WOULD BE MEANINGFUL UNDER THOSE CIRCUMSTANCES. ANOTHER CONSIDERATION LEADING TO OUR CONCLUSION IS THE FACT THAT GENERAL FORSYTHE WILL EVENTUALLY BE LEAVING CORDS TO ASSUME COMMAND OF A DIVISION AND IT WOULD BE LOGICAL FOR COLBY TO MOVE INTO HIS SPOT. WITH HIS EXPERIENCE, I BELIEVE HE CAN PERFORM A UNIQUE SERVICE IN THAT AREA AND I HOPE, THEREFORE, THAT YOU AND HE WOULD AGREE THAT THIS WOULD BE A WISE BECISION.

SUCCESSOR, I WOULD SUGGEST GIVING
A CHANCE AT THE JOB. I THINK HE HAS BONE EXCEPTIONALLY WELL
IN FILLING IN BY NOW, HE HAS HAD BROAD EXPERIENCE HERE, GETS
ALONG WELL WITH THE VIETNAMESE, DOES NOT GET FLUSTERED NOR UNDULY EXCITED
AT CRISES, IS LIKED BY HIS ASSOCIATES, AND I THINK IS PROVING TO BE AN
EFFECTIVE OPERATOR. I THINK HE MAY BE A LITTLE WEAK AT DRAFTING, BUT
THIS IS A MINOR FAULT IN THE KIND OF OPERATION HE IS ENGAGED IN. HE IS
MOSEGVER THOROUGHLY FAMILIAR WITH OUR PROSLEMS AND I BELIEVE THIS HAS
DISTINCT ADVANTAGES, ESPECIALLY IN VIEW OF THE CRITICAL MONTHS AHEAD
WHICH I BELIEVE WE SHALL BE FACING WITH OUR CAN ELECTIONS COMING ON.
THERE WILL BE NO LOSS OF CONTINUITY OR MOMENTUM."

Richard Helms
Director

SANITIZED
Authority NLJ 012-027-3-1
By NARA, Date 12/13/01

13

January 23, 1968 Tuesday

Pros file

MEMORANDUM FOR THE PRESIDENT

Mr. Bastian W. Haveman, a Dutch citizen, is retiring after six years as President of the Intergovernmental Committee for European Migration. The organization has helped countless refugees and immigrants to reach new homes and many have settled here. Americans who have worked with Mr. Haveman have praised his cooperation and friendship for the United States.

I support their recommendation that he receive an inscribed copy of No Retreat From Tomorrow.

Ambassador Graham Martin could present the attached copy to Mr. Haveman at a luncheon he is giving for him on January 24.

A suggested inscription is:

"To Bastian W. Haveman who helped the refugee and the immigrant in their quest for a new life."

W. W. Rostow

Approve,	attached copy inscribed
Disapprov	/ed
MWG:em	

Book returned with above signed inscription as above signed fundow B. Johnson.

Brok given to me El. Friel's

Hore for delivery

January 22, 1968

sof

MEMORANDUM FOR THE PRESIDENT

Mr. Bastian W. Haveman, a Dutch citizen, is retiring after six years as President of the Intergovernmental Committee for European Migration. The organisation has helped countless refugees and immigrants to reach new homes and many have settled here. Americans who have worked with Mr. Haveman have praised his cooperation and friendship for the United States.

I support their recommendation that he receive an inscribed copy of No Retreat From Tomorrow.

Ambassador Graham Martin could present the attached copy to Mr. Haveman at a luncheon he is giving for him on January 24.

A suggested inscription is:

"To Bastian W. Haveman, whose dedicated service as Director of the Intergovernmental Committee for European Migration for the past six years will be remembered with gratitude by so many who were in need and found help."

W. W. Rostow

Approve, attached copy inscribed	. 1.0
Disapprove	Returned with note
	that inscription
	Back given to my Fried
4.2	The for delivery.

mus

INFORMATION

SEGRET

Tuesday, January 23, 1968 7:20 p.m.

Mr. President:

Herewith Dick Helms' personal assessment of the Pueblo incident.

W. W. Rostow

SECRET

WWRostow:rln

DECLASSIFIED
E.O. 12356, Sec. 3 4(b)
White House Guidelines, Feb. 24, 1983
By Ag., NARA, Date 12-27-91

-SECRET

Roston Roston

23 January 1968

MEMORANDUM FOR: See Distribution List

SUBJECT : North Korean Intentions

- 1. Per McNamara's request, the Director of Central Intelligence herewith submits a preliminary assessment of the <u>Pueblo</u> incident.
- 2. Since the fall of 1966, North Korea has been pursuing a tougher, more aggressive policy toward South Korea and the US. Pyongyang has deliberately heightened tensions along the DMZ, landed infiltration teams inside South Korea, and has been more aggressive in shooting incidents involving South Korean fishing vessels and patrol boats. This policy is probably intended by the North Korean leadership primarily as a demonstration against US and ROK action in Vietnam.*
- 3. The attempt of an armed North Korean infiltration team to attack the presidential mansion in Seoul was the most conspicuous exploit of this North Korean policy thus far. Now the seizure of the USS Pueblo adds a direct involvement with the US in an unusually dramatic way.
- 4. In our view the two incidents were not planned jointly. The attack in Seoul almost certainly involved considerable advance planning. It is unlikely that the attack was timed to coincide with the seizure of the Pueblo, which did not begin patrolling until 10 January.

DECLASSIFIED

E.O. 12958, Sec. 3.6

NLJ 95-103

By its, NARA Date 4-20-98

^{*} See SNIE 14.2-67, "North Korean Intentions and Capabilities with Respect to South Korea," dated 21 September 1967.

- 5. Nevertheless, the circumstances of the Pueblo's capture indicate that the North Koreans acted deliberately. If the local North Korean commander was exceeding his instructions, there was ample time for Pyongyang to countermand his actions.
- 6. What is known thus far does not suggest that the North Koreans are deliberately creating a pretext for hostilities. At this stage, however, regardless of whether they planned for it or not, they are probably now prepared to face a period of sharply heightened tensions. They claim, and they may believe, that the Pueblo was within their territorial waters. They will undertake a heavy propaganda exploitation of the affair for some days at least. They will probably not release the crew or the ship promptly unless they judge that the US will resort to retaliatory action, such as an air attack against the patrol craft involved in seizing the Pueblo.
- 7. Pyongyang will be aware that the ROK on its own motion will probably undertake some violent retaliation for the episode in Seoul, presumably in the DMZ. The prospect of this will probably cause the North Koreans to exercise some caution in handling the further course of the affair.
- 8. If tensions rise sharply, the Soviets seem bound to take a hand at least privately. They will almost certainly advise the North Koreans to terminate the episode at an early date.

Distribution:

McNamara
Nitze
Rostow (Walt)
Rusk
Katzenbach
William Bundy
General Carroll
Thomas Hughes
General Carter

-Sexsitive -----

E.O. 12958, Sec. 3.6 NLJ 95-195 appeal By cbm, NARA Date 6-5-01

MR. PRESIDENT:

You will wish to read this before the 6 o'clock meeting.

W. W. Rostow

TOP SECRET

attachment SC 01892/68

1,5(c) 3.4(b)(1) (C)

SECRET

Lunch with the President

Tuesday, January 23, 1968, 1 P. M.

Agenda

- 1. NPT: Next Steps (Secretary Rusk)
- MAP Legislation Package (Secretary McNamara)
 Situation report on plans to present to Congress on February 1.
- 3. Khe Sanh (General Wheeler)
 Sitrep.
- 4. Other.

W. W. Rostow

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By 19, NARA, Date 12/27/9/

-TOP SECRET

Tuesday, Jan. 23, 1968 12:55 p.m.

MR. PRESIDENT:

We now have confirmation that Romanian Minister Macovescu is in Hanoi.

He apparently arrived on January 22.

He has requested space onto plane which would leave Peking on January 26, arriving in Moscow January 27, and terminating in Bucharest on January 28.

To keep this schedule, Macevescu would probably have to leave Hanci on January 25.

W. W. Rostow

DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 95-194

By , NARA, Date 10-2-95

-TOP SECRET

Ther file

Tuesday, January 23, 1968 12:20 p.m.

Mr. President:

As this note from Ben Read suggests -supported by Nick Katzenbach -- there may be
some virtue in your seeing briefly the Soviet
Armenian composer Khachaturyan and the
distinguished Russian cellist Restrepovich.

Khachaturyan is warmly regarded in the U.S. Armenian community; and your meeting Restropovich might be a useful gesture as a prelude to negotiating the new U.S.-USSR Exchanges Agreement.

Both men will be in Washington through Jan. 25.

W. W. Rostow

Set	up	brief	meeting	via	Mary	Watson	<u></u>
No_							
Cal	l m	16					

WWRostow:rln





DEPARTMENT OF STATE

Washington, D.C. 20520

January 22, 1968

LIMITED OFFICIAL USE

.MEMORANDUM FOR MR. WALT W. ROSTOW THE WHITE HOUSE

Subject: Suggested Call on the President by Khachaturyan and Rostropovich

The noted Soviet Armenian composer Aram Khachaturyan is currently in Washington as part of a tour of the United States under the auspices of the US-USSR Exchanges Agreement. Also here on a brief visit under the same auspices is the world famous Soviet cellist, Mstislav Rostropovich. Khachaturyan is accompanied by his wife, Nina, and son Karen. Rostropovich is accompanied by his daughter, Olga.

Khachaturyan enjoys particularly high regard among Americans of Armenian descent, and during his present visit he has been given an extremely warm reception by the Armenian-American community. The Department has been approached by a leading member of this community, who has expressed the hope that during his visit to Washington Khachaturian might be permitted to call upon the President. We believe that such a call would not only have domestic interest, but that it would serve as a useful gesture at this time when we are looking forward to negotiating a new US-USSR Exchanges Agreement. We think that a call upon the President by Rostropovich would also serve the cause of US-USSR exchanges.

If the President's schedule permits, we recommend that Khachaturyan and Rostropovich be invited to pay a call together upon the President. It would seem appropriate for the accompanying members of their families to be included. Both men will be in Washington through January 25. We understand that they will then depart for New York and will not be returning to Washington.

Benjamin H. Read Executive Secretary

Pres Ele 19

THE WHITE HOUSE

WASHINGTON

- CONFIDENTIAL

Tuesday, January 23, 1968 10:30 a.m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Prospects for Another Sterling Crisis and What it Could Mean

Barbara Ward Jackson advanced the following argument:

- 1. The present UK program will not work out because wage discipline is insufficient, government expenditures still too high. There is a growing feeling among highly placed insiders that this is the case.
- 2. Speculative attacks against sterling will get serious within the next two or three months. As they do, the central bank holders of sterling (they have about \$5.5 billion) will get nervous and try to move into dollars or gold as soon as it is decently possible -- or sooner.
- 3. The result will be another sterling crisis, another devaluation, and another run on gold which we will not be able to contain.
- 4. With sterling in question the European countries will pursue cautious policies at home. Instead of trying to get higher rates of growth, they will try to protect their reserves. This will make it harder for us to make our balance of payments program work: they will import less and damp our trade surplus. If U.K. devalues, other European countries are likely to follow -- unlike the situation in November.
- 5. These policies, coupled with a weak international monetary system which encourages them, and declining raw material prices which hits the developing countries, could bring about a world economic crisis on the lines of 1929.

Her prescription is:

1. We should move with the European surplus countries to "fund" the outstanding sterling balances; that is, to offer the holders of these balances either dollars, marks, or a combination of currencies in exchange for sterling. These liquid sterling balances would then be retired by exchanging them for long-term British bonds, presumably with an exchange or gold value guarantee. They would be removed as a potential source of pressure overhanging the gold and exchange markets.

- CONFIDENTIAL-

DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 95-199

By 120, NARA, Date 3-14-96

- 2. In return, the British would deal with the problem in crisis terms by forming a national government and putting on a wage freeze -- which could restore their competitive position.
- 3. We would also seek agreement with those Europeans joining us for activation of the Special Drawing Rights (IMF new reserves) -- probably before the end of this year. We would aim for an initial level of \$2 or \$3 billion per year, rather than the \$1 billion previously discussed by the Europeans.
- 4. In acting with the Germans, Italians, Dutch, etc., to avert this world economic crisis, we would have to have a showdown with the French in the sense that we would have to use all our bargaining power to make them move with us rather than find an inadequate compromise which the French might accept.
- 5. We would also take the occasion to review global foreign aid together -- along the lines of George Woods' proposed Wise Men exercise -- and try once more to arrive at a multilateral approach that would come closer to meeting needs -- even if action were postponed until after the end of the Viet Nam war.
- 6. Finally, we would do something about gold. Barbara was unclear; but anything except increasing the gold price would do.

Assessment

- 1. In general, this assessment of the U.K. program and prospects may prove too pessimistic; but the over-all problem Barbara has raised is real and, in one way or another, we shall have to meet it in the weeks and months ahead.
- 2. Specifically, the British have a tough job in front of them, but their program is serious and may prove adequate. We will know better when the tax measures are announced in March. A 14% devaluation is a very powerful tool. It can easily be frittered away; but it is more likely to be frittered away in a couple of years than in a couple of months.
- 3. Sterling is not under market pressure right now. But market doubts are reflected in the fact that a large part of the pre-devaluation losses have not returned to the fold. The answer must be that their holders are sitting on the fence for a few months to see how the program works out. In short, they may well wait until they see how tough Jenkins' budget is in March and what progress the U.K. is making in overseas markets. The latter cannot be assessed until the end of the first quarter of 1968.

CONFIDENTIAL

- 4. If sterling comes under attack, the multilateral credit network comes into play. There is all the more justification for using it now when there is a good prospect for improvement in sterling's underlying position in the period 1968-1969. If we were prepared to support sterling pre-devaluation, there is an even stronger case for support post-devaluation.
- 5. Nevertheless, if an attack on sterling occurs and leads to an attack on the dollar via the gold market, our first option would be to break the link between the dollar and gold; stop gold pool operations in the gold market; embargo temporarily the sale of gold to central banks; and tell everyone the time has come to sit down together, talk over the situation, and design a new strategy.
- 6. I believe the question of "funding" sterling balances is an important but essentially a secondary issue. If the UK program succeeds and sterling holds, the owners of sterling will prefer to remain in sterling where they now earn 8%. If the program fails, the sterling balance problem becomes part of the larger question of how to handle both dollar and sterling reserve assets without serious damage to world trade, capital movements, and income.
- 7. Perhaps the best way to handle sterling balances would be to offer to exchange them for a special issue of SDR's -- when we get SDR's into operation. This would add strength to the system because it would exchange a reserve asset linked to one weak currency for an internationally guaranteed reserve. If we exchanged sterling assets in part for additional dollar holdings, we would be adding to the vulnerability of the dollar.
- 8. But with the central point of Barbara's argument I agree: international financial problems could get out of hand with very serious deflationary consequences for the world economy. This is also our main concern. It is unnecessary and must be avoided. The form of the crisis need not be a dramatic second failure of sterling. It could develop from the combined impact of our balance of payments program and the U.K. program.
- 9. Together the two programs require for their success that the surplus countries eliminate their surpluses and lose some reserves in the space of one year. This is a very big turn-around. The danger is that the surplus countries (in general, the EEC) may try to avoid this by tightening up on their monetary and fiscal policies. If they do that, they will cut imports and we and the U.K. will make less headway on our balance of payments programs. GNP in the EEC countries will be less than now envisaged. This, in turn, will play back on us and the rest of the world. And we could again head for a world economic decline.

Recommendations

- 1. To avoid this we must do three things:
 - (a) Convince the Germans they must act responsibly this year.

They are running a \$5 billion trade surplus, more than a \$2 billion payments surplus, and running their economy at less growth than it can support. The world trade and monetary system simply can't work if this continues much longer. The Germans have to be prepared to see their surplus disappear this year and possibly lose some reserves. This means raising their rate of growth and putting central bank funds into the market to keep their interest rates from rising. (You may wish to write a letter to Kiesinger on this theme.)

(b) Work with the other European countries to make possible success, rather than frustration, of the U.S. and U.K. programs.

The Germans are the key -- but the Italians, Dutch, French, etc., must also avoid dampening their economies to protect their balance of payments positions. (Responsibly with your on Fall. 7 to a good approximity to approach)

(c) Get agreement on activation of the SDR's this year -- and in a large amount (at least \$2 billion a year and preferably \$3).

The Europeans, under French leadership, are still stalling. One crisis point will come at the end of March, when the IMF is scheduled to send a draft legal agreement for approval of governments. We have acted to reduce our deficit. To the extent we are successful, we will be reducing world reserves. Therefore, others must now act with us to increase world reserves so that balance of payments policies will not depress world income.

- 2. In short, our strong balance of payments program will have the effect of restoring some of our negotiating leverage. To avoid a deflationary spiral we must use that leverage plus all the other leverage we have over Germany, tally, etc., in the next few months to get the Europeans on an expansionary rather than a restrictive policy track. This will require:
 - -- pressing them for action rather than talk about SDR's and expanding their economies;
 - -- being prepared to ease up on capital, tourist, etc., restrictions as they perform.

CONFIDENTIAL

- 3. To get at this properly we must begin at a high level bilaterally. When we have an understanding with Germany and Italy, we could move into a serious OECD Ministerial meeting by April or sooner. In my judgment, it is essential that Secretary Rusk lead our delegation. Only the Secretary of State can bring to bear all the elements in our leverage.
- 4. Gold. If a crisis does not occur, we are better off riding out the period between now and the issuance of SDR's without rocking the boat. But if the market begins to break out again, I believe we should move on gold. We are working out the possibilities for you, and will shortly present a separate paper on how gold would fit into this whole negotiating strategy. In the course of that memo, I will deal with the thoughts you passed to me yesterday.
- 5. As you can see, the strategy we have in mind would use the leverage and anxiety created by our January 1 program to pull the world back together on an expansionary track in the spring. In all conscience, I must say the job will be easier if by that time we have a tax increase -- mainly because it has become a symbol in Europe of what the U.S. itself is willing to do.

Walkostow

CONFIDENTIAL.

Tuesday, January 23, 1968 20, 10:30 a.m.

ME MORANDUM FOR THE PRESIDENT

SUBJECT: Prospects for Another Sterling Crisis and What it Could Mean

Barbara Ward Jackson advanced the following argument:

- 1. The present UK program will not work out because wage discipline is insufficient, government expenditures still too high. There is a growing feeling among highly placed insiders that this is the case.
- 2. Speculative attacks against sterling will get serious within the next two or three months. As they do, the central bank holders of sterling (they have about \$5.5 billion) will get nervous and try to move into dollars or gold as soon as it is decently possible -- or sooner.
- 3. The result will be another sterling crisis, another devaluation, and another run on gold which we will not be able to contain.
- 4. With sterling in question the European countries will pursue cautious policies at home. Instead of trying to get higher rates of growth, they will try to protect their reserves. This will make it harder for us to make our balance of payments program work: they will import less and damp our trade surplus. If U.K. devalues, other European countries are likely to follow -- unlike the situation in November.
- 5. These policies, coupled with a weak international monetary system which encourages them, and declining raw material prices which hits the developing countries, could bring about a world economic crisis on the lines of 1929.

Her prescription is:

1. We should move with the European surplus countries to "fund" the outstanding sterling balances; that is, to offer the holders of these balances either dollars, marks, or a combination of currencies in exchange for sterling. These liquid sterling balances would then be retired by exchanging them for long-term British bonds, presumably with an exchange or gold value guarantee. They would be removed as a potential source of pressure overhanging the gold and exchange markets.

DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 95-199

By wp, NARA, Date 3-14-96

- 2. In return, the British would deal with the problem in crisis terms by ferming a national government and putting on a wage freeze -- which could restore their competitive position.
- 3. We would also seek agreement with those Europeans joining us for activation of the Special Drawing Rights (IMF new reserves) -- probably before the end of this year. We would aim for an initial level of \$2 or \$3 billion per year, rather than the \$1 billion previously discussed by the Europeans.
- 4. In acting with the Germans, Italians, Dutch, etc., to avert this world economic crisis, we would have to have a showdown with the French in the sense that we would have to use all our bargaining power to make them move with us rather than find an inadequate compromise which the French might accept.
- 5. We would also take the occasion to review global fereign aid together -- along the lines of George Woods' proposed Wise Men exercise -- and try once more to arrive at a multilateral approach that would come closer to meeting needs -- even if action were postponed until after the end of the Viet Nam war.
- 6. Finally, we would do something about gold. Barbara was unclear; but anything except increasing the gold price would do.

Assessment

- In general, this assessment of the U.K. program and prospects may prove too pessimistic; but the over-all problem Barbara has raised is real and, in one way or another, we shall have to meet it in the weeks and months ahead.
- 2. Specifically, the British have a sough job in front of them, but their program is serious and may prove adequate. We will know better when the tax measures are announced in March. A 14% devaluation is a very powerful tool. It can easily be frittered away; but it is more likely to be frittered away in a couple of years than in a couple of menths.
- 3. Sterling is not under market pressure right now. But market doubts are reflected in the fact that a large part of the pre-devaluation losses have not returned to the fold. The answer must be that their holders are sitting on the fence for a few months to see how the program works out. In short, they may well wait until they see how tough Jenkins' budget is in March and what progress the U.K. is making in overseas markets. The latter cannot be assessed until the end of the first quarter of 1968.

— CONFIDENTIAL —

- 4. If sterling comes under attack, the multilateral credit network comes into play. There is all the more justification for using it now when there is a good prospect for improvement in sterling's underlying position in the period 1968-1969. If we were prepared to support sterling pre-devaluation, there is an even stronger case for support post-devaluation.
- 5. Nevertheless, if an attack on sterling occurs and leads to an attack on the dollar via the gold market, our first option would be to break the link between the dollar and gold; stop gold pool operations in the gold market; embarge temperarily the sale of gold to central banks; and tell everyone the time has come to sit down together, talk over the situation, and design a new strategy.
- 6. I believe the question of "funding" sterling balances is an important but essentially a secondary issue. If the UK program succeeds and sterling holds, the owners of sterling will prefer to remain in sterling where they now earn 8%. If the program fails, the sterling balance problem becomes part of the larger question of how to handle both dollas and sterling reserve assets without serious damage to world trade, capital movements, and income.
- 7. Perhaps the best way to handle sterling balances would be to offer to exchange them for a special issue of SDR's -- when we get SDR's into operation. This would add strength to the system because it would exchange a reserve asset linked to one weak currency for an internationally guaranteed reserve. If we exchanged sterling assets in part for additional dollar holdings, we would be adding to the vulnerability of the dollar.
- 8. But with the central point of Barbara's argument I agree: international financial problems could get out of hand with very serious deflationary consequences for the world economy. This is also our main concern. It is unnecessary and must be avoided. The form of the crisis need not be a dramatic second failure of sterling. It could develop from the combined impact of our balance of payments program and the U.K. program.
- 9. Together the two programs require for their success that the surplus countries eliminate their surpluses and lose some reserves in the space of one year. This is a very big turn-around. The danger is that the surplus countries (in general, the EEC) mayatry to avoid this by tightening up on their mometary and fiscal policies. If they do that, they will cut imports and we and the U.K. will make less headway on our balance of payments programs. GNP in the EEC countries will be less than now envisaged. This, in turn, will play back on us and the rest of the world. And we could again head for a world economic decline.

-CONFIDENTIAL

Recommendations

- 1. To avoid this we must do three things:
 - (a) Convince the Germans they must act responsibly this year.

They are running a \$5 billion trade surplus, more than a \$2 billion payments surplus, and running their economy at less growth than it can support. The world trade and mometary system simply can't work if this continues much longer. The Germans have to be prepared to see their surplus disappear this year and possibly lose some reserves. This means raising their rate of growth and putting central bank funds into the market to keep their interest rates from rising. (You may wish to write a letter to Kiesinger on this theme.)

(b) Work with the other European countries to make possible success, rather than frustration, of the U.S. and U.K. programs.

The Germans are the key -- but the Italians, Dutch, French, etc., must also avoid dampening their economies to protect their balance of payments positions. (Rey's visit with you on Jeb 7 is a good affortunity to efflore this affireach).

(c) Get agreement on activation of the SDR's this year -- and in a large amount (at least \$2 billion a year and preferably \$3).

The Europeans, under French leadership, are still stalling. One crisis point will come at the end of March, when the IMF is scheduled to send a draft legal agreement for approval of governments. We have acted to reduce our deficit. To the extent we are successful, we will be reducing world reserves. Therefore, others must now act with us to increase world reserves so that balance of payments policies will not depress world income.

- 2. In short, our strong balance of payments program will have the effect of restoring some of our negotiating leverage. To avoid a deflationary spiral we must use that leverage plus all the other leverage we have over Germany, Italy, etc., in the next few months to get the Europeans on an expansionary rather than a restrictive policy track. This will require:
 - -- pressing them for action rather than talk about SDR's and expanding their economies;
 - -- being prepared to ease up on capital, tourist, etc., restrictions as they perform.

__CONFIDENTIAL

- 3. To get at this properly we must begin at a high level bilaterally. When we have an understanding with Germany and Italy, we could move into a serious OECD Ministerial meeting by April or sooner. In my judgment, it is essential that Secretary Rusk lead our delegation. Only the Secretary of State can bring to bear all the elements in our leverage.
- 4. Gold. If a crisis does not occur, we are better off riding out the period between now and the issuance of SDR's without rocking the boat. But if the market begins to break out again, I believe we should move on gold. We are working out the pessibilities for you, and will shortly present a separate paper on how gold would fit into this whole negotiating strategy. In the course of that memo, I will deal with the thoughts you passed to me yesterday.
- 5. As you can see, the strategy we have in mind would use the leverage and anxiety created by our January 1 program to pull the world back tegether on an expansionary track in the spring. In all conscience, I must say the job will be easier if by that time we have a tax increase -- mainly because it has become a symbol in Europe of what the U.S. itself is willing to de.

W. W. Rostow

CONFIDENTIAL

ACTION

January 23, 1968

Mr. President:

Pres file

Attached, for your approval, is a preposed condolence message to President Kayibanda of Rwanda.

Kayibanda's son died suddenly over the weekend.

W. W. R.

Approve	· · · · · · · · · · · · · · · · · · ·
Disappre	we
Call me_	

Att: File #323

WWR:RM:lw 1/23/68

Proposed Message to

President Kyibanda of Rwanda

Dear Mr. President:

Mrs. Johnson and I were shocked and saddened to learn of the tragic death of your son Ephraim. Like parents everywhere, our hearts go out to you and Mrs. Kayibanda. You are in our thoughts and prayers.

With deepest sympathy.

Sincerely,

Lyndon B. Johnson

WWR:RM:lw 1/23/68

INFORMATION

SECRET SAVIN

Monday, January 22, 1968 6:20 p.m.

Mr. President:

You will wish to read this two-part message from Gen. Westmereland, especially part l. He concludes:

"The current winter-spring campaign is unusual in its urgency and intensity. The bulk of our evidence suggests that the enemy is conducting a short-term surge effort, possibly designed to improve his chances of gaining his ends through political means, perhaps through negotiations leading to some form of a coalition government."

W. W. Rostow

MAC 00967, January 22, 1968

_SEGRET--SAYIN

DECLASSIFIED
Authority NL3.141.021.021/2
By C., NARA, Date 10-29-09

WWRostow:rln

Pres file

Monday, January 22, 1968

SECRET SAVIN MAC 00967 EYES ONLY

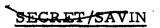
This is a two-part message. Part I represents my assessment of the enemy's overall winter-spring campaign; Part II gives my current views on the enemy's disposition and offensive plans in Quang Tri-Thua Thien. Part I follows:

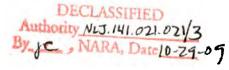
The enemy's winter-spring activity to date has given rise to a number of wide-spread impressions: that he is showing an unusual sense of urgency, that he has increased the tempo and intensity of the war, that his infiltration exceeds our estimates, that he is engaging in unprecedented unit reinforcement, and that he has increased the coordination of his forces. Some of these, I believe, are valid, while others are false or marginally true.

He is definitely displaying a very unusual sense of urgency. His documents indicate this, exhorting all his forces to conduct continuous operations in this "decisive campaign". In the Central Office for South Vietnam area, final victory is even promised in this campaign. His operations also show this urgency. Song Be and Dak To were attacked with inadequate preparation. The Second and Third North Vietnamese Divisions with green replacements persist in the offense despite serious losses. His reinforcement activities also show this urgency, with the 304th Division accomplishing in two months a move comparable to the fourmonth move of the 325C Division a year ago.

The intensity of the war has increased. Although total incidents have decreased since September, the number of assaults and attacks by fire have shown a steady increase throughout the year. Enemy action in the DMZ influenced this through September; since then, however, sharp drops in the First and Second Corps have been counterbalanced by increases in the Central Office for South Vietnam area.

As a result of the enemy activity and of our operations, the enemy's losses in the fourth quarter of 1967 were high. Killed in action's were 50 percent higher than a year earlier, while weapons loss nearly doubled. Enemy losses, however, while above the yearly average, remained below the peaks reached in the spring. The continuation of enemy offensive action despite these losses may give the impression that our infiltration estimates were low. Through August, 1967, the enemy was infiltrating about 6100 troops per month as compared to our estimate of 6500. Since then, we have estimated a spread of 5000 to 6000. Our data, while admittedly incomplete, shows an unusually low count for this period, suggesting a period of low infiltration similar to that of late 1966. While some units, as the divisions in MR 5, have probably received an unusual share of available replacements, we see no evidence as yet that our overall estimate for 1967 will be significantly exceeded. Following the 1967 pattern, however, we would expect to see an upsurge in infiltration during the current quarter.





Enemy reinforcement during this campaign has resulted in the most serious threat of the war to northern First Corps. Reinforcement to date, however, may be a repetition of the 1966-early 1967 pattern, when the 325 C Division deployed and the first of about 40 Hanoi mainline terminals representing replacements and reinforcements appeared. Whether present reinforcement activity is in fact unprecedented depends upon the nature of the 320th Division's deployment, and cannot yet be answered.

The enemy achieved an unusual degree of coordination during the last week in October, with near simultaneous actions beginning in the Fourth Corps and moving northward to the Second Corps. Since then, however, he has shown little improvement in his ability to coordinate at higher levels. He has achieved through reorganizations an improvement at the lower level. We believed, however, that this resulted from normal evolutionary moves, and is not specifically att ri butable to the present enemy campaign.

To summarize my view of the current impressions, I feel that the truly unusual factors of the present enemy campaign are his urgency and the increased intensity of the war in the Third and Fourth Corps. Enemy losses are not significantly higher than average 1967 rates, but it is striking that the enemy has not attempted to reduce his losses. The other factors enumerated in paragraph 2 seem less unusual, and partially explainable either as extensions of long-standing trends or similar to previously observed patterns of enemy activity.

There are two possible hypotheses for the unusual aspects of the enemy activity. Either the enemy is making a major effort for a short period of time in order to gain exploitable victories for political purposes, or else the enemy has escalated the tempo and hopes to continue the protracted war at current tempo.

Abundant documentary evidence favors the short-term hypothesis. Enemy documents increasingly talk of the possibility of negotiations and of a coalition government. The enemy drawdown on his coastal defenses in North Vietnam also suggests a concern with relatively short-term goals. He has made determined attempts to gain a spectacular victory, and is now preparing for another attempt in northern First Corps. I believe that the enemy sees a similarity between our base at Khe Sanh and Dien Bien Phu and hopes, by following a pattern of activity similar to that used against the French, to gain similar military and political ends.

On the other hand, there is some evidence supporting a longer-term hypothesis. Some very recent captured documents refer to continuation of the war at least into the summer. There is no firm indication to date that North Vietnam has backed down from its previous conditions for negotiation.

The key question becomes the enemy capability to continue the war at its present pace. The answer to this lies in his manpower problems. Continuation of the war at the present tempo will presumably cause enemy losses in 1968 at least as great

as those suffered during the past year. The enemy's current input is failing to meet his requirement by at least 5000 men per month. A continuation of such losses, with a resultant upgrading of local and guerrilla forces, would cause the rapid deterioration of the Viet Cong and the war would become increasingly a North Vietnamese Army war. To counteract this, if the enemy made a maximum effort with infiltration of about 11,000 men per month, and takes losses no greater than in 1967, he could sustain the war at current levels for only about one year, and then at great sacrifice. The enemy cannot indefinitely accept either alternative.

In summary, the current winter-spring campaign is unusual in its urgency and intensity. The bulk of our evidence suggests that the enemy is conducting a short-term surge effort, possibly designed to improve his chances of gaining his ends through political means, perhaps through negotiations leading to some form of a coalition government.

This message is Part II of a two-part message and gives my current views on the enemy's disposition and offensive plans in Quang Tin-Thua Thien Province.

In the Khe Sanh area, evidence indicates that the 325C and 304th North Vietnamese Army divisions are deployed north and south of the camp, respectively. On January 20 Comint located the 95C North Vietnamese Army Regiment 13 km northwest of Khe Sanh and a rallier partially confirms this. The 325 Division Headquarters' current location west of Khe Sanh places it in position to control subordinate elements. Though the remainder of the division was last located in Laos, it probably has deployed to positions northwest of Khe Sanh. Comint located the Headquarters, 304th Division and one subordinate regiment south of Khe Sanh. Photo readout indicates that another infantry regiment plus rear service elements may also be in that area. Another subordinate 304th regiment is located in Laos west of Khe Sanh.

Since late December, most of the 324B Division has been deployed from east to west across the DMZ and has been transporting supplies from depots north of the DMZ to caches north and northeast of Khe Sanh. At least 114 short tons of rice were moved, and I believe that 200-300 tons probably were transported. This is enough rice to feed an entire division for one month. In addition, at least 41 tons of ammunition, i.e., the equivalent in weight of a basic load for one division, were also moved. Unlike past years, traffic north of Dong Hoi to the DMZ area has been extremely heavy since January 7, indicating a continued supply buildup, probably artillery ammunition, increased truck traffic in Laos indicates the enemy will be supplied from the west as well. Since January 16, Comint indicates that most of the 324B Division's elements ceased their transportation mission. A tenuous fix located the 812th regiment in Ba 101, 56 km. south of its January 7 position. Message intercepts indicated that the unit was to relocate and suggest coordination with the 274th independent battalion deployed east of Cam Lo. The 90th regiment may still be near its January 16 position north of the Rock Pile. The 803rd is deployed generally north of Con Thien.

The 320th Division Headquarter and its subordinate regiments may be deployed north of Highway 9. Comint, an agent report, and photo readouts indicate that the Division Headquarter and one, possibly two regiments, may be deployed north of the Rock Pile. Message intercepts suggest that one 320th Regiment may be serving a logistics mission and possibly is deployed west of the Rock Pile.

From his deployment, I believe that the enemy plans a coordinated offensive designed to seize and hold key objectives in the northern two provinces. Current

SECRET/SAVIN

evidence indicates that the 325C and 304th Division's have Khe Sanh/Lang Vei as objectives; however, the 304th Division may side-step Khe Sanh and move to Base Area 101. Elements of the 320th Division appear targeted against Camp Carrol and the Rock Pile, probably to hinder friendly artillery support. The Khe An Artillery Brigade Headquarters, recently deployed to the DMZ area probably will direct supressing fires from artillery positions located just north of the Ben Hai River. The 803rd and 9th probably will attempt diversionary attacks in the Con Thien/Gio Linh areas. They could be supported by the 164th Artillery Regiment, if the 812th Regiment joined the 9th Regiment in Base Area 101, an attack on Quang Tri City is probable. And the 320th Division may also move south to the Quang Tri area. Certainly, the movement of Tri-Thien-Hue Military Region Headquarters and the 6th Regiment South to positions near Hue, threatens that city.

SECRET/SAVIN

Mr. Rostow 23

Long

2. Pus ple

CONFIDENTIAL

Monday, January 22, 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Courtesy Call by CENTO Secretary General

Secretary Rusk recommends you see briefly Turgut Menemencioglu, the Turkish Ambassador here for five years who left to become CENTO Secretary General. He will be here February 19-21. This would be strictly a courtesy call.

No one has any illusions about the future of CENTO as a military organization. But we all feel that the patterns of regional collaboration it encourages will pay off some day in ways we can't yet foresee. Since building soundations for regional organizations is one of our main goals in that area, we would like to keep CENTO going until something else is mature enough to supplant it.

Menemencioglu wants to take an active role in increasing CENTO's value as a regional organisation. Your receiving him would not only underscore our support but would also be read in Turkey as a friendly gesture.

W. W. Rostow

Approve A 7 wh	21 5:30pm
Disapprove	
Call me	DECLASSIFIED E.O. 12958, Sec. 3.6
	NLJ 96-189
	By ins NARA Date 3-24-9

-CONFIDENTIAL

THE SECRETARY OF STATE WASHINGTON

23a 1-Saylidus 2-Ret

January 19, 1968

LIMITED OFFICIAL USE

MEMORANDUM FOR THE PRESIDENT

Subject: Proposed Courtesy Call on the President by CENTO Secretary General

Recommendation:

That you agree to receive Turgut Menemencioglu, the new Secretary General of the Central Treaty Organization (CENTO), for a brief courtesy call during his first official visit to Washington in his new capacity, February 19-21.

Approve	Disapprove
---------	------------

Discussion:

Mr. Menemencioglu is one of our oldest Turkish friends. He represented Turkey in the United States for twelve years, almost five of them as Ambassador during the period 1962 to 1966. His most recent meeting with you was at a White House reception in May, 1966. He became Secretary General of CENTO on January 1, 1968.

Mr. Menemencioglu has the ability and the personality to give CENTO the leadership it needs in these years when its value as a military alliance is being questioned, particularly by Pakistan. The burden for initiatives within CENTO must be shouldered increasingly by the regional members--Turkey, Iran and Pakistan. We believe the new Secretary General is disposed to take a leading role in getting the regional members to focus more on the accomplishments of CENTO, to accept its limitations, and to find ways to increase its value as a regional organization. Our acquaintance with him as a senior Turkish diplomat indicates that his performance will be marked by solid realism as to the climate in which CENTO operates.

Your receiving Mr. Menemencioglu, as the latter begins his term of office, would underscore our good wishes and support for his efforts. It would also have a favorable effect on the leaders of the Turkish Government.

Dean Rusk

LIMITED OFFICIAL USE
Exempted from Automatic Decontrol

INFORMATION

SECRET

Monday, January 22, 1968 8:05 p.m.

Mr. President:

You will wish to note Bill Bundy's account and reflection on his trip to London, attached to the State Department Activities Report.

Pros file

W. W. Rostow

SECRET

WWRostow:rln

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By 12, NARA, Date 12/27/94

SECRET (NODIS ATTACHMENT)

January 22, 1968

STATE DEPARTMENT ACTIVITIES REPORT

1. <u>Secretary's Backgrounder</u> - In a brief backgrounder this afternoon the Secretary called attention to the "very severe" rejection of the San Antonio formula as the substance of the "Nhan Dan" editorial, citing use of the word "definitively" again and phrases like "habitual trick" and "insolent conditions".

He emphasized we are not taking this as the answer to our probe, although he acknowledged that the editorial could foreshadow such an answer. He said we hope our private explorations will not turn up a completely negative response; at present we do not have anything private that is contradictory to what we read publicly; the North Vietnamese have said more publicly than we have heard privately.

He dissociated Tommy Thompson's call on Kosygin from Viet-Nam, and emphasized that Harold Wilson is not on a mission for us in Moscow.

- 2. <u>Katzenbach on TV</u> Nick Katzenbach will appear tomorrow morning on NBC's "Today" show to discuss the President's order to cut overseas personnel by ten percent.
- 3. Aviation Talks with Czechs The second round of negotiations of a new Air Transport Agreement with Czechoslovakia began here today (the first round took place in Prague last year). The major outstanding issues are arbitration, routes, and conditions for conducting business in Prague and convertibility.

The arbitration and routes issues will probably be settled without too much difficulty, but the talks may end without overall agreement because of Czech refusal to permit Pan American to sell tickets in local currency and convert earnings to dollars. Pan American presently serves Prague under a temporary Czech permit.

4. <u>Bundy's London Trip</u> - Attached is a memorandum from Bill Bundy on his talks with Prime Minister Wilson at the weekend.

DECLASSIFIED E.O. 12356, Sec. 3.4 NLJ 43-118 By NARA, Date 1-5-94

-<u>SECRET</u> (NODIS ATTACHMENT)

(NODIS ATTACHMENT)

-2-

- 5. Arms for Jordan General Khammash, Chief of Staff of the Jordan Armed Forces, met with Deputy Assistant Secretary Schwartz of DOD/ISA today to discuss resumption of arms deliveries to Jordan. General Khammash submitted a list of requirements for ground equipment which would more than replace the items lost in the June hostilities. The General also reiterated Jordan's interest in obtaining 36 supersonic aircraft, but did not request a specific type. He did say that the aircraft must be "versatile" to carry out both high level interception and ground support roles. While this visit is off-the-record, there is always a possibility of leak. In that event, we intend to make a minimum commitment along the lines that discussions on the matter of arms are underway.
- 6. Recognition of Greek Government Following the completion of consultations with our NATO allies, we have authorized Phil Talbot to make a formal call on Foreign Minister Pipinelis. Phil will cover Cyprus and Greek-Turk relations, as well as domestic Greek developments. He is also authorized to telephone Papadopoulous to inform him of a proposed Sixth Fleet visit in early February and to make a tentative appointment to see him next week.

Benjamin H. Read Executive Secretary

(NODIS ATTACHMENT)

DEPARTMENT OF STATE ASSISTANT SECRETARY

SECRET NODIS

January 22, 1968

NOTE FOR THE PRESIDENT'S EVENING READING

In accordance with Wilson's request to you in Canberra, later stressed by George Brown, Mr. Bundy went to London and met with Wilson on Saturday morning and for lunch. So far there has been no publicity to this visit, but both we and London are prepared to confirm it in low key, if it should come out, as a normal consultation on general Asian matters.

we would expect to say simply that he saw his normal counterparts in the Foreign Office. He was not seen in London by anyone, and it may be that there will never be any publicity.

Following instructions cleared by Secretary Rusk and Walt Rostow, Bundy stressed to Wilson that he must make it absolutely clear that he was not authorized by the US to do any exploring on the San Antonio formula. Bundy gave him exactly the amplification of San Antonio that Harriman had given Dobrynin on December 27. This is general and does not cover many of the nuances being pursued in our serious exploration.

Affirmatively, Bundy stressed that Wilson should hit the Soviets hard on the Cambodian ICC matter, and also on Laos. Wilson appeared to accept this completely.

SANITIZED E.O. 12958, Sec. 3.6 NLJ 96-266 By is, NARA Date 9-10-97

SECRET/NODIS

SECRETYNODIS

On Vietnam, Bundy told Wilson that we would have no problem if he explored the Soviet attitude in general, and particularly as it might relate to Soviet behavior if and when any talks started. Bundy urged Wilson to press the Soviets to exert their influence at that point toward a reasonable settlement, and said that Wilson could probably inquire what the Soviets themselves would do by way of their military supply rate to North Vietnam if we stopped bombing. Wilson was also told that he could explore the Soviet attitude toward their specific role in any talks. It was stressed that all these points arose after talks began -- if they did -- and again should be purely British inquiries.

Wilson said he would keep us informed, probably through the Embassy here.

After the business meeting at which these points were covered with care, Wilson had Ambassador Bruce and Bundy for a long lunch at Downing Street, Wilson himself seemed in remarkably good spirits after the difficult week of decision. He seemed to feel -- and the polls reflected -- that the extreme weakness of his position of late December had now been substantially changed for the better. At the same time, it is crystal clear to Bruce that the British as a whole are badly shaken and that the people do not feel the required sense of urgency about their whole economic situation. In the Foreign Office and Defense areas, professional morale is at a very low ebb.

At lunch, Wilson went on at great length about the strong Constitutional position of a British Prime Minister in a critical situation such as the present. He noted (correctly) that only the Parliamentary Labor Party can do anything to upset his power, and he seemed to feel that he was in a strong position in this quarter. Despite the strong poll position of the Conservatives, he seemed to have no feeling -- and again Bruce agrees -- that the Conservatives were presenting the country with any real alternative. In a nutshell, Wilson seems to have held his Labor support together by a judicious mixture of cuts in domestic services and overseas commitments. On the latter, the F-lll cancellation appears to have been traded in the Cabinet for a 9-month extension in the deadline for withdrawal from Malaysia/Singapore and the Gulf.

3.4(b)(b)

Thus, Wilson has held the line for the time being, and his remarks also led one to believe that he thinks he can always take the last trick, notably through his effectiveness on television. Nonetheless, he is a scarred leader who as yet shows no signs of being able to arouse Britain to do the necessary.

Wilson of course remarked how much he looked forward to seeing you in early February. He may want to save some parts of his Moscow experience for your ears only, and he may wish to expand on the state of Britain's public opinion. He made it very clear that his support for our Vietnam policy could become very difficult to maintain if we turned down the current Hanoi gambits for anything less than clear and convincing reasons.

He may also wish to talk abut the effect on your political situation if you should get into talks. Both Bundy and Bruce simply noted that anyone could see the problems that could arise in different ways from both doves and hawks -- in a process that certainly would take months. They made it very clear that you were pursuing the Hanoi gambits seriously -- prepared to see it through if there was anything in it, but equally unprepared to buy a "pig in a poke." Wilson had no criticism of this position.

SEGRET / NODIS

EA: W. P. Bundy: bmm 1/22/68

INFORMATION

-SEGRET == SAVIN-

Monday, January 22, 1968 4:45 p.m.

Mr. President:

I believe you will wish to read Westy's assessment of the situation as it has developed over the past 48 hours.

I am getting typed a more general military assessment he also filed with us.

W. W. Rostow

MAC 01049, January 22, 1968

DECLASSIFIED

E.O. 13292, Sec. 3.5

NLJ/RAC 03-254

By i.o., NARA, Date 6-2-54

-SECRET-

WWRostow:rln

from till

Copy of MAC 01049 from General Westmoreland Jan. 22, 1968

- 1. The following is my assessment of the situation as it has developed over the past 48 hours.
- 2. The initial attacks of the expected enemy offensive in northern I Corps began on 20-21 January with assaults on 26th Marine positions north of Khe Sanh and on the Huong Hoa subsector. These were repulsed by the Marines and the Regional and Popular Forces in the area. Attacks by fire destroyed some ammunition and fuel and cratered the runway on the airfield. (3,000 feet of runway is still usable, however.) There was also a heavy attack by fire on Camp Carroll, with no significant damage or casualties resulting. The enemy broke contact around Khe Sanh at about noon the 21st and his activity subsided.
- 3. These actions were probably preliminary to a full-scale attack on Khe Sanh by the entire 325th North Vietnamese Army division sometime in the next few days. Some, if not all, of the newly arrived 304th North Vietnamese Army division will probably be involved in this attack.
- 4. The 320th North Vietnamese Army division will probably conduct supporting attacks against friendly installations along Highway 9, particularly Camp Carroll. The current dispositions of the 320th headquarters and supporting artillery indicate that an attack on Camp Carroll may occur within 24 hours.
- 5. We have good evidence that the enemy will attempt a multi-battalion attack on Hue City, and he may sally out of the Hai Lang jungle base area to attack Quang Tri City. There are intelligence indications that some of the recently arrived reinforcements are on their way to the Hai Lang Base area or are already there. There is also intelligence evidence of a possible attack on Danang.
- 6. The two-week general lull in country-wide activity that was interrupted on the 20th indicates preparations for a widespread effort. The presence of high echelon representatives near tactical units in all corps areas strengthens the probability. I believe that the enemy will attempt a country-wide show of strength just prior to Tet, with Khe Sanh being the main event. In II Corps, he will probably attack around Pleiku and Kontum cities, and I expect attacks on the Special Forces camps at Dak Seang, Duc Co, and Dak To. In III and IV Corps, province towns are likely targets for renewed attacks by fire. Terrorism will probably increase in and around Saigon.

___secret savin eyes only

Authority NAS. 141.021.021/5
By Je , NARA, Date 10.29-09

INFORMATION

-SECRET-

Monday, January 22, 1968

Mr. President:

Herewith Kosygin responds to your message:

4:40 p. m.

- -- He will let us know later about ABM-ICBM's;
- -- He wants the U.S. and USSR to join together to force a Middle East settlement, with special emphasis on getting the Israelis to go back to their borders.

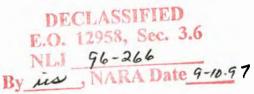
Despite the lack of balance in his position, I have a feeling we ought to explore this a bit further.

W. W. Rostow

Moscow 2529 MAC: 01049 January 22, 1968

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 96-189 By is NARA Date 3-24-97

-SEGRET



Copy of MOSCOW 2529 from Ambassador Thompson, Jan. 22, 1968

RefL State 102228

- 1. I saw Kosygin at 11:30 a.m. today and delivered message per reference telegram.
- 2. Kosygin said the Soviets would study message and express their views later. However, he could make a few preliminary comments.
- 3. Re the NPT, Kosygin said the Soviets are also gratified with the progress achieved. They had done everything to expedite a solution of the outstanding issues and believed the NPT should be signed as soon as possible. Thus, on this question, the Soviet and US views coincided.
- 4. Re strategic weapon systems, Kosygin said the Soviets are still studying the problem. They would also study points made in the President's message and give their views later.
- 5. Turning to the Middle East, Kosygin asserted everything depended on US and the President. There was, of course, a UN resolution in existence. When he talked with the President, such questions as opening of canal, recognition of Israel, and Israeli withdrawal from occupied territories had been discussed. As regards Soviet aid, he wished to point out that the Soviets never readered assistance to aggressor, always to victim of aggression. One could not equate Arabs and Israelis, since the Israelis had launched aggression. The Middle East problem could be solved easily if the occupied territories were vacated by the aggressors. Kosygin said he felt the time had come for the US and USSR to join their efforts to achieve Israeli withdrawal. This could be done through various contacts and through joint pressure on Israel. Jarring mission was, of course, proceeding, but he was concerned it was becoming a routine operation. If US and Soviets did what he was suggesting, the canal could be opened and other elements of the problem resolved. His impression was that some people in the US wanted the Middle East tension to continue. While he did not want to mention any names, the Soviets did have some information about attitudes in the US. Thus, Israeli withdrawal from occupied territories was required. The US and USSR should join their efforts to this end, and he wanted me to convey this to the President. Kosygin continued that the Soviets are very concerned about the Middle East situation. On the other hand, while saying it did not want continued tension in the area, the US is doing nothing about removing it. For example, the US did not seem to be concerned about the plight of Arab refugees. If roots of conflict were removed, i.e., if the problem of occupied territories were resolved, other things, including the question of armaments, would fall in place.

What the US was raising were subordinate questions, although Soviets knew that US is helping Israel.

- 6. I said I would inform President of Kosygin's remarks. Noting that origins of present situation are well known, I said I saw no need to discuss them again at this time. Stressing our concern about the situation, however, I pointed out the President's restraint in his discussions with the Israeli Prime Minister was an effort to help the Jarring mission and implementation of UN resolution so that a successful solution of the problem could be achieved. I also pointed out that the problem involved not only question of occupied territories, but also status of Israel, refugees, etc.
- 7. Kosygin concluded the conversation by repeating that if the question of occupied territories were resolved, i.e., if troops returned to their original positions, the whole problem could be settled.

THOMPSON

###

SECRET NODES

OUTGOING TELEGRAM Department of State

INDICATE: COLLECT

SECRET-

264

Origin

ACTION: Amembassy MOSCOW

IMMEDIATE

20 JAN 68 21 56Z

inte

INFO: Amembassy LONDON

IMMEDIATE

STATE 102228

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 96-224 By iis , NARA Date 9-10-97

NODIS

FOR THE AMBASSADOR

Request you seek early appointment with Kosygin to make following statement: (If Kosygin not available within next day or so, you should see Gromyko and ask him to transmit to Kosygin soonest'.)

EEGIN TEXT. The President has asked me to convey to the Chairman personally his gratification at recent development in Geneva which enabled our two representatives to table complete identical texts of a non-proliferation treaty on January 18. The President regards this as encouraging evidence that we can overcome differences in viewpoint and other obstacles in reaching agreement on an issue vital to the preservation of peace. He is hopeful that it will now be possible to move forward towards prompt approval of the draft treaty within the

District by:

EUR/SOV:MToon/S/SeJPWalsh:hhb 7741 classification approved by:

S/S - John P. Walsh

The Secretary

NEA - Mr. Battle

DOD - Secretary McNamara

EUR - Mr. Leddy

White House - Mr. Smith

-SECRET

5-68 DS-322

SECRET

ENDC and the UN in order that it may be signed and brought into force at the earliest practicable time.

The President has asked me, at the same time, to convey to the Chairman his sense of urgency over two related pressing issues, namely, progress towards limiting the strategic nuclear arms race, and restraint in the delivery of armament to the nations of the Middle East.

The President recalls that, in his letter of May 22, 1968, to the Chairman, he had expressed the conviction that our task of persuading the non-nuclear powers to accept a non-proliferation treaty would be greatly eased if you and we could demonstrate concurrently our will and ability to bring the nuclear arms race under better control. This remains his strong view.

Furthermore, both our nations are now expending rname enormous resources in the development and deployment of offensive and defensive strategic weapons systems which, by their impact on the security requirements of both countries, compel an ever-widening spiral of armament from which neither nation can expect to derive any greater remains security. On the contrary, with the rapid development of technology and the massing of increasingly complex arrays of weapons, the danger increases. The President has asked me to make clear that in proposing discussions between our Governments on this issue, he in no

-SECKET

SECRET

way seeks military advantage; on the contrary, he seeks a solution through a limitation on arms based upon full appreciation by each side of the national interests and security of the other -- a security which he is convinced will not be served by a continuation of our present course. The President believes, therefore, it is in our mutual interest to begin official talks now in order to resolve this problem at the earliest practicable moment.

On the question of arms to the # Middle East, the Chairman will. have received by now Ambassador Dobrynin's report of his conversation with Secretary Rusk on January 9. This matter, too, is urgent and the President has a sked me to stress his deep concern at the impact that continued arms traffic may have on the Middle East situation. We know from past experience that resort to arms is an ever-present danger in the Middle East. Not only does such action not resolve the x problem, but it poses the danger of the spread of war beyond the confines of the area. The President has watched with growing concern the extensive delivery of arms to the area from the Soviet Union. The United States is under considerable pressure, as a consequence, to take matching action. Despite this pressure, my Government has exercised great restraint, most recently in its agree-

SECRET

SWODER

ment to provide Israel with only limited numbers of aircraft, without new models, and only in continuation of our agreement with Israel of 1966. By agreeing only to this limited extension of the 1966 agreement and by deferring decision on the introduction of new advanced aircraft into the area, we have exercised restraint and it is the President's earnest hope that this will be reciprocated by the Soviet Government. In this way our two governments could assist Ambassador Jarring in carrying out his vital mission and thus make a substantial contribution to prospects for a just and peaceful settlement in the Middle East. END TEXT.

FOR AMBASSADUR ERUCE: You should bring this message to the attention of Prime Minister Wilson prior in his departure for Moscow.

END

RUSK

SECKET

-SECRET-

Pres file

Monday, January 22, 1968 -- 3:00 p.m.

Mr. President:

The attached indicates what looks to be a happy ending to what could have been a most ugly and damaging crisis; namely, the rejection by the Corps Commanders of Thang's (and Bob Komer's) plan for reorganizing the previnces.

With real statesmanship, Westy, Bunker, Thieu and Thang -aided by Ky -- have decided to proceed more slowly by making Thang
the IV Corps Commander. If he makes a success out of IV Corps, he
will open the way to the general reforms in which all thoughtful men
believe.

If he had resigned and entered politics at this stage, we would have been in the most serious trouble because he is to the younger people in Vietnam and to the U.S. observers of the scene in Saigon the symbol of the new, especially generation.

I recommend that you read both of the attached.

W. W. Rostow

MAC 01048, Jan 22, 1968 from Gen Westmoreland to Gen Wheeler, CONFIDENTIA1 eyes only
Saigon 16515, Jan 21, 1968

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 96-189 By is, NARA Date 3-24-97

WWRostow:rln

EVES UNIT

CONTIDENTIAL

RECEIVED

1933 JAN 22 18 14

ZCZCQAA461
PP YEKADS
DE YSNKQA 20 0221713
P 2217127
FM GEN WHEELER
TO MR ROSTOW WHITE HOUSE
MR RUSK STATE DEPT
O 221217Z ZYH ZFF-1
FM GEN WESTMORELAND COMUSMACV
TO GEN WHEELER, CJCS, WASHDC
ZEM

CONFIDENTIAL EYES ONLY MAC 01048

GEN VIENTOLD ME TODAY THAT THANG IS FULLY AGREEABLE TO THE PROSPECTIVE ASSIGNMENT AS IV CORPS COMMANDER. HE STATED THAT THIEU HAD APPROVED AND THANG WAS NOW AWAITING FORMAL ORDERS.

BOB KOMER SAW THANG THIS AFTERNOON AND ASCERTAINED THAT THANG IS ENTHUSIASTICALLY ANTICIPATING COMMANDING IV CORPS. HE HAS GIVEN CONSIDERABLE THOUGHT TO HOW HE WILL APPROACH HIS JOB AND HAS COME UP WITH A 12-POINT PROGRAM. HE PLANS TO MOVE HIS FAMILY TO CAN THO AND TO AVOID SPENDING MUCH TIME IN SAIGON. AFTER 30 TO 60 DAYS AS CORPS COMMANDER, HE INTENDS TO RESIGN FROM HIS POST AS GOVERNMENT DELEGATE FOR THE REGION AND STATES THAT GEN KHANG OF III CORPS INTENDS TO DO LIKEWISE.

WARM REGARDS. SSO NOTE: DELIVER DURING DUTY HOURS 160

> DECLASSIFIED E.O. 13292, Sec. 3.5 NLJ 96-198 By 200 , NARA, Date 8-12-04

NNNN

- CONTIDENTIAL

EYES ONLY

Copy of SAIGON 16515 from Ambassador Bunker Jan. 21, 1968

- 1. General Nguyen Duc Thang and Lansdale had a long talk about Thang's future, the afternoon of January 20. Highlights follow:
- 2. In his own mind, Thang really has made the decision to accept the proferred post of Commander, IV Corps. Apparently, a talk between Vice President Ky and Thang on January 19 had much to de with this; Ky had just had a long, intimate talk with President Thieu before seeing Thang and said that he was speaking for both of them. (Thang seemed genuinely pleased that Thieu and Ky had gotten together finally and hoped that this pattern would continue to develop.)
- 3. Thang is scheduled to see General Cae Van Vien on Monday, January 22, and inform him of his decision then. Thang intends to do so, as well as to ask General Vien to arrange a meeting with President Thieu for Thang. Thang wants to clarify his plans with President Thieu, since they go considerably beyond normal military considerations and touch on matters he discussed previously with the President. Also, Thang wants to avoid any misunderstanding about his past criticism to Thieu of the II and IV Corps Commanders; he had not been seeking either post for himself and was caught by surprise when the IV Corps post was mentioned to him.
- 4. Among the points Thang plans to take up with President Thieu are those that will stengthen both the authority of the elected President and the Vietnamese Joint General Staff, as well as give a boost to democratic processes. He intends to request relief from civil duties, after 30 days as IV Corps Commander, and I have the President appoint a government delegate as the civil authority in the region; Thang hopes that this will open the way for the President to act in similar fashion later in other regions. Within six months, as quickly as feasible, he would like to see pacified areas start electing their own province chiefs; Thang believes that this may prove possible in An Giang, Ba Kuyen, and Go Cong -- giving a powerful incentive for successful pacification. Further, Thang would like to suggest to President Thieu that Thang not be appointed to the military council; he feels that this bedy will start withering away, since both the I and III Corps Commanders might then suggest similar moves for themselves.
- 5. Thang obviously has been giving thought to many other facets of IV Corps. He believes that 11 of the 16 province chiefs are good and should be kept in their jobs, with the other 5 changed in the near future. He would like to involve elected officials, especially the Lower House delegates and the members of provincial councils in a civil defense program, to cut down on civilian casualties in principal towns during Viet Cong attacks. Also, Thang

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 96-266 By is, NARA Date 9-10-57 is thinking in specific terms of how to implement the "10-point program" that he proposed last year to his fellow generals.

- 6. Thang admitted that he had no meaningful alternative to accepting the IV Corps post. He had passed the "point of no return" with President Thies on the Vice Chief of Staff position, due to lack of any agreement on giving authority for necessary reforms and reorganization. (Comment: As a Corps Commander, he will be free to initiate the desired reforms and reorganization in his own area, as rapidly as feasible.) The other official alternative, of remaining in the Vietnamese Joint General Staff as an assistant to General Vien, would be "made work" out of the main stream of the demands of the war and thus far from being of real service to the country in time of need;
- 7. In response to pointed queries who would truly replace him in directing the operations of the Revolutionary Development cadre teams, Thang admitted that he did not know and further that he was deeply concerned about it. He has little confidence that General La can handle the Revolutionary Development teams as well as he can handle popular forces; Colonel Khoi and Major Be, in particular, will perhaps find it most difficult to carry out their work under La. Within the South Vietnamese army, as well as in the Presidency, some thought -- he believed -- has been given to putting General Phan Trong Chinh (formerly commanding the 25th Division) in this position, as a true nationalist. (Comment: Lansdale reminded Thang of difficulties in the past, with battalions of the 25th Division under Chinh and the Revolutionary Development teams, as well as villagers, which cast some doubt on Chinh's understanding of pacification.)

BUNKER

ACTION

SECRET

Monday, January 22, 1968 -- 12:30 p. m.

MEMORANDUM FOR THE PRESIDENT

SUBJECT: NSC Meeting on Cyprus, Wednesday, January 24, 1968, 12:30 p.m.

You are scheduled to meet with the National Security Council on Wednesday to consider a strategy for the settlement of the Cyprus problem.

The meeting is scheduled for 12:30 p.m. We have just learned that Secretary Rusk is scheduled to appear before the House Fereiga Affairs Committee at 10:30 a.m. Wednesday. He wants to remain at that meeting until every question is answered so that there will be no excuse for calling him again. The chances are that Secretary Rusk will be on time for the meeting. If he is kept on the Hill, Nick Katsenbach can present the Cyprus paper.

The regular NSC attendees have been invited. I think it would be a good idea to ask Cyrus Vance to attend.

W. W. Rostow

Invite Vance	
	DECLASSUTED
De not invite Vance	E.O. 12356, Sec. 3.4(b)
	White House Guidelines, Feb. 24, 1983
	By 18, NARA, Date (2/27/9)

BKS:amc:rln

SECRET-

(j)

INFORMATION

Monday, January 22, 1968 10:35 a.m.

Mr. President:

We don't know much about morals in North Vietnam; but this account struck me as pretty well balanced.

W. W. Rostow

19 January 1968

1.5(c) 3.4(b)(1)

SANITIZED E.O. 12958, Sec. 3.6 NLJ 96-199 By us , NARA Date 8 -19. 98

WWRostow:rln

29 Purfile

. ROUTINE

CENTRAL INTELLIGENCE Intelligence Information Cable

IN 33586

PAGE 1 OF 7 **PAGES** NMCC/MC (SECDEF CIA/NMCC ONE CRS STATE/INR SDO OER FBIS DCS IRS AID USIA **EXO**

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

THIS IS AN INFORMATION REPORT, NOT FINALLY EVALUATED INTELLIGENCE.

192228Z

3.4(b)(1)

1.5(c) 3.4(b)(1)

E.O. 12958, Sec. 3.6

19. JANUARY 1968 DIST

NORTH VIETNAM COUNTRY:

NLJ 96-200

DOI

1967

NARA Date 7-10-98

MORALE AND SUPPORT FOR THE NORTH VIETNAMESE GOVERN-

MENT AMONG VARIOUS SEGMENTS OF THE POPULATION.

ACQ SO UR CE

SUMMARY: MANY LOWER LEVEL CADRE ARE YEARNING FOR PEACE -AND MANY YOUTH, EVEN THOUGH THEY SEEM TO SUPPORT THE GOVERN-MENT, ARE VERY RELUCTANT TO ENTER THE ARMY THE YOUTH THAT SUPPORT THE GOVERNMENT ENTHUSIASTICALLY TEND TO BE THOSE WITH MORE -LEDUCATION, MORE POLITICAL INDOCTRINATION, AND THOSE MORE INVOLVED ... IN YOUTH AND PARTY ACTIVITIES. LESS EDUCATED YOUTH, WORKERS. AND THE PEASANTS SHOW LITTLE ENTHUSIASM FOR THE GOVERNMENT BUT DO NOTHING AGAINST IT; THEY JUST WANT THE BOMBING TO END. THE GENERAL POPULOUS WONDERS WHY THEIR GOVERNMENT WILL NOT TALK



1.5(e) 3.4(b)(1) - Action of the second of the

(classification)

PAGE 2 OF 7 PAGES 1.56

1.5(c) 3.4(b)(1)

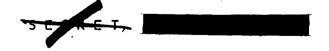
ABOUT ENDING THE WAR. STEALING FOOD HAS INCREASED. "UNDESTRABLE" ELEMENTS GRIFE ABOUT THE LACK OF FOOD BUT ARE AFRAID TO SPEAK OUT ON ANY OTHER TOPIC. END SUMMARY.

1 ANY UTHER TOPIC. END SUMMARY.

PERHAPS HALF OF THE LOWER LEVEL*

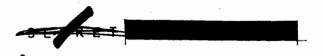
CADRES ARE YEARNING FOR PEACE. THE REST, HOWEVER, APPEAR TO BELIEVE WHAT THEY PREACH. AMONG THE YOUTH, THERE IS A SIZE-ABLE SEGMENT WHO ENTHUSIASTICALLY SUPPORT THE WAR BUT THE MAJORITY DO NOT. FOR EXAMPLE, FEW YOUTHS WOULD VOLUNTEER FOR THE ARMY IF THEY HAD A CHOICE AND MANY WHO APPEAR TO SUPPORT THE GOVERNMENT DO SO ONLY VERBALLY -- WHEN CALLED INTO SERVICE, THEY GO RELUCTANTLY. EVEN THE ASSAULT YOUTH (THANH NIEN XUNG PHONG - TNXP) HAS BECOME SOMETHING OF A "DUMPING GROUND" FOR BOYS 16 TO 18 AND GIRLS UP TO 25 WHO DO NOT WANT TO WORK ON THE LOCAL COOPERATIVE AND INCLUDES SOME WHO ARE THOROUGHLY INDOCTRINATED. THOSE DUMPED CAN "VOLUNTEER" FOR TNXP FOR 6 MONTHS AND AT THE END OF THIS SERVICE CAN "VOLUNTEER" AGAIN IF THEY STILL DO NOT WANT TO WORK ON THE COOPERATIVE. CHILDREN

8 TO 12 ARE SEEN DIGGING AIR RAID TRENCHES AND SHELTERS'



1.**5(c)** 3.4(b)(1)

PAGE 3 OF 7 PAGES



1.5(e) 3.4(b)(1)

(classification,

(dissem controls)

UNDER THEIR TEACHER'S DIRECTION. THE REQUIRED AMOUNT OF
FORCED LABOR IN THE AREA HAS INCREASED FROM 20 DAYS PER YEAR TO
ONE MONTH, AND THE PERSONS CALLED ARE NOW 16 TO 65 YEARS OF AGE
WHEN THEY USED TO BE 18 TO 40. WITH MOST OF THE YOUNG MEN
GONE, THE FORCED LABOR GANGS ARE MOSTLY WOMEN NOW, PLUS UNDERAGE
YOUTH AND OLD PEOPLE.

MOST
OF THE PEOPLE OF NORTH VIETNAM WOULD LIKE TO CHANGE THE GOVERNMENT BUT THE PEOPLE ARE AFRAID AND DO NOT DARE DO ANYTHING THAT
DISPLEASES THE CADRE. THE PEOPLE DO AS THEY ARE TOLD AND DO
NOT ATTEMPT TO DO OTHERWISE.

ORDERS CAME DOWN FROM THE CADRE BUT

IT WAS ALMOST IMPOSSIBLE TO GET COMMUNICATION TO FLOW UPWARD

THROUGH THEM.

A MAN TRIED TO SEND A PROTEST

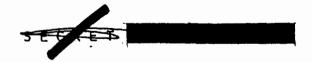
LETTER TO HANOI. THE CAMP CADRE CONTACTED THE POSTAL CADRE

3.4(b)(1)

AND THE LETTER WAS DESTROYED.)

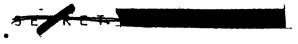
AMONG THE YOUTH UP TO AROUND 18 OR 20 YEARS OF AGE
THE GROUP ENTHUSIASTICALLY SUPPORTING THE GOVERNMENT WAS PROBABLY SOMETHING JUST OVER 50 PERCENT. THIS GROUP TENDED TO BE

1.**5(c)** 3.4(b)(1)



1.5(c) 3.4(b)(1)

PAGE 4 OF 7 PAGES



1.5(c) 3.4(b)(1)

n) (dissem controls)

COMPOSED OF OLDER ONES WITH SUBSTANTIAL SCHOOLING, THOSE WHO STUDIED POLITICS, AND THOSE WHO WERE MEMBERS OF THE YOUTH GROUPS, THE MILITIA, OR WERE IN THE MILITARY. THE LESS EDUCA-TED YOUTH, THE WORKERS, AND THE FEASANTS SHOW LITTLE ENTHUSIASM . FOR THE GOVERNMENT BUT DO NOTHING AGAINST IT. THEY LIVE EACH DAY AS IT COMES AND IN CONSTANT FEAR FOR THEIR LIVES. THIS GROUP SIMPLY WANTS THE BOMBING TO END AND IS NOT CONCERNED. WITH THE LARGER ASPECTS OF THE WAR. THERE IS A VERY SMALL GROUP WHICH, IN THE PAST YEAR, HAS BEGUN TO EXFRESS DOUBTS THAT NORTH VIETNAM CAN WIN THE WAR. VERY YOUNG CHILDREN IN GRADES ONE THROUGH FOUR HAVE NO FOLITICAL STUDIES BUT ARE TAUGHT PRIDE IN THE NATION AND IN "UNCLE HO." THEY HATE THE U.S. PLANES AND PILOTS AND CHEER WHEN A PLANE IS SHOT DOWN. THEY DO NOT SEEM TO BLAME AMERICA OR THEIR GOVERNMENT HOWEVER. ONCE A U.S. PILOT WAS CAPTURED MANY CURIOUS PEOPLE OF ALL AGES WENT TO THE DISTRICT SEAT OF CHI NE TO SEE HIM AND SHOUT CURSES AT HIM FOR DROPPING BOMBS ON THEM.

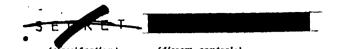
3.

3.4(b)(1)

serfer .

1.5(c) 3.4(b)(1)

PAGE 5 OF 7 PAGES



3.4(b)(1)

THE GENERAL POPULACE

HATED THE BOMBING AND BLAMED THOSE DROPPING THE BOMBS AND THEIR 3.4(b)(1) OWN GOVERNMENT. THE PEOPLE WONDER WHY THEIR GOVERNMENT WILL NOT TALK OF ENDING THE WAR, ONCE BOMBING STOPPED FOR 5 DAYS AND LEAFLETS WERE DROPPED SAYING THE AMERICANS WERE WILLING TO TALK BUT THEIR GOVERNMENT WAS NOT. AFTER 5 DAYS. THE BOMBING WAS HEAVIER THAN EVER AND THE PEOPLE SAW THERE WAS NO AGREE-MENT. THE BOMBS KILLED INNOCENT PEOPLE AND THEY WONDERED WHY THE BOMBS WERE NOT DROPPED ON THE CADRE AND KILL A FEW OF THEM. OTHERS ASKED WHY THE AMERICANS DID NOT LAND IN NORTH VIETNAM AND FIGHT SO THE STRONGER WOULD WIN AND WAR WOULD BE OVER. THIS WOULD BE PREFERABLE TO PROLONGING THE WAR BY BOMBING WHICH WOULD KILL EVERYONE.

3.4(b)(1)

THERE HAS

DEFINITELY BEEN AN INCREASE IN STEALING THIS YEAR. IN THE PAST. STEALING HAD BEEN LIMITED TO SCARCE ITEMS SUCH AS BICYCLES BUT NOW RICE, SWEET POTATOES AND VEGETABLES ARE TAKEN. WHEN PEOPLE. EVACUATE TO THE MOUNTAINS. THEIR GARDENS ARE QUICKLY STRIPPED; FRUIT TREES ARE BEING RAIDED MORE OFTEN. THE SECURITY FORCES (CONG AN) ARE UNABLE TO CONTROL THE LARCENY.

PAGE 6 OF 7 PAGES

-5	

1.5(c) 3.4(b)(1)

(classification)

(dissem controls)

THE PEOPLE

SUSPECT THE COOPERATIVE CHIEF AND THE CADRE IN THE STATE STORES OF STEALING RICE, BUT THEY HAVE NO PROOF.

TWO CASES OF STEALING.

CAME IN 1367

WHEN A MAN BROKE INTO THE STATE STORE AND STOLE 10 BOLTS OF CLOTH AND A WORKER IN THE STATE RESTAURANT STOLE SOME SUGAR.

THE CLOTH THIEF IS IN PRISUM AND THE INVESTIGATION OF THE SUGAR INCIDENT HAD NOT BEEN COMPLETED.

4.

NOVEMBER 1967.)

1.5(c) 3.4(b)(1)

THERE WERE

SOME 300 TO 400 "UNRELIABLE" LABORERS FROM THE HANOI/HAIPHONG AREA WORKING ON THE HIGHWAYS NEAR LAO CAI.

THEY WERE PROBABLY CLASSED AS UNRELIABLE BECAUSE OF PAST CONNECTIONS WITH THE FRENCH. MANY OF
THESE WORKERS WOULD COMPLAIN BITTERLYABOUT THE LACK OF FOOD
AND OTHER CONDITIONS IN THE AREA -- BUT THEY WERE AFRAID TO
SPEAK OUT ON ANY OTHER TOPIC. THE MORALE OF THE PARTY CADRE
WAS STILL GOOD WHEN HE LEFT THE AREA AND MINE OFFICIALS AND

3 5 7 5 5

1.5(c) 3.4(b)(1)

PAGE 7 OF 7 PAGES

1.5(c)

SIFET

(classification) (dissem controls)

PARTY CADRE WERE GREATLY FEARED.

- 5. THIS RESPONDS TO D 4A2 20276.
- 6. DISSEM: STATE, CINCPAC, ARPAC, PACAF, PACFLT

REPORT CLASS SE KET

1.5(c) 3.4(b)(1

SERET

INFORMATION

Presfile

Monday, January 22, 1968 -- 1:20 p.m.

Mr. President:

Herewith:

- Another Viet Cong being promised an early end to the war (just about the time of the Republican convention!); and
- 2. Another indication that Hanoi wants us to push Thieu-Ky aside and negotiate a coalition government with them -- as a face-saving form of defeat.

W. W. Rostow

WWRostow:rln

30a

SUBJECT: Winter - Spring Campaign

The following is taken from an alerting cable from Saigon and is, therefore, fragmentary.

A notebook captured in Hau Nhgia Province with entries dated October and December 1967 contains notes taken from the study of a Resolution passed by Central (probably the Executive Committee of Lao Dong Party) which reveal that civilians should be indoctrinated, that the Resolution will succeed by the middle of 1968 and that cadre will be able to rejoin their families approximately August 5,41968 and possibly in early 1968.

January 22, 1968

SUBJECT: Negotiations

The following is taken from an alerting cable from Saigon and is, therefore, fragmentary.

A document captured in Binh Duong Province contains notes and minutes taken during a seminar held on December 26, 1967, which discusses the platform of the National Liberation Front and propagandizes the Winter - Spring Campaign. The Honorary Chairman of the seminar was Huu Tho Nhuyen, Chairman of the National Liberation Front. The document reveals that the National Liberation Front will not talk peace with the Thieu - Ky Clique and will only sit at the conference table with the U.S. on the condition that the U.S. accept the four points of the DRV and the five points of the NLF. If necessary to talk peace, the conference will be conducted along the lines of creating an honorable defeat for the U.S.

INFORMATION

SECRET

Monday, January 22, 1968 1:15 p.m.

Mr. President:

I have marked Gen. Eisenhower's key observations, pp. 3-4.

W. W. Rostow

SECRET

ELCIVICATIO E.O. 12005, Sec. 3.4(b) White Harry C. 11. Lacs, 10b, 24, 1983 By Ag., 11/11A, Date 1-2-92

WWRostow:rln

31 Pros file



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

22 January 1968

MEMORANDUM FOR THE PRESIDENT:

I met with General Eisenhower for 2 hours at Palm Desert on Thursday. He is in excellent health and spirits, and was most appreciative of being brought up to date. After a brief report on the war, I covered the recent "peace feelers". His principal observations and comments are contained in the last 4 paragraphs of the attached Memorandum for Record.

1 Att

as

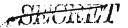
A. J. GOODPASTER

Lieutenant General, USA

SECRET

DETER MINED TO BE AM ADMINISTRATIVE MARRING NOT NAT'L SECURITY INFORMATION, E. O. 12356, SC. LING.

BY Se CH 1-13-92





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

22 January 1968

MEMORANDUM FOR RECORD

SUBJECT:

Meeting with General Eisenhower, Palm Desert,

18 January

I met with General Eisenhower for two hours at his office and his home at Palm Desert on 18 January.

I began with a report on the progress of the war. In recent weeks, the VC and NVA have been making an unusual military effort, and taking very heavy losses--3,000 and 2,200 in the last two weeks. Documents have been captured which call for an immediate or "final" effort by all units. The general pattern continues to show Communist losses more than 5 times as great as the losses to U.S., Allied and ARVN forces combined.

Next I gave a resume in some detail of the principal US/ARVN operational efforts now going on and envisaged for the near future, including ground/air operations in SVN (by Corps area), ground activities relating to Laos and Cambodia, naval operations in the Vietnam area, B-52 operations, Air operations against NVN, Air operations in Laos, the anti-infiltration system, and revolutionary development operations in SVN.

Next I covered a few points of special note. There is an enemy concentration which may total 3 NVA divisions in the Khe Sanh area which is being closely watched. Also there is enemy preparation for possible renewed action in the Dak To area. Next, I reported recently obtained VC reports that in Quang Tri and Quang Nam, the Communist organization is being "stunted" by US/SVN military operations, and that in areas of Phu Yen, cadre and infrastructure are disintegrating; also an NVN report indicates that North Vietnam is hurting from the bombing attacks and suffering losses, some of which are irreplaceable.

I then passed on a report that the NVN had conducted a remarkably well coordinated supply operation during Christmas week. Trucks observed in Route Package 1, other than Christmas Day, ranged

SECRET.

DICLIPOTED

Authority 91-9 84-213

By 18/14, Ivinia, Date 1-13-92

SECRET

from 3 to 95 (averaging 44) and waterborne logistic craft from 0 to 43 (averaging 17); on Christmas Day 547 trucks and 325 waterborne logistic craft were sighted. On the same day between Thanh Hoa and Dong Hoi 900 trucks were sighted, 888 moving south (carrying an estimated 4,000 tons). General Eisenhower thought these were extremely significant figures and asked why these figures are not better known. I told him that figures like these had been made public, and there had been some press coverage, although not with the emphasis he had in mind. (I indicated that I could not speak about TV coverage.) He said he thought that photographs should be taken and publicized in case of any future suspension. I told him this has been done in the past, and that in the discussions I have heard concerning possible future bombing halts there was strong insistence on the need to provide photo reconnaissance.

I next reported on Chieu Hoi returnees in 1967. The number-some 27,000--was less than had been estimated when the year began, but was 34% over 1966. Of the 27,000, some 17,000 were military, the equivalent of 2 Communist divisions or about one-fifth of the total VC/NVA killed or captured in 1967 (91,000). Political returnees numbered nearly 8,000 of whom 4,700 were infrastructure or party organizers. General Eisenhower asked whether some of these may be VC agents. I told him that they are screened, and that in fact some of the returnees are used with patrols that seek out, propagandize, and call in air and artillery strikes on the units from which they came.

General Eisenhower commented that the TV coverage of our bases that are hit by mortar fire is damaging to our people's understanding of the war. The presentations are highly dramatic and shocking in their effect. I told him that a great deal of patrolling, which is often successful, goes into protecting our bases against mortar fire, and that some attacking groups have been detected and attacked by air and artillery. This, of course, cannot be shown as graphically on TV and in the press as the attacks on our bases.

I next reported upon the widespread SVN concern over "coalition", as the background for General Thieu's recent statement. Ambassador Bunker had reported rising concern in SVN that the U.S. might be shifting to favor coalition, and had suggested that this should be scotched. Also, Mr. Rostow told me that there was a great deal of talk and worry about this in SVN, much of which seemed to be starting with the VC. The latter, according to captured documents,



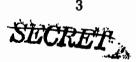
is pushing the coalition issue in its propaganda (and linking the U.S. to the idea) while calling for a special round of combat effort. I said Mr. Rostow had told me that our government does not favor coalition; this is simply VC propaganda. General Eisenhower said that a) coalition would be undesirable and dangerous and we should oppose it, I also mentioned that Mr. Rostow believes there is some evidence of a shift in the view the Communists have held that time is on their side. General Eisenhower thought such a shift would be highly significant.

Next I took up the status of the possible NVN "peace feeler" involved in the shift from "could" to "will", covering points provided to me by General Wheeler. We do not know what the NVN objective may be--whether they are serious, want a respite, seek a psychological coup, etc., or whether their shift on "permanent" cessation is somehow an indirect assurance they will not take advantage of a bombing halt.

During discussion. General Eisenhower cited his experience first with the Italian surrender and later with the German surrender. He advised not to rely on "iffy" favorable interpretations, but to insist upon more frank and clear-cut statements (which may, of course, be made privately). Even then, he said, we must not put ourselves in the position of depending upon belief in what a Communist says. What ? ever is worked out must be self-enforcing. I told him that these questions, and others like them, are being very carefully studied within the government, and that a great deal of thought is being given to them. There seems to be considerable recognition that the key issue is whether the NVN is ready, or can be led, to give up its efforts at take-over of SVN by force. Also, that if bombing is stopped, it could prove very difficult to start up again. This underlies the cautious and careful approach that is being made.

Next he said that if the NVN is in fact weakening its position, now is the time to hit them harder. He mentioned B-52 attacks on enemy forces and bases in SVN, and I told him that an expansion of effort is envisaged currently. Also, he thought we should hit the enemy with our ground forces, and should encourage the SVN to go after him with special aggressiveness at this time. The enemy might, as suggested, be making a great military effort in order to impose losses on us, and advance his advantages in going into negotiations. We should do much the same.

He said he hoped that we could get an effective armistice. To that end, now may be the time to increase our combat effort. He



SECRET

commented that this will be a partisan and political year, but that there is nothing partisan in his views when the lives of U.S. military men are involved. He said he wants to see the President win the war.

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

Monday, January 22, 1968 12:30 p. m.

MR.	PR	ESI	DE	'NT	w
A. C. A. C. C.	A-				-

Presfile

I talked with Secretary Rusk about your desire to have a meeting, with the Congressional leaders in the field of foreign affairs, on the NPT and possibly Viet Nam.

Sec. Rusk says:

- 1. He agrees it may be a good idea.
- 2. He is available at any time, except the following:
 - -- after 5 p.m. on Tuesday, when he and the Vice President will be at a reception for county officials at the State Department;
 - -- Wednesday a. m., when he will be having a session with the House Foreign Affairs Committee;
 - -- or Thursday after 11 a.m., when he leaves for New York for a lunch and dinner, and will be gone the rest of the day.
- 3. He would prefer, therefore, Wednesday afternoon, or anytime on Friday.

W. W. Rostow

Have	Sec.	Rusk do	it:	Anytime	Wednesd	iay a	fterno	70
				Thursday	before	l 1 :00	a. m.	
				Anytime l	Friday			

INFORMATION

frestile

PACKERS -- NODIS

Monday, January 22, 1968 10:35 a.m.

Mr. President:

This memorandum for the record speaks for itself.

The possibilities are:

- -- he guessed correctly;
- -- someone in the government leaked;
- -- the Russians or Eastern Europeans leaked. (He heard of the Haiphong mimes from the Russians; and Estabrook ran a Post story from the UN in New York saying the two possibilities were: Indonesia and Romania.)

I have informed Nick who says in an hour's conversation on Saturday Kraft never probed him.

W. W. Rostow

PACKERS--NODIS

WWRostow:rln

PACKERS--NODIS

January 22, 1968

MEMORANDUM FOR THE RECORD:

Joe Kraft called me this morning at 9:00 a.m. and asked the question: Do you think the Hanoi editorial is a definitive response to our exploration through the Romanians?

I made a quick calculation and responded as follows, completely ignoring his reference: I do not know but I would not take the Hanoi editorial as a definitive response to our diplomatic explorations because:

- -- they may have felt impelled to respond to the State of the Union message for public consumption;
- -- they may not respond definitively until they see how their operations at Khe Sanh and elsewhere along the DMZ make out.

He did not come back to his probe; and I left it at that.

W. W. Rostow

WWRostow:rln

INFORMATION

-TOP SEGRET-SENSITIVE

Pres file

Monday, January 22, 1968 -- 8:55 a.m.

Mr. President:

You should know: a North Vietnamese aircraft left Hanol yesterday on an unscheduled round-trip to Peking. Whomever it picked up, after a brief stop in South China, it should now have landed in Hanoi. (It left early last evening, our time, from Ch'angsha for Hanoi.)

Probably -- but not certainly -- our visitor.

We are following closely.

W. W. Rostow

DECLASSIFIED

E.O. 12958, Sec. 3.6

NLJ 96-208

By Cb , NARA Date 2-1-99

WWRostow:rla

Mr. Rostow 35

Pres file:

SEGRET

Monday, January 22, 1968

MR. PRESIDENT:

Secretary Rusk wants you to be aware via the attached that, within the framework of your policy of gradually relaxing our restrictions on arms sales to moderate Arabs, he has approved another series of shipments. He lists the items involved.

King Faisal has been helpful in urging Hussein not to turn to the Russians. Keeping our military supply line open to him should help assure him that we are a reliable source of supply and give us a stronger voice in encouraging him to move in constructively behind the British as they pull out of the Persian Gulf.

W. W. Rostow

DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 91-368

By RARA, Date 4-12-94

SECRET



DEPARTMENT OF STATE

WASHINGTON



January 19, 1968

SECRET

MEMORANDUM FOR THE PRESIDENT

Subject: Release of Arms for Saudi Arabia

On the basis of recommendations of the IRG and the SIG, and in line with earlier approvals of selected arms shipments to Saudi Arabia, such as Hawk missiles, I have now authorized the release to that government of the arms listed below. These items are for purchase by the Saudi Government which, in fact, had already paid for those items so indicated before the June arms ban was imposed.

I believe that this action is in accord with our general position of continuing gradual relaxation of our arms restrictions affecting the moderate Arab states. It should be helpful in reassuring King Faisal as to our basic intentions as well as demonstrating that another Western-oriented Arab leader, in addition to King Hussain, continues to derive tangible benefit from a policy of close relations with the United States. I believe this demonstration will be particularly useful at a time when the Soviets are manifesting disturbing interest in Yemen and have indicated willingness to meet Jordan's arms naeds.

The outstanding Saudi purchase requests which I have approved are the following:

- -- 60 mortars and 150,000 rounds of ammunition for the National Guard (already paid for by SAG).
- -- 100,000 rounds of mortar ammunition, 20 recoilless rifles with 20,000 rounds of ammunition and 40,000 rounds of .50 caliber ammunition--all for the Saudi Army and all already paid for by SAG.

Downgraded at 12 year intervals;

Authority 70 9 91-362

By Aglass, Nima, Date 1-14-9.2

Downgraded at 12 year intervals not automatically declassified.

RECEIVED ROSTOW'S OFFICE

1968 JAN 19 PM 6 04

- -- 5 armored personnel carriers and 5 tank recovery vehicles for the Saudi Army under the SAMP Mobility Program (also already paid for by SAG).
- -- 18 Howitzers which the Saudis paid for in March 1966.
- -- 8 F-86 and 8 T-33 trainer aircraft for the fledgling Saudi Air Force.
- -- 100 Sidewinder missiles with kits to fit them to the F-86's.

In addition to the foregoing, I have approved normal action on more recent Saudi requests to purchase an additional 20,000 rounds of recoilless rifle ammunition and 10-20 American helicopters on which tentative assurances were given to the Saudi Government a year ago.

DEAN RUSK

Dean Rusk

LIMITED OFFICIAL USE

Monday

January 22, 1968 fres file

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Photograph for President Park of Korea

Ambassador Porter says that he has learned that "President Park would appreciate receiving a photograph or two, taken during his meeting with President Johnson in Australia."

In case you have decided not to send albums this time, I think it would be appropriate, in view of this request, to send a photograph to Park.

If you approve, you may wish to inscribe it along this line:

"With fond recollection of our meeting in Canberra, December 1967."

W. W. Rostow

Approve	
Disapprove	
Call me	

AJ:mm

LIMITED OFFICIAL USE

January 22, 1968

Pres file

MEMORANDUM FOR THE PRESIDENT

Mr. Bastian W. Haveman, a Dutch citizen, is retiring after six years as President of the Intergovernmental Committee for European Migration. The organization has helped countless refugees and immigrants to reach new homes and many have settled here. Americans who have worked with Mr. Haveman have praised his cooperation and friendship for the United States.

I support their recommendation that he receive an inscribed copy of No Retreat From Tomorrow.

Ambassador Graham Martin could present the attached copy to Mr. Haveman at a luncheon he is giving for him on January 24.

A suggested inscription is:

"To Bastian W. Haveman, whose dedicated service as Director of the Intergovernmental Committee for European Migration for the past six years will be remembered with gratitude by so many who were in need and found help."

W. W. Rostow

Approve,	attached copy	inscribed	
Disapprov	re		

mus

Monday January 22, 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Death of Mrs. Carlos P. Romule

Prav file

Mrs. Romulo died this morning of leukemia. Romulo was, of course, Philippine Ambassador to the United States for many years. He is also an almost historic symbol of US-Philippine friendship. You might therefore wish to send a personal message of condolence even though Romulo's present position would not normally call for such a message.

If you wish to send a message, we suggest:

"I am extremely distressed to learn of your great loss.

Lady Bird joins me in extending to you our deepest

sympathy.

Lyndon B. Johnson"

W. W. Rostow

Approve_	
Disapprov	re

MW:wpt

-SECRET

Sunday, January 21, 1968 11:30 a.m.

Mr. President:

Herewith Sec. Rusk backs Sec. McNamara -- for political reasons -- in not pressing the Thais too hard on Thanom's 90-day commitment in Camberra.

W. W. Rostow

SECRET

DECLASSIFIED E.O. 12958, Sec. 3.6

WWRostow:rln

39 Pres file

THE SECRETARY OF STATE WASHINGTON

January 20, 1968

MEMORANDUM FOR THE PRESIDENT

Subject: Deployment of Thai Division to Vietnam

We fully recognize the political desirability of the earliest possible deployment of additional Thai troops to Vietnam consistent with sound military practice, and we have been and are supporting diplomatic measures to this end.

At the same time, we are concerned at what appears to be a possible misunderstanding that may have arisen from your discussion with Prime Minister Thanom at Canberra. The Prime Minister spoke in terms of having the first Thai troops in Vietnam 90 days after their equipment arrived. We believe this represents Thai recognition of the political importance of this action and a desire to be helpful, but subsequent developments make it appear that training requirements may have been inadequately considered by the Thai leaders in making this commitment.

I understand that Secretary McNamara is sending you a memorandum advising that the Joint Chiefs of Staff have examined the military aspects of this matter and he and they have concluded that the schedule for July deployment is the minimum time necessary to produce a militarily effective Thai force. In this connection, we note that Prime Minister Thanom has emphasized to Ambassador Unger that the Thai forces must receive adequate training.

GROUP 3

Downgraded at 12-year intervals:

DECLASSIFIED automatically declassified.

E.O. 12958, Sec. 3.6 NLJ 96-266

By is, NARA Date 9-10-97

We are concerned at the possible political repercussions, both here and in Thailand, if the new Thai unit should incur heavy casualties at the hands of the VC because of inadequate training prior to deployment, exposing the Thai Government to charges that training had been reduced at U.S. urging. This would be doubly unfortunate because the Thai regiment now in Vietnam won a handsome victory over the VC in its first major engagement in December which was well publicized in the Thai and U.S. press.

We will continue to press for the earliest practicable deployment of the new Thai forces and seek ways to maximize the political and psychological impact of the Thai troop contribution.

Dean Rusk

Dan Rusk

INFORMATION

fres file

-SEGRET-

Sunday, January 21, 1968 11:25 a.m.

Mr. President:

Herewith an interesting and potentially productive conversation between our man Don Bergus in Cairo and an Egyptian Fereign Office official.

It is clear we are beginning to communicate.

The most we should do, in my judgment, is to let Gene Black, who will be in Cairo in any case, encourage Nasser to move forward along the lines that Bergus is moving.

W. W. Restow

Cairo 1413 (2 sections)

DECLASSIFIED

E.O. 12356, Sec. 3.4

NIJ 91.448

By Cb , NARA, Date 8.31.95

CECBET

WWRostow:rln



Department of State

ARS HW/2 RR RUEHC DE RUEIVCR 1413/1 0201010 ZNY SSSSS R 200931Z JAN 68 FM CAIRO TO SECSTATE WASHDC 4290 STATE GRNC

Jan 20 8:30AM 1968

SECRET SECTION 1-OF 2 CAIRO 1413

E.O. 12356, Sec. 3.4 NU 91-450 Dup. NARA, Date 4/16/90

NODIS .

SUBJECT: US-UAR RELATIONS

- HAD LENGTHY DISCUSSION OF FUTURE OF US-UAR RELATIONS WITH MOHAMED RIAD OF FONOFF JANUARY 18. IT WAS AGREED AT OUTSET THAT BOTH OF US WERE UNINSTRUCTED AND THAT ANY REMARKS OR SUGGESTIONS WERE PURELY PERSONAL. MOHAMED LET IT BE KNOWN HE HAD HAD ACCESS TO MEMCON OF MY JANUARY 6 TALK WITH NASSER (DOUBTLESS RECONSTRUCTED FROM TAPE RECORDING).
- 2. I SUGGESTED WE REVIEW FOUR POINTS OF U.S. REQUIREMENTS: UAR INITIATIVE; CORRECTION OF "BIG LIE"; COMPENSATION FOR DAMAGED OR DESTROYED PROPERTY; AND CLEAR DESIRE ESTABLISH A REAL (AS COMPARED WITH FORMAL) RELATIONSHIP. (N. B. LAST POINT CAME FROM BATTLE-HARMAN MEMCON OF DECEMBER 22).
- UAR INITIATIVE. I WONDERED IF SENSITIVITIES RE REACTIONS IN OTHER ARAB STATES MADE UAR SHY AWAY FROM CLEAR-CUT INITIATIVE FOR REGUMPTION RELATIONS. RIAD SAID THIS WAS NOT IMPORTANT OBSTACLE. UAR GENUINELY DESIRED RESUME RELATIONS WITH U.S. FEAR WAS THAT UAR MIGHT TAKE INITIATIVE ONLY TO RECEIVE REBUFF FEW DAYS LATER FROM DEPT PRESS SPOKESMAN. I SAID TIME HAD COME FOR UAR GET OVER ITS "ASWAN DAM COMPLEX" TOWARDS U.S. AS MOHAMED AWARE, PRESIDENT OF U.S. HAD TAKEN CONSIDERABLE PAINS REPLY COURTEOUSLY AND POINT-BY-POINT TO MESSAGE RECEIVED FROM NASSER THROUGH HIGHLY UNORTHODOX CHANNEL. WAS THIS BEHAVIOR CONSISTENT WITH UAR HYPOTHESIS THAT U.S. WAS TRYING TO SET A TRAP FOR UAR? MOHAMED SEEMED IMPRESSED WITH THIS ARGUMENT. WHILE UAR INITIATIVE WAS REQUIRED, I CONTINUED, I SAW NO REASON WHY IT HAD TO BE MADE PUBICLY. IT TOOK ONLY ONE COUNTRY TO BREAK-RELATIONS BUT IT TOOKTWO TO RESUME THEM. I WAS WILLING PROPOSE TO DEPT THAT ANY JOINT ANNOUNCEMENT ISSUED AT TIME OF RESUMPTION BE BASED ON PRINCIPLE OF MUTUALITY.
- "BIG LIE". I SAID I WAS DISAPPOINTED AT NASSER'S STATEMENT TO EFFECT THAT SINCE HE HAD NEVER DIRECTLY AND IN HIS OWN NAME ACCUSED U.S. OF PARTICIPATION IN JUNE WAR, PROBLEM OF "BIG LIE"

-X- CAIRO 1413, JANUARY 20, 1968,

DID NOT EXIST. NASSER'S STATEMENT MIGHT BE TECHNICALLY AND NARROWLY TRUE. BUT FACT REMAINED THAT RESPONSIBLE MEMBERS OF GUAR, INCLUDING MOHAMED'S OWN BOSS, HAD MADE FALSE ACCUSATION. AT THIS POINT I MADE USE OF EXCELLENT MEMORANDUM SENT TO BATTLE FROM PARKER JANUARY 9. I SAID WE CANNOT HANDLED GENUINE PROBLEM BETWEEN OUR TWO COUNTRIES BY PRETENDING PROBLEM DOESN'T EXIST.

5. MOHAMED WAS RATHER SHAKEN BY ARRARY OF DOCUMENTATION. ME
THEN ASKED IF FACT THAT SINCE JUNE UAR FONMIN AND OTHER
HIGH UAR OFFICIALS HAD MET FREELY AND OPENLY WITH SECRETARY,
AMBS GOLDBERG AND BATTLE, AND OTHER AMERICAN OFFICIALS
COULD NOT BE ACCEPTED AS EVIDENCE THAT GUAR NO LONGER BELIEVED
THAT USG HAD WAGED WAR ON EGYPT IN JUNE.

I SAID I DID NOT THINK THIS WAS GOOD ENOUGH.

PREFERRED LINE TAKEN BY HEYKAL WHEN I MET HIM JUST AFTER MY RETURN TO UAR LAST AUGUST. HEYKAL HAD FREELY ADMITTED THAT UAR HAD FALSELY ACCUSED U.S. BUT ASKED US REALIZE THAT EGYPTIANS THOUGHT ACCUSATION WAS TRUE AT TIME THEY PUBLISHED IT. I SAID HEYKAL APPROACH GAVE ME MUCH MORE TO WORK WITH THAN IDEA THAT WE PRETEND "BIG LIE" NEVER GOT TOLD. I, FOR ONE, WAS PREPARED TO GO ALONG WITH HYPOTHESIS THAT GUAR HAD BEEN UNDER TREMENDOUS STRAIN TO POINT WHERE JUDGMENTS WERE CLOUDED DURING TIME OF JUNE WAR. FONMIN RIAD HAD COME CLOSE TO SAYING JUST THIS IN HIS TALK WITH BATTLE IN NEW YORK. SEEMED TO ME THAT IF GUAR COULD SAY IT WAS AGREEABLE TO SOME VERSION OF HEYKAL HYPOTHESIS, WE WOULD HAVE SOMETHING TO WORK WITH. MOHAMED SEEMED TO SEE MERIT IN THIS SUGGESTION.

I PERSONALLY

- 7. COMPENSATION. I SAID I HAD IMPRESSION THAT COMPENSATION FOR DAMAGED USG PROPERTY POSED NO PROBLEM TO GUAR. MOHAMED AGREED.
- 8. REAL AS COMPARED WITH FORMAL RELATIONSHIP. I SAID THIS REQUIREMENT FLOWED NATURALLY FROM OTHERS. USG DID NOT WISH UNDERTAKE CONSIDERABLE TASK OF RESUMPTION RELATIONS IF IT SUBSEQUENTLY WERE TO BE HELD AT ARM'S LENGTH OR GIVEN FROSTY TREATMENT BY UAR. I DID NOT THINK THIS POSED MANY PROBLEMS. I HAD REASON TO BELIEVE THAT DESPITE MY OWN RATHER PECULIAR SITUATION HERE I HAD BEEN TAKEN MOE INTO GUAR'S CONFIDENCE THAN, SAY AMBASSADOR OF URUGUAY. I FELT THAT THERE REMAINED SUFFICIENT MUTUAL INTERESTS BETWEEN US TO FOSTER A USEFUL RELATIONSHIP. OUR COMMON INTEREST IN JUST AND LASTING

which the street will be head



3- CAIRO 1413, JANUARY 20, 1968,

POLITICAL SETTLEMENT IN MIDDLE EAST WOULD GIVE US SOMETHING TO TALK ABOUT FOR QUITE A WHILE. MOHAMED SAID IT ENTIRELY IN UAR'S INTEREST HAVE AS MEANINGFUL A RELATIONSHIP WITH U.S. AS POSSIBLE. HE COMPALINED THAT U.S. HAD NOT RESPONDED TO UAR GESTURE IN SENDING OFFICIAL WITH RANK MINISTER TO HEAD EGYPTIAN TEAM IN WASHINGTON. I SAID ALL I COULD TELL HIM GN THIS POINT WAS THAT IT RECEIVING SERIOUS CONSIDERATION IN WASHINGTON.

- 9. WE PARTED ON UNDERSTANDING THAT WE WOULD RESUME DISCUSSION AFTER MOHAMED'S RETURN TO CAIRO IN EARLY FEBRUARY.
 - 10. CONCLUSIONS AND RECOMMENDATIONS: -
- A. I BELIEVE IT TO OUR INTEREST TO WORK ACTIVELY FOR RESUMPTION DIPLOMATIC RELATIONS WITH UAR. I BELIEVE IT POSSIBLE RESUME RELATIONS UNDER CIRCUMSTANCES FULLY CONSISTENT WITH HONOR AND DIGNITY OF THE UNITED STATES.
- B. INITIATIVE. FIRST STEP-IS CLEAR PRIVATE STATEMENT BY MOHAMED OR ANY OTHER AUTHORIZED UAR OFFICIAL, SPEAKING IN NAME OF GUAR, THAT UAR WISHES RESUME RELATIONS WITH U.S.
- C. JOINT COMMUNIQUE. WE WOULD THEN NEGOTIATE TEXT OF JOINT STATEMENT WHICH COULD RUN SOMETHING LIKE THIS: QUOTE. SINCE THE RUPTURE OF DIPLOMATIC RELATIONS BETWEEN THE U.S. AND THE UAR ON JUNE 6, 1967 THERE HAVE BEEN A NUMBER OF INFORMAL MEETINGS-BETWEEN REPRESENTATIVES OF THE TWO GOVERNMENTS. BOTH SIDES HAVE EXPRESSED REGRET AT THE FACT OF THE RUPTURE AND AT THE CIRCUMSTANCES WHICH LED UP TO IT. BOTH SIDES HAVE AGREED THAT A RESUMPTION OF RELATIONS, WITHOUT CONDITIONS AND ON A BASIS OF MUTUAL RESPECT, WOULD BE TO THEIR COMMON INTEREST AND TO THE INTEREST OF WORLD PEACE. ACCORDINGLY, BOTH SIDES HAVE AGREED TO RE-ESTABLISH DIPLOMATIC RELATIONS AS OF (BLANK) 1968 AT THE LEVEL OF AMBASSADOR. UNQUOTE.
 - D. BIG LIE" WE WOULD INFORM GUAR THAT AT TIME OF ISSUANCE JOINT COMMUNIQUE, DEPTNSPOKESMAN WOULD MAKE STATEMENT ALONG FOLLOWING LINES: QUOTE. IN COURSE OF DISCUSSIONS LEADING UP TO RESUMPTION OF RELATIONS BETWEEN U.S. AND UAR, BOTH SIDES ALLUDED TO THE FALSE CHARGES MADE AT THE TIME OF THE JUNE HOSTILITIES THAT UNITED STATES AIRCRAFT ACTIVELY PARTICIPATED IN THOSE HOSTILITIES. THESE CHARGES WERE MADE UNDER THE FULL IMPACT OF EVENTS SURROUNDING THOSE HOSTILITIES. UAR REPRESENTATIVES HAD ACKNOWLEDGED THAT THOSE CHARGES WERE BASED ON WHAT SUBSEQUENT ANALYSIS HAS INDICATED TO HAVE BEEN INACCURATE INFORMATION. UNQUOTE. WHILE WE WOULD NOT ASK GUAR SPOKESMAN TO MAKE SIMILAR STATEMENT, WE WOULD EXACT COMMITMENT THAT GUAR WOULD NOT OFFICIAL DENY STATEMENT OF DEPT SPOKESMAN.





Department of State

TELEGRAM

SECRET

ARS HW/2
RR RUEHC
DE RUEIVCR 1413/2 0201030
ZNY SSSSS
R 200931Z JAN 68
FM CAIRO
TO SECSTATE WASHDC 4291
STATE GRNC

1968 JAN 20 9:07 AM

SECRET SECTION 2 OF 2 CAIRO 1413

NODIS

SUBJECT: US-UAR RELATIONS

E. COMPENSATION. LET US TAKE LEAF FROM BRITISH BOOK AND STATE IN COURSE NEGOTS THAT WE ASSUME THAT UPON RESUMPTION RELATIONS TIMELY AND ADQUATE COMPENSATION WILL BE PAID FOR DAMAGE TO U.S. PROPERTY. I AM CERTAIN THIS WILL POSE NO PROBLEM TO EGYPTIANS.

F. REAL AS COMPARED WITH FORMAL RELATIONS. I THINK WE HAVE MADE OUR POINT ON THIS ONE AND DOUBT WE SHOULD PUSH IT FURTHER. IT COULD BOOERANG IN THAT EGYPTIANS COULD START PRESSING US FOR ECONOMIC AID TO ADD A LITTLE REALITY TO THE RELATIONSHIP. THEY NOW AWARE THIS NOT IN OFFING. THEY ALSO AWARE WE WORLD'S GREATEST POWER AND ARE RATHER INTERESTING TO TALK TO FROM TIME TO TIME.

BERGUS

SECRET

INFORMATION

Saturday, January 20, 1968 3:45 p.m.

Pres file

Mr. President:

Pages 10-11 of the attached (at paper clip) reveal a wholesome impulse towards Asian regional defense in the wake of U. K. withdrawal.

W. W. Rostow

USIA Worldwide Reatment of Current Issues January 19, 1968

"Japan Should Cooperate"

Independent-moderate Yomiuri said Japan should cooperate with the U.S., Australia, New Zealand and other countries concerned to fill the vacuum "since the U.S. at present is not in a position to assume all responsibilities because it is preoccupied with the war in Viet-Nam."

Australian papers emphasized that Australia could not fill the British role in the area. Canberra's independent Australian asserted that the "worst mistake Australia could make in the new circumstances would be to over-reach herself in attempting to play a role beyond her resources or, at the other end of the scale, to back away from Southeast Asia because of the size of its problems."

CONVICTION OF SOVIET WRITERS

The sentencing of four Soviet writers for "anti-Soviet activities" brought severe criticism of the Soviet authorities by news commentators, especially in Western Europe and Latin America. British editors called the trial "stupid" and "silly," and even European Communist editors feared it would cast doubt on Soviet justice.

The London <u>Times</u> said the "cynicism" of the Soviet authorities was "equally balanced by their stupidity." It added:

"They cynically believe that other writers and intellectuals will read the message of the trial as the warning it is intended to be, and will drop their free speech and writing.

"The stupidity arises in thinking that such methods will work in the Russia of today or tomorrow.... The whole series of trials is a dark blot on the Soviet record of great achievement of so many kinds..."

The liberal Manchester Guardian pondered why the Soviets allowed proceedings which alienate many of their own youth "as well as Communist opinion abroad."

Pro-Gaullist Paris-Presse wrote that "the best test of Wilson's sincerity appears in the extremely brutal American reactions to the economy measures." However, Gaullist organ Nation was more cautious:

"One certainly should wait until London has drawn the consequences of its own decisions before speaking of a historic turn in the direction of Europe.... One similarly has to observe how Washington will revise its special relationship with Britain before concluding that the latter once and for all sees the solution of her problems in a European context..."

Rightist Aurore thought that in view of "the Soviets' dream of settling in the Indian Ocean and the Pacific... they may be the big winners in the British withdrawal." To counter Soviet penetration, the paper said, the U.S. "will tend to become more and more involved in Asia."

Asian Calls for Regional Alliance

Most Indian and Malaysian commentators favored a regional alliance. The Hindustan Times of New Delhi declared that the "only long-term solution is a mutual defense arrangement by all countries concerned -- ranging from Japan to India."

Kuala Lumpur's <u>Eastern Sun</u> said it was "no use crying over spilt milk," and "the leaders of countries in the region must now look ahead and decide what sort of future they want for themselves and their peoples."

The Straits Times wrote that "all present hope must be pinned" on the proposed five-power Commonwealth conference to set up a joint defense arrangement. Utusan Melayu judged that the nations affected by the British withdrawal "should after all be taking more responsibility for their own defense and security."

Singapore's Sin Chew Jit Poh said that a joint defense system involving Britain, Australia, New Zealand, Malaysia and Singapore "would indeed be a sensible arrangement" to fill the vacuum left by the British pullback.

INFORMATION

SECRET

Saturday, January 20, 1968 3:25 p.m.

Mr. President:

This Tom Hughes memorandum analyses all the various gambits based on the Trink fermula to come out of Paris in recent days.

Nothing decisive; but the pressure on us will build from now to Tet.

W. W. Rostow

-SECRET

DECLASSIFIED

E.O. 12958, Sec. 3.6

NLJ 96-189

By its , NARA Date 3-24.57

INR memo, Jan 19, 1968, to The Secretary, "New Trinh Position Expounded by Hanoi Delegation in Paris."

WWRostow:rln

This document consists of 5 pages - No. / of 12 Copies, Series _

DEPARTMENT OF STATE

THE DIRECTOR OF INTELLIGENCE AND RESEARCH

42a

MEMORANDUM

JAN 1 9 1969

DECLASSIFIED

Through:

S/S

INR - Thomas L. Hughes

The Secretary

E.O. 12958, Sec. 3.6

NLJ 96-266

Subject:

From

New Trinh Position Expounded by Hanoi Delegation in Paris

There have now been two additional reports concerning Hanoi's negotiating position. One, a carefully phrased January 16 AFP interview given by Mai Van Bo, appeared designed to create the impression of movement and flexibility but was a model of imprecision. Bo's interview went into more detail than Trinh's statement, and even hinted that there might be room for Hanoi concessions, but it did not clarify the position very much. The other report, a story by a Paris journalist, reported statements allegedly made by unspecified "officials" of the Hanoi mission in Paris, but, according to Embassy Paris, the report was actually also based on another interview with Bo.* It was very forthcoming, suggesting Hanoi readiness to moderate its position on a number of key issues. We believe it has some standing, since its source was Bo, but it is still disavowable. For purposes of this memorandum, we are treating it as it was treated by Bo -- as the unattributable comments of unspecified officials.

The combination of the two reports has put Hanoi's position in a highly reasonable light and appears designed to generate additional pressure for a bombing halt at Tet. The timing may be designed to allow full time for US consideration and possible response before that time.

Specifically, in the authorized interview, Bo defined "all other acts of war" as "any military action which strikes at the sovereignty and integrity of the DRV"; he stated that the US need not announce that it is halting the bombing; he said that talks would take place "a suitable time" after a bombing halt; and he indicated that the modalities of talks should be worked out at a meeting.

However, Bo also denounced the President's San Antonio speech and the Secretary's January 4 reiteration of that speech as demands for a "conditional" bombing halt. He repeated Hanoi's demand for an unconditional halt in reply to a question about the "no advantage" formula.

The "unspecified" North Vietnamese officials at the NVN mission indicated that Hanoi would talk "as soon as" the bombing stopped, perhaps after a few days, that Hanoi would be ready to "talk on any subject" -- though Southern matters would still have to be "settled" with the NLF, and that Manoi was prepared to "discuss" the "no advantage" formula. This story, like a Westinghouse dispatch of last week, also based allegedly on North Vietnamese sources, can be disavowed and has already in fact been denied by the North Vietnamese.

For fuller information on this, see footnote on page 4.

GROUP 1 Excluded from automatic downgrading and declassification

Bo addressed himself to the following questions:

1. The meaning of Hanoi's demand for an unconditional cessation of "all other acts of war."

Bo's definition of "other acts" was "all military action which violates the sovereignty and the territory of the DRV."

This is the first time Hanoi has publicized what it means by this long-standing formula. Pham Van Dong had told Schoenbrun in September that it included naval bombardment, shelling and mining, but Schoenbrun did not include this point in his articles. In addition, an NVN Consul in New Delhi told his own staff that he thought it meant artillery shelling across the DMZ, naval bombardment of NVN, and interference in NVN coastal shipping, but this may well have been only his own guess.

Bo's statement, though seemingly more explicit than previous public statements, was actually a model of imprecision. It did not indicate what actions would violate the sovereignty and territory of the DRV. It may be suggesting that Hanoi will not tolerate reconnaissance flights, although Bo's comment may be merely a feeler to get our position on this issue, or an initial bargaining position. A September 14 AFP story (see discussion of next issue) suggested that flights could be continued if they were not "proclaimed."

2. The manner in which the US can announce its cessation.

Bo's answer to the question of "how will the American government have to announce the end of the bombing" was as follows:

"The American government can announce this unconditional cessation of bombing and of every other act of war* by means of a declaration or it can use any other procedure to prove the reality of its move."

Hanoi has never before put an official stamp on a public statement that there need be no US declaration of a bombing halt. It may now be doing so in order to answer statements like that of Secretary Rusk on October 21 that "unless we say it is permanent, they will say: Then, it's an ultimatum."

Hanoi had previously addressed this issue in private and in a semiofficial statement. Pham Van Dong told Aubrac on July 24 that a <u>de facto</u> end of the bombing would be satisfactory, and that no official declaration would be

-SECRET EXDIC

^{*} Note that Bo here and elsewhere reintroduced the "every other act of war"

⁻ which the questioner omitted.

required. NVN representative Vy told Oberg on July 11 that a cessation need "not necessarily be declared unconditional" and that "just the fact" of a bombing stop would pave the way for negotiations. In addition, the September 14 AFP story from Hanoi reported that "reliable sources" had said that no public statement was required; "what the NVN Government asks the US Government to do is, briefly, to stop bombing without posing conditions, in other words, without saying it will do so only for such and such a lapse of time and without proclaiming that during the pause it will send observation planes into the NVN sky."* (Emphasis added.)

3. The timing of talks.

In response to the question "how much time will lapse between the end of the bombings and the opening of negotiation," Bo replied: "Conversations will begin after a suitable time." (Bo did not correct his questioner's usage of the word "negotiations," but himself used the term "conversations" in reply.)

Bo's statement was Hanoi's first authoritative public pronouncement on the question of timing, though it was consonant with Pham Van Dong's comment in private to Aubrac and Marcovich on July 14 that timing would present "no problem." At a lower level, NVN representative Oanh told Oberg on July 11 that talks could begin "very soon" after a "bombing pause." "Reliable" Hanoi sources had said, according to Hanoi AFP September 14, that talks could begin in "3 to 4 weeks." Bo's comment did, however, perhaps move Hanoi forward somewhat on the issue of promptness, since Hanoi would have difficulty describing a very long delay as "suitable."

It should be noted that the French phrase used by Bo was "apres un temps convenable," which translates most accurately as "after a suitable time," but which could also in unusual cases be translated as "after an agreed time." We consider the latter meaning highly unlikely, but believe it must be kept in mind on the odd chance that Bo was addressing himself to some specific communication.

4. The nature of initial conversations.

Bo was asked, "At what level, according to you, must these negotiations be undertaken and with what questions should they deal?" He answered: "Following the unconditional cessation of the bombings and all other acts of war against the DRV, the two parties will meet to reach agreement on such questions."

^{*} There are several reasons to believe that the September 14 AFP story, which quoted "reliable sources," was officially inspired: 1) The new Hanoi AFP correspondent has just told us that some AFP stories are written at the behest of NVN authorities; 2) Brethes, the Quai's Chief of Indochina Affairs, said on September 15 that it must be assumed that NVN officials inspired the September 14 story; and 3) there was a report indicating that it had been cleared by Hanoi officials.

SHORET EXDIS

- lı -

Hanoi had not previously publicly addressed the question of level or agenda. Bo's comments appeared to suggest that both questions are subject to mutual discussion.

5. The San Antonio formula.

Bo insisted that the US must "put an end to their acts of aggression without any conditions whatsoever," and went on to say that Secretary Rusk on January 4 repeated assertions made at San Antonio. "In other words," he stated, "the American leaders persist in spaking only of a conditional cessation of bombing." This comment was in line with two recent statements in <u>Mhan Dan</u> that the US is imposing "arrogant conditions" for a bombing cessation.

Unspecified NVN Officials Follow Softer Line. Following hard on Mai Van Bo's interview, Georges Broussine, a Paris journalist, released statements allegedly made to him by unspecified officials of the North Vietnamese Delegation in Paris. The statements were less circumspect than Bo's, holding that Hanoi would be ready to talk "as soon as a halt in the bombings of North Vietnam has become a reality, conceivably after a delay of only a few days."

The officials also reportedly stated that talks could be held on any subject, including South Vietnamese problems "as well as those directly affecting Washington and Hanoi." The report quoted them as saying that "after issues directly concerning Hanoi and Washington had been negotiated, South Vietnam could be considered," but Broussine went on to observe that "in their view the problems of South Vietnam must be settled by the Americans and South Vietnamese." (Emphasis added.)

Additionally, the officials were reported to have stated that: "Although there could be no question of a reciprocal 'de-escalation' by Hanoi in exchange for the bombing halt, North Vietnam would be willing to discuss the American proposal that 'no advantage be taken' as a result of the bombing cutback."*

Interview Rushed to Press. When the official French TV network refused at the last moment on January 16 to run Bo's statement, the NVN Delegation took the unusual step of telephoning the text to AFP and other press services. This action, and the follow-up statements to Broussine, suggest that Hanoi wants to have its position publicized as extensively as possible, and to have it made known as soon as possible. The rush may have been related specifically to the President's

SECRET HXDIS

^{*} After the above was drafted, we learned (Paris telegram 9209) that the unspecified NVN "officials" referred to Mai Van Bo himself. The Paris telegram, based on a debriefing of an American journalist who had presumably seen Broussine's story before publication, followed the main outlines of the story but omitted the report of Hanoi's readiness to talk "as soon as" the bombing stopped. It also reported Bo as twice stating that Hanoi would be willing to talk "about everything."

SECRET EXDIS

- 5 -

State of the Union message, which Hanoi may have hoped to influence (or counteract). Hanoi may also now wish to continue emphasizing its position as much as possible in order to generate additional pressure for a bombing halt beginning at Tet. It may also feel that it has to make its statements quickly in order to allow time for such further exchanges with its adversary as may be necessary or desirable before then.

INFORMATION

-SEGRET-

Saturday, January 20, 1968 11:45 a.m.

Mr. President:

Herewith Thieu tells Amb. Bunker that South Vietnamese uneasiness has abated in the wake of your State of the Union message.

Pres file

W. W. Rostow

Saigon 16503

-SECRET-

DECLASSIFIED

E.O. 12958, Sec. 3.6

NLJ 96-189

By its , NARA Date 3-24-57

WWRostow: In

430

-SECRET

HCE 75Ø

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 96-266 By is, NARA Date 9-10-97

PAGE Ø1 SAIGON 16503 -201237Z

12

ACTION SS 25

SECRET

TUPO CCO GG NOOF GG WW A

INFO SSO ØØ,NSCE ØØ,MM Ø1,/026 W

EXDIS

P 201130Z JAN 68 FM AMEMBASSY SAIGON TO SECSTATE WASHDC PRIORITY 4748

SECRET SAIGON 16503

EXDIS

1. I ASKED PRESIDENT THIEU WHEN I SAW HIM JAN 20 WHETHER HE HAD SEEN PRESIDENT JOHNSON'S STATE OF THE UNION MESSAGE, HAVING BROUGHT A COPY ALONG TO GIVE HIM IF NECESSARY. THIEU SAID HE HAD ALREADY READ IT AND WAS VERY PLEASED WITH THE PRESIDENT'S COMMENTS ABOUT VIETNAM, AS WELL AS THE SECRETARY'S STATEMENT OF JAN 15.

2. THIEU WENT ON TO SAY THAT HE HAD HAD TO SPEAK AS HE DID ON JAN 15 BECAUSE OF THE DISTURBED STATE OF OPINION AND PUBLIC MORALE HERE. HE FELT THAT IT HAD BEEN NECESSARY TO EMPHASIZE THAT THE US AND GVN WERE FOLLOWING THE SAME BROAD LINES, AND HE THOUGHT THAT THE VARIOUS STATEMENTS MADE ON BOTH SIDES HAD CARRIFIED THE MATTER. IN THIS CONNECTION HE SAID THAT HE HAD MET WITH SOME 200 VIETNAMESE PRESS AND OTHER REPRESENTATIVES AT LUNCH JAN 19 AND HIS

PAGE 2 RUMJIR 1650 S E C R E T IMPRESSION WAS THAT MANY OF THE CONCERNS HAD BEEN DISSIPATED. HE SAID TO THIS GROUP THAT RECENT US AND GVN STATEMENTS SHOULD SATISFY THEIR DOUBTS AND THAT THEY SHOULD NOT STIR UP FURTHER SUSPICIOUS OR UNDERMINE PUBLIC MORALE BY FALSE STORIES AND ALLEGATIONS. THIEU CONCLUDED THAT, AS HE HAD

SECRET

Rostow

PAGE 02 SAIGON 16503 201237Z

INDICATED A FEW DAYS AGO TO ME, THE CREST OF THE WAVE ON THIS COMPLEX OF ISSUES HAD PASSED AND HE WAS PLEASED WITH THE OUTCOME.

2. DURING OUR TALK I TOLD THIEU ABOUT BUNDY'S TRIP TO LONDON ALONG THE SAME LINES THAT BUI DIEM HAD BEEN INFORMED IN WASHINGTON.
BUNKER

-SECRET-

EXDIS

Saturday, Jan. 20, 1968 10:00 a.m.

Mr. President:

Tou have seen a good deal of Manac'h's thoughts of operations over the past few years. But you should know there is in the French Foreign Office a man named Jurgensen, a pro-American, of all things, who takes a quite different view of Hanoi's motivations and of Bo.

W. W. Rostow

-SECRET/SENSITIVE attachment (Paris 9336)

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 96-199 By ..., NARA Date/2 29-98



Department of State



SECRET

4

DE RUFNCR 9336 Ø19213Ø

ZNY SSSSS
R 191815Z JAN 68
FM AMEMBASSY PARIS
TO SECSTATE WASHDC
STATE GRNC
BT

4692Q 1968 JAN 19 PM 4 30

SE-SRET PARIS 9336

NODIS - RAMS

SUBJECT: QUAI OFFICIAL'S VIEWS OF HANOI'S DECLARATIONS.

IN BRIEF ENCOUNTER WITH EMBOFF JAN 19, QUAI WESTERN HEMISPHERE DIRECTOR JURGENSEN WHO DIFFERS FUNDAMENTALLY WITH ASIAN DIRECTOR MANAC'H ON VIETNAM CONTRIBUTED FOLLOWING:

1. QUESTION: WHY DID HANDI CHOOSE THIS MOMENT TO MAKE DECLARATIONS? ANSWER: BEOLUGE THEM SET TIPO. IN THE STATE OF THE SET OF THE SE

PAGE 2 RUFNCR 9336 S E C R E I

1. QUESTION: IF SO, WHY SO MUCH PRESS PROPAGANDA
OUT OF MAI VAN BO, PARTICULARLY SINCE IT SHOULD MAKE THEIP
PROBLEMS WITH PEKING MORE DIFFICULT? ANSWER:
WANTS TO BUILD HE SIGNES HOW MUCH AND THE SIGNES HOW MUCH AND

3. QUESTION: WHAT ABOUT SUBSTANCE OF HANOI'S OFFER
TO TALK? ANSWER: The substance of HANOI'S OFFER
AND THE STATE OF THE ST

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 96-266 NARA Date 9-10.9

SECRET

INFORMATION

Saturday, January 20, 1968 9:35 a.m.

Mr. President:

Herewith a British official expresses his admiration for you, which is forwarded by an old State Department colleague.

W. W. Rostow

WWRostow:rln

fres file

OFFICIAL-INFORMAL UNCLASSIFIED London, England

January 15, 1968

Dear Walt:

As part of my consultation in London, in connection with the Caribbean Study, I had a half-hour meeting with Mr. Goronwy Roberts, Minister of State in the Foreign Office (and, of course, a Member of Parliament). After explaining that the UK would continue its interest in the Caribbean because the area was of strategic importance to the U.S., he spent most of the time talking about President Johnson, whom he described as one of the greater Presidents. He expressed his personal admiration for the President as a man of great character and courage in maintaining a position he thinks is right in Viet-Mam. He said the President is highly regarded not only by himself and the Government, but by the British people in general.

Roberts was formerly Minister for Higher Education and in that capacity made speeches and entered into discussions with university students. He says that, apart from the lumatic fringe, they understand and support the delicatelybalanced policy decisions the President is making.

I am reporting to you (1) because Mr. Roberts asked that, if possible, I convey his views to the President, and (2) sometimes a President is lonely and it helps to know he has friends.

With best regards.

Sincerely yours.

Milton Barall

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

Saturday, Jan. J, 1968 9:30 a.m. 20

Mr. President:

"Prompt" is narrowing to "several days" — Bo tells the French.

W. W. Rostow

SECRET attachment



Department of State



SECREJ 966

PAGE 01 PARIS 09276 1914007

53 ACTION EA 15

INFO EUR 15,SP 02,SS 20,GPM 03,SC 01,NSC 10,RSC 01,L 03,H 02,SAH 03, SAL 01,INR 07,CIAE 00,NSAE 00,RSR 01,MM 01,AID 28,IO 13,/126 W

R 191110Z JAN 68 FM AMEMBASSY PARIS TO SECSTATE WASHDC 8850 INFO AMEMBASSY SAIGON 751

SECRET PARIS 9276

REF: EMBTELS 9209 AND 9261

ACTING SECGEN OF FONOFF (BEAUMARCHAIS) SAID TO ME YESTERDAY IN COURSE GENERAL GO ROUND ON VIETNAM AND OTHER SUBJECT THAT MAI VAN BO HAD BEEN IN QUAI THAT MORNING (JAN 18) AND HAD TOLD THEM OFFICIALLY (HE READ FROM PAPER ON HIS DESK) THAT "REASONABLE PERIOD OF TIME" AFTER CESSATION OF BOMBARDMENTS WHEN TALKS COULD BEGIN WOULD BE "SEVERAL DAYS".

I NOTE THAT BROUSSINE IN REPORTING ON HIS MEETING WITH BO ALSO SAID THAT BO GAVE SAME INTERPRETATION TO TERM "REASONABLE PERIOD OF TIME".

GP-3 WALLNER

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 96-266 By i.s., NARA Date 9-10-97

-BETRET

Mr. President:

Pope Payl is trying to get a prisoner-ofwar mission into Hanoi as well as Saigon.

W. W. Rostow

SECRET attachment

SECRET HCE 695

RECEIVED WHCA

George L George

PAGE Ø1 STATE 101867

81 ORIGIN SS 25 1968 JAN 20 00 10

INFO MM Ø1.SSO Ø2.NSCE Ø0./026 R

DRAFTED BY S/AH FASIEVERTS APPROVED BY GOVERNOR HARRIMAN S/S JOHNPWALSH

PR 192321Z JAN 68 FM SECSTATE WASHDC TO AMEMBASSY SAIGON PRIORITY 5447 INFO AMEMBASSY ROME 1112

SECRET STATE 101867

EXDIS

SUBJECT PAPAL MISSION TO SAIGON AND HANOI.

REFERENCE SAIGON 16111

1) APOSTOLIC DELEGATE RAIMONDI CALLED ON HARRIMAN JANUARY 19 TO DELIVER FOLLOWING MEMORANDUM. BEGIN TEXT: IN RELATION TO ONE OF THE ITEMS DISCUSSED DURING THE VISIT OF PRESIDENT JOHNSON TO THE HOLY FATHER LAST DECEMBER, HIS HOLINESS HAS DIRECTED THAT STEPS BE TAKEN TO SEND TWO MISSIONS, ONE TO NORTH VIETNAM AND THE OTHER TO SOUTH VIETNAM, TO CONTACT AND

PAGE 2 RUENC 101867 S E C R E T VISIT THE PRISONERS OF WAR.

DURING THE PRELIMINARIES THE GOVERNMENT OF SOUTH VIETNAM

SECRET

DECLASSIFIED

E.O. 12356, Sec. 3.4

NIJ 95-238

By 91cb, NARA, Date 4/16/96

SECRET

PAGE 32 STATE 121367

HINTED THAT SUCH A MISSION COULD BE ALLOWED, PROVIDED IT IS DONE SIMULTANEOUSLY IN THE TWO CAPITALS.

THE HOLY SEE IS TRYING TO CONVINCE THE GOVERNMENT OF SAIGON OF THE ADVANTAGES OF SUCH A MISSION, WHITHOUT CEASING TO DO ALL IN ITS POWR TO OBTAIN THE CONSENT OF THE HANOI GOVERNMENT. END TEXT.

- 2. RAIMONDI SAID THIS INFORMATION WAS SEVERAL DAYS OLD AND MAY HAVE BEEN TRANSMITTED FROM THE HOLY SEE BEFORE HIS REPORT ON HIS JANUARY 10 MEETING WITH HARRIMAN HAD BEEN RECEIVED.
- 3. ON BASIS REFTEL, HARRIMAN TOLD RAIMONDI FOR HIS PERSONAL INFORMATION THAT PRESIDENT THIEU HAS IN MEANWHILE ADVISED PALMAS THAT GVN WOULD BE PREPARED RECEIVE VATICAN MISSION RE PW'S, ON UNDERSTANDING THAT SIMILAR REQUEST BEING MADE TO HANOI.

PAGE 3 RUEHC 121367 S E C R E T

4. RAIMONDI INDICATED HE NOT FULLY INFORMED ON RECENT DEVELOPMENTS, BUT THAT HE HAS IMPRESSION THAT HANOI IS NOT RESPONDING FAVORABLY TO VATICAN INQUIRES. SAID THAT HOLY SEE IS TRYING TO STRESS TO BOTH CAMPS THE ADVANTAGES OF A VATICAN MISSION RE PW'S. HARRIMAN AGREED AND ASSURED HIM WMS. GRATEFUL FOR CONTINUING INTEREST OF POPE IN THE WELFARE OF PRISONERS, WHICH WE BELIEVE WOULD HAVE INFLUENCE ON HANOI TOWARD IMPROVING TREATMENT OF OUR PW'S. RUSK

SECRET

SEGRET

INFORMATION

free file

Saturday, January 20, 1968 -- 8:45 a.m.

Mr. President:

Subject: Balance of Payments: A and B.

I agree with Joe Fowler that our trade surplus is in long run danger; and this could place in jeopardy our world power status.

But the answer doesn't lie in a 2% export subsidy. It lies in the maintenance of effective wage-price guidelines.

With our high wage rates relative to others, our exports are exceedingly vulnerable to excessive cost increases; that is, wage increases greater than productivity increases. And, unlike others, we cannot and should not devalue our currency to correct for such distortions.

W. W. Rostow

WWRostow;rln

cc - Joe Califano Ed 7 med

INFORMATION

fres ple

Saturday, January 20, 1968 8:25 a. m.

Mr. President:

Herewith Ed Korry's lively response to the somewhat heavy-handed circular cable (attached) underlining your directive to cut overseas personnel.

W. W. Rostow

WWRostow:rln

RECEIVED

1968 JAN 19 18 48

Of Boudler

UNCLASSIFIED

HCE 670

PAGE Ø1 SANTIA Ø2173 191835Z

42 ACTION 0 02

INFO ARA Ø8,SS 20,NSCE Ø0,MM Ø1,AS Ø1,/032 W

P 191810Z JAN 68 FM AMEMBASSY SANTIAGO TO SECSTATE WASHDC PRIORITY 4576

UNCLAS SANTIAGO 2173

DEPT: PASS WHITE HOUSE

SUBJ: PRESIDENTIAL RIP (REDUCTION IN PERSONNEL)

FOR UNDER SECRETARY FROM AMBASSADOR

REF: STATE'S 100840

- 1. TEN WILL GET YOU TWENTY IN SANTIAGO.
- 2. DO I HEAR MORE?
- 3. LIKE CUSTER I HAVE LONG WONDERED "WHERE DID ALL THESE INDIAMS COME FROM."
 KORRY

Rostow

UNCLASSIFIED



Department of State

TELECRAIN

LIMITED OFFICIAL USE

PAGE 02 STATE 120842

LIMITED OFFICIAL USE STATE 120840

PARIS FOR USOECD AND UNESCO

BRUSSELS FOR USEC

VIENNA FOR TAKA

MONTREAL FOR ICAO

FOR AMBASSADOR FROM UNDER SECRETARY

PRESIDENT TODAY ISSUED TWO DIRECTIVES AS PART OF HIS BALANCE OF PAYMENTS PROGRAM WHICH REQUEST SECSTATE AND DIRECTOR BUDGET TAKE SPECIFIC STEPS TO REDUCE NUMBER OF US GOVERNMENT PERSONNEL SERVING ABROAD AND TO CURTAIL OVERSEAS TRAVEL. TEXT BEING SENT USIA HIRELESS FILE AND BY CIRCULAR CABLES TO COUNTRIES NOT RECEIVING

PAGE 3 RUEHC 170342 6-0 N F I D E N T I & L LIMITED OFFICIAL USE WIRELESS FILE DIRECT. COPIES BEING POUCHED ALL AMBASSADORS.

YOU WILL NOTE THAT THE PRESIDENT HAS PLACED A SPECIAL RESPONSISILITY ON YOU AS HIS REPRESENTATIVE AND AS THE SENIOR U.S. OFFICIAL CHARGED WITH SUPERVISING THE ACTIVITIES OF ALL U.S. AGENCIES OPERATING IN YOUR COUNTRY. LATER INSTRUCTIONS WILL GIVE YOU GUIDANCE ON THE PROCEDURES YOU SHOULD FOLLOW IN FORMULATING YOUR JUDGMENT ON HOW BEST TO CARRY OUT THE PRESIDENT'S DIRECTIVE IN YOUR COUNTRY. IF THERE SHOULD BE QUESTIONS FROM HOST GOVERNMENT REGARDING ANY POLICY IMPLICATIONS OF THESE MEASURES, NOTE THE SERIOUSNESS WITH WHICH WE VIEW OUR RALANCE OF PAYMENTS PROBLEM BUT EMPHASIZE THE PRESIDENT'S STATEMENT ON MAINTAINING THE EFFECTIVENESS OF ESSENTIAL PROGRAMS. RUSK

LIMITED OFFICIAL USE

-CONFIDENTIAL-

Saturday - January 20, 1968

2. Pres file

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Your appointment with Prime Minister Burnham - Monday, January 22, 11:00 a.m.

Herewith a briefing memorandum from Secretary Rusk for your talk with Prime Minister Burnham.

The doctors at Bethesda have given him a clean bill of health. His throat trouble is nothing that a little care and rest will not cure. Incidentally, the Prime Minister was highly pleased to find the flowers and note from you when he entered his hospital room.

We have no indication that the Prime Minister will raise substantive issues with you. If he does, it will probably be among those covered in the excellent talking points paper at Tab A in Secretary Rusk's memo.

There is one message we would like to have you get across to him. He faces a tough election with Jagan at the end of this year or early 1969. Maintaining a strong coalition with D'Aguiar's United Force party is essential to his victory. In recent months this partnership has become increasingly shaky over appointments and budgetary issues. A word from you on the importance of maintaining uneasy political combinations in election years would be useful.

The Prime Minister would be pleased if you were to give him a copy of "No Retreat from Tomorrow".

W. W. Rostow

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 94-290 By Cb , NARA Date 10-16-96

Attachment

Secretary Rusk's memo to the President.

THE SECRETARY OF STATE
WASHINGTON

305 50a

CONFIDENTIAL

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 96-266

January 20, 1968

By NARA Date 9-10-97

MEMORANDUM FOR THE PRESIDENT

Subject: Your Meeting with Guyana Prime Minister Burnham

The Prime Minister came to the National Naval Medical Center at his request to check on a persistent throat ailment. He has been given a clean bill of health.

Burnham will probably not raise any major problems or make any requests. He is anxious to pick up the friendly talk with you where it left off during his last visit to Washington in July 1966.

Burnham admires you personally and is appreciative of the political support and considerable economic assistance his government has received from the U.S. since he came to office in December 1964. He is also well aware that we support him because he is virtually the only Guyanese who has the personal popularity and political acumen to lead a democratic government in Guyana and keep communist oriented Cheddi Jagan from power.

Guyana will have elections in late 1968 or early 1969, so the year ahead is likely to be the toughest one Burnham has faced as Prime Minister. He must marshal his political forces well in order to defeat at the polls in late 1968 the better organized Jagan party which holds the East Indian electorate, now nearly half the population. He will

CONFIDENTIAL

Group 3

Downgraded at 12-year intervals; not automatically declassified.

probably want to talk about his elections and preparations for them.

Suggested talking points and other background papers are enclosed.

Dean Rusk

Enclosures:

- 1. Talking Points
- 2. Burnham Biography
- Guyana Elections 3.
- Economy and U.S. AID Border Disputes 4.
- 5.

COMP IDENTIAL

DECLASSIFIED 50 b
E.O. 12958, Sec. 3.6
NLJ 76-266
By its , NARA Date 9-10-97

TALKING PAPER FOR YOUR MEETING WITH PRIME MINISTER BURNHAM OF GUYANA January 22, 1968

TALKING POINTS

Presidential Opener

- -- I am delighted to hear you've been given a clean bill of health by the Navy doctors.
- -- I'm grateful for this opportunity to renew our friendship. I have pleasant memories of your last visit here in July, 1966 and only regret that I was unable to stop off in Georgetown on my trip to Punta Bel Este last April.
- -- Congratulations on the three years of political stability, racial peace and sustained economic growth your able government has brought to Guyana.

Guyana's Elections

- -- Both our nations face elections this year. Elections are a crucial but vital test of the strength of a free democratic and constitutional government.
- -- What is the outlook for Guyana?
- -- (To defeat Jagan, Burnham must continue in coalition with the small but pivotal United Force party of Peter D'Aguiar, who is philosophically and racially Burnham's antagonist but politically his uneasy partner. Burnham would like to do without D'Aguiar.

COM TOTAL TANK

Group 3

Downgraded at 12-year intervals; not automatically declassified.

CONFIDENTIAL - 2 -

You may wish to stress the importance of maintaining unhappy political marriages in election years.)

-- (Burnham plans to supplement his party's vote by organizing 15-20,000 overseas ballots. He hopes to get about 5,000 Guyanese voters from the U.S. He may discuss his efforts to locate Guyanese in this country.)

U.S. AID

-- We continue to place a high priority on our AID program in Guyana despite the cutback in our AID budget that was legislated this year. We have also selected our best people to send to Georgetown.

Topics Prime Minister Burnham May Raise

Caribbean Integration

-- (Burnham may ask your views on the moves toward regional integration by Commonwealth nations in the Caribbean.)

You May Want to Say

- -- We welcome the steps our Caribbean neighbors have taken toward closer economic cooperation in recent months.
- -- We have agreed to some loan support for the proposed Caribbean Development Bank and are encouraged by the steps toward an enlarged Free Trade Area.
- -- As you know the Secretary of State has appointed a special task force to study our long range relations in the area.

CONTIDENTIAL—

-CONFIDENTIAL

Guyana Membership in the OAS

-- (Quyana is barred from membership in the OAS by the Act of Washington because of the border dispute with Venezuela. Burnham may reiterate his government's interest in eventually joining the Western hemisphere alliance.)

You May Wish to Say

-- As I said to you during your last visit,
"We look to the day when you will join us
in the councils of the Organization of
American States and become full participants
in our Alliance for Progress."

Border Disputes

-- (Burnham may request your influence with the governments of Venezuela and Surinam and with the Dutch to ease pressures on their border disputes with Guyana in this election year.)

You May Wish to Say

- -- We believe that both disputes should be dealt with peacefully and without resort to rancor on either side.
- -- It would not be helpful for us to take sides in the border disputes with Guyana. Whatever influence we might have with the governments involved would be seriously hampered by our entering into the merits of the individual claims.
- -- We have, however, expressed to the governments of Venezuela and the Netherlands our assessment that continued pressures on the border issues this year could give support to Jagan, which surely neither the Venezuelan nor Surinam Governments want.

CONFIDENTIAL

VISIT OF PRIME MINISTER BURNHAM OF GUYANA JANUARY 17-25, 1968

Background Paper

GUYANA - CRUCIAL ELECTIONS THIS YEAR

Discussion:

Under the Burnham Government, Guyana has seen racial peace, political stability and encouraging economic growth since its independence in May 1966 and the subsequent withdrawal of the British groops. The national elections expected late this year or at least by March 1969 will, however, pose the major test of Prime Minister Burnham's considerable political talents.

If the Burnham coalition wins, Guyana may have another five years during which further steps can be made toward diffusing the nation's black-brown racial division and toward curing her economic ills, If Burnham should lose, the alternatives are less hopeful: prolonged political instability marked by racial violence, a deterioration of the economy, a collapse of parliamentary government, and/or more serious for United States interests, the possibility of a return to power of Cheddi Jagan, Castro's ally and friend of the Soviet Union.

Burnham's African dominated People's National Congress (PNC) may manage to remain in power if it can coordinate election tactics with the United Force (UF) party and agree to continue the uneasy partnership after the elections. A key factor in the future viability of the coalition is the United Force leader, Peter D'Aguiar, who left the cabinet last September and who persists in flaunting his

GROUP 3

Downgraded at 12-year intervals; not automatically declassified.

E.O. 12958, Sec. 3.6 NLJ 96-266 By its NARA Date 9-10-97

DECLASSIFIED

CONFIDENTIAL

-2-

deep political and racial differences with Burnham despite the continuing cooperation of other UF parliamentarians with the Burnham Government. The UF is a small but pivotal party that can claim the vote of the Portuguese, Chinese, Amerindian and mixed races as well as the few East Indian defectors from Cheddi Jagan.

Communist oriented Cheddi Jagan is hoping for a breakup of the democratic PNC-UF coalition that has kept his People's Progressive Party (PPP) from power since the December 1964 elections. The PPP is better organized than either the PNC or UF and Jagan can still count on holding the vast majority of East Indians who now constitute nearly half of the population of Guyana. East Indians like most Guyanese vote along racial lines regardless of their political beliefs. But Jagan is pessimistic about his chances of being allowed by either Burnham or the United States to take power next year even if he should win the elections. He knows he lacks control of the African dominated urban centers, the security forces, and the trade unions and he knows that the United States would find a Jagan government in Guyana intolerable.

If Jagan is not allowed to form a government following the next elections, the militants in his Party are most likely to press for some type of violent alternative but their capabilities so far in this area are limited. Should Jagan manage to take power, racial strife would most certainly ensue and Jagan would turn to the Soviet Union, Cuba and other Communist states to bolster his government economically and politically and provide some internal security assistance.

CONFIDENTIAL

VISIT OF PRIME MINISTER BURNHAM

OF GUYANA January 17-25, 1967 DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 96-246

By its . NARA Date 9-10-97

Background Paper

CAYANA - CURRENT ECONOMIC SITUATION AND U.S. ASSISTANCE

In 1967 the steady if unspectacular upward trend in the Guyanese economy which has prevailed since the present Burnham coalition government came to power in December 1964 continued. This trend reflects the restoration of relative peace and stability, a return of business confidence, and substantial foreign investment - both private and public - which has taken place during the past three years. The current situation contrasts sharply with the civil strife and depressed economic conditions of the last years of the preceding Jagan administration.

Gross domestic product in current prices in 1967 was up about 7% over the previous year. Prices were up about 3%; the real growth in output was thus also roughly 3%. (This compares with real increases in GDP in 1965 and 1966 of 6% and 5%, respectively.) Ranked in order, Guyana's most important industries are bankite and alumina, sugar, and rice. Production in the bankite industry was up only slightly. Sugar enjoyed its best year ever. Rice was down slightly due to bad weather conditions. Other less important sectors, such as shrimp, lumber, rum and construction, also trended upwards. However, the labor force is expanding rapidly and unemployment continues at a scarcely tolerable level of between 15 and 30%. Labor unrest remains as one of the most troubling aspects of the economy.

Exports were buoyant, showing an increase of 85 over 1966.

Imports were also up over the preceding year, and Guyana ran a deficit on her belance of trade. But because substantial amounts of the imports were production goods financed from abroad (foreign aid and private investment), Guyana's foreign exchange reserves nevertheless increased by nearly a third. However, reserves still amounted to less than three months imports as of the end of the year. Like the other Caribbean Commonwealth countries, Guyana followed Britain's lead in devaluing her currency in Hovember.

While the government's current account budget ran a small surplus in 1967, the capital budget ran a substantial deficit in spite of tax increases. Most of the deficit was covered in a non-inflationary

Group 4

Downgraded at three-year intervals. Declassified 12 years after date of origin.

manner by the sale of bonds to the public. Bank borrowing amounted to the equivalent of only \$1.1 million, less than 0.6 of 15 of ODP. The budget for 1966 calls for a total increase in expenditures over 1967 of 65, but new tax measures are designed to produce a balanced budget.

AID assistance to Guyana was reinstated at a high level following the taking of power by the present government in December 1964. (AID assistance had been virtually suspended in the last 18 months of the preceding Jagan government.) From Fiscal Year 1965 onwards, AID assistance has averaged about \$10 million per year, including locals and grants and a small PL 480 food grant program. In addition, \$6 million in housing guaranties have been authorized. Our objective has been to finance sound projects which would at the same time have a high political impact and reflect favorably on the Burnham government.

Initially our assistance ran heavily to grants (over \$8.5 million in FY 1965/66), and the mided projects were largely oriented towards infrastructure - especially roads. In FY 1968 and 1969 our AID assistance will be largely in the form of loans, and a much heavier emphasis is being placed on agriculture, especially rice production. Over the past two years AID technicians have worked with the Guyanese to develop a comprehensive program for modernizing this important industry, which directly and indirectly provides a livelihood for 25% of the Quyanese people. At the present time yield is low - less than helf the U.S. average - and the quality is poor. Inefficiencies in processing and marketing have further depressed earnings in the industry. AID has programmed \$11 million for a loam in FY 1968 to finance the first phase of a program covering a rice research station; rice drying, storage, and parboiling facilities; mill improvements; and technical assistance. AID and the GOG are moving as fast as possible on the project so that the Burnhem government may derive maximum political advantage from it prior to the elections. An additional \$2 million in loans and \$1 million in technical assistance grants are also programmed for the current year, as well as a continuation of the modest PL 460 food great program. Consideration is also being given to a PL 480 dollar credit sales egreement.

50-+

VISIT OF PRIME MINISTER BURNHAM

OF GUYANA
JANUARY 17-25, 1968

DECLASSIFIED E.O. 12958, Sec. 3.6

Background Paper

NLJ 96- 266 By ics , NARA Date 9-10-97

GUYANA'S BORDER DISPUTES

Guyana has active border disputes with both its coastal neighbors, Venezuela and Surinam, that are hold-overs from the ill-defined boundaries of colonial days. Pressures for a change in the status quo have come mainly from the government of Venezuela since Guyana exercises sovereignty over the border area in dispute. More recently, the Surinam-Guyana dispute over a largely uninhabited area has heated up.

The major concern of the Burnham government now is that pressures from both sides affecting nearly two-thirds of Guyana's territory (see map attached) will raise political tempers in Guyana which faces elections this year. Cheddi Jagan will attempt to capitalize on Burnham's restrained reaction to the pressures by charging that Burnham is so tied to the "imperialist powers" that he will not take the action necessary to defend Guyana's national interests. A marginal defection from Burnham over "failures" abroad could help to sway the vote in Jagan's favor in the coming elections.

Venezuela is the major claimant on Guyana's territory, questioning Guyana's title to 5/8 of the country that lies to the west of the Essequibo River. The dispute, which has its origins in the 19th century, was pressed with increasing vigor by Venezuela as Guyana approached independence, in the belief that Venezuela could more easily twist the tail of the British lion than it could of a small newly sovereign neighbor. Venezuela has effectively blocked Guyana from becoming a party to the Organization of American States by the Act of Washington which bars admission to American States that have unresolved border disputes with a member state.

GROUP 3

Downgraded at 12-year intervals; not automatically declassified.

In 1966 at Geneva the British and Venezuelan Governments agreed to establish a mixed Guyanese-Venezuelan commission to discuss the dispute. Although the commission has not produced any results as yet it has succeeded in draining off some of the political heat of recent years. Last year Venezuela moved to occupy the tiny border island of Ankoko, half of which is claimed by Guyana, and the dispute boiled up again. Early last summer we encouraged President Leoni to receive an emissary from Guyana to try to get the bilateral talks back on the track, but the dispute perked along until late in the fall. At that time a Venezuelan offer in the mixed commission to consider joint economic development projects in Guyana was accepted by the Guyanese on the understanding that the projects would not be limited just to the disputed territory. The border issue does not loom large in Venezuelan politics and appears to be a "sometime thing" that the Venezuelan military presses periodically on the political leaders.

We have told both governments of our hope that the mixed commission can succeed in its mission. The 1966 Geneva agreement provides that if the dispute has not been resolved by 1970, the commission will be dissolved and the problem taken to the United Nations.

The Surinam claim is smaller than the Venezuelan and the dispute hinges essentially on the determination of which river constitutes the headwater of the Corantyne River which forms the Guyana-Surinam border. Guyana claims the headwater is the Kutari River but Surinam claims the headwater and therefore the proper border is the New River. The territory involved is largely uninhabited and devoid of mineral resources.

The Guyana-Surinam dispute was relatively quiet until early December 1967 when the Guyana police picked up some Surinam surveyors in the area of the New River in the disputed territory. Minister-President Pengel of Surinam retaliated with heated words, threats to expel all Guyanese from Surinam

CONFIDENTIAL

and a call for military volunteers. The Dutch who are responsible for Surinam's foreign affairs and defense have had to give public support for Surinam's claims but have attempted to restrain Pengel by making clear that Dutch forces will not become engaged in the dispute.

CONFIDENTIAL

INFORMATION

Saturday - January 20, 1968

Pres file

MEMORANDUM FOR THE PRESIDENT

SUBJECT: President Diaz Ordaz's reply to your New Year's message.

The Mexican President has sent this message in reply to your New Year's greetings:

"Very Esteemed Mr. President:

With true pleasure I respond to your New Year's message. My highest hopes are that, on the basis of reciprocal understanding of our national characteristics and needs, we may maintain in the future the same climate of friendship for the benefit of our peoples which marked our relations during the past year and, if it were possible, to improve it.

My wife and I wish you and Mrs. Johnson a happy 1968, in a world where peace reigns in justice and hope in the spirit of men.

Very cordially,

/s/ Gustavo Diaz Ordaz

President of the United Mexican States"

W. W. Rostow

INFORMATION

SECRET

Saturday - January 20, 1968

Mr. President:

frestile

Ambassador Tuthili had a good conversation with President Costa e Silva yesterday. I enclose the Ambassador's full report. The highlights are:

- Brazil will buy US F-5s and not French Mirages.
 No civilian president could have withstood the pressures he faced in the campaign to buy the French aircraft.
- 2. He is pleased with our economic support, interpreting this as US confidence in his government.
- 3. He is supremely confident about the domestic scene, noting that the country is peaceful and hard at work.
- 4. He sgain mentioned his deep esteem and respect for you and his certainty that Brazil and the US will continue to march side by side as solid partners.

W. W. Rostow

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 96-189 By iis , NARA Date 3-24-97

Attachment

Ambassador Tuthill's report from Rio, January 20. (Embtel 4840).

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 96-266 By ics NARA Date 9-10-97

-SECRET

Ambassador Tuthill's Message from Rio, January 20, 1968 (Embassy Telegram 4840)

Subject: The French Mirage Vanishes

- I had a delightful forty-five minute visit with President Costa e Silva in Petropolis in late afternoon of January 19. He is obviously thriving on mountain air and looked as relaxed as I have ever seen him.
- 2. The first item discussed was the release of the \$25 million program loan tranche and the fact that negotiations will shortly be underway for the remainder of the FY 1968 and 1969 program. The President was obviously pleased, and interpreted the US posture as representing confidence in his government. He said also that news confirmed his impression that Brazil is unlikely to suffer as a result of recent Congressional cuts in the AID program.
- 3. President Costa e Silva himself brought up the Mirage F-5 issue by saying that I must have read the recent "nonsense" published by the Air Force. He said that his information indicated that the French had sent up rockets in celebration but that this was very foolish since he has no intention of buying the Mirage. The President stated flatly that Brazil will buy F-5s subject to agreement for the inclusion of more modern technical components. He said that he had told his Air Minister of his decision and had directed him to work out the details of additional F-5 components. Costa e Silva said that he had been under strong domestic pressures over this matter and that he was certain a civilian President could not have withstood the campaign for the Mirage.
- 4. At this point I carefully outlined the provisions of the Conte Amendment and the fact that interpretive opinions with the US Government were still unsettled. The President indicated his knowledge of the Amendment and expressed relaxed confidence regarding the outcome. I emphasized that the US Government position concerning our willingness to license

the export of the F-5s to Brasil if the Government of Brazil decided to buy such planes remains unchanged.

- 5. Costa e Silva, in a supremely confident mood both with respect to bilateral relations and the Brazilian domestic scene, expressed optimism over his ability to contain Lacerda (principal opposition leader) and other critics without undue repression, and said that the country is peaceful and hard at work. He again cited his deep esteem and respect for President Johnson and his certainty that Brazil and the United States will continue to march side by side as solid partners. The President also said that anti-Americanism is fading away, and implied that this was part of a deliberate plan on the part of his administration.
- 6. Although he gave me a package of coffee made for the Pope", he did not raise the subject of soluble coffee. Nor did I.

ACTION

-SECRET

Friday, January 19, 1968 7:50 p.m.

Mr. President:

Herewith a proposed telegram in which Temmy Thompson would raise both the ABM and Middle Eastern issues with Kosygin on your behalf, using the NPT and your letter of May 22 as a peg.

W. W. Rostow

SECRET

DECLASSIFIED E.O. 12356, Sec. 3.4 NIJ 94-344 By Cb , NARA, Date 6-7-95

WWRostow:rln

53 Purple

KNKXZ@XXXXXHWHHHKXXXX 1/18/68

DRAFT TELEGRAM

ACTION: INFO: Amembassy MOSCOW

STATE

London

NODIS

Request you seek early appointment with Kosygin to make following statement: (If Kosygin not available within next day or so, you should see Gromyko and ask him to transmit to Kosygin soonest.)

BEGIN TEXT. The President has asked me to convey to the Chairman personally his gratification at recent development in Geneva which enabled our two representatives to table complete identical texts of a non-proliferation treaty on January 18. The President regards this as encouraging evidence that we can overcome differences in viewpoint and other obstacles in reaching agreement on an issue vital to the preservation of peace. He is confident that it will now be possible to move forward towards prompt approval of the draft treaty within the ENDC and the UN in order that it may be signed and brought into force at the earliest practicable time.

The President has akked me, at the same time, to convey to the

-SECRET - NODIS

Chairman his sense of urgency over two related pressing issues, namely, progress towards limiting the strategic nuclear arms race, and restraint in the delivery of armament to the nations of the Middle East.

The President recalls that, in his letter of May 22, 1967, to the Chairman, he had expressed the conviction that our task of persuading the non-nuclear powers to accept a non-proliferation treaty would be greatly eased if you and we could demonstrate concurrently our will and ability to bring the nuclear arms race under better control. This remains his strong view.

Furthermore, both our nations are now expending enormous resources in the development and deployment of offensive and defensive strategic weapons systems which, by their impact on the security requirements of both countries, compel an everwidening spiral of armament from which neither nation can expect to derive any greater security. On the contrary, with the rapid development of technology and the massing of increasingly complex arrays of weapons, the danger increases. The President has asked me to make clear that in proposing discussions between our Governments on this issue, he in no way seeks military advantage; on the contrary, he seeks a solution through a limitation on arms based upon full appreciation by

SECRET - NODIS

each side of the national interests and security of the other--a security which he is convinced will not be served by a continuation of our present course. The President believes, therefore, it is in our mutual interest to begin official talks now in order to resolve this problem at the earliest practicable moment.

On the question of arms to the Middle East, the Chairman will have received by now Ambassador Dobrynin's report of his conversation with Secretary Rusk on January 9. This matter, too, is urgent and the President has asked me to stress his deep concern at the impact that continued arms traffic may have on the Middle East situation. We know from past experience that resort to arms is an ever-present danger in the Middle East. Not only does such action not resolve the problem, but it poses the danger of the spread of war beyond the confines of the area. The President has watched with growing concern the extensive delivery of arms to the area from the Soviet Union. The United States is under considerable pressure, as a consequence, to take matching

SECRET NODIS

-SECRET NODIS

- 4 -

action. Despite this pressure, my Government has exercised great restraint, most recently in its agreement to provide Israel with only limited numbers of aircraft, without new models, and only in continuation of our agreement with Israel of 1966. By agreeing only to this limited extension of the 1966 agreement and by deferring decision on the introduction of new advanced aircraft into the area, we have exercised restraint and it is the President's earnest hope that this will be reciprocated by the Soviet Government. In this way our two governments could assist Ambassador Jarring in carrying out his vital mission and thus make a substantial contribution to prospects for a just and peaceful settlement in the Middle East. END TEXT.

For Ambassador Bruce: You should bring this message to the attention of Prime Minister Wilson prior his departure for Moscow.

EUR/SOV

1/18/68

CECPET - MODIS...

ACTION

SECRET

Friday, January 19, 1968 7:50 p.m.

Mr. President:

Herewith a proposed telegram in which Temmy Thompson would raise both the ABM and Middle Eastern issues with Kosygin on your behalf, using the NPT and your letter of May 22 as a peg.

W. W. Rostow

SECRET

DECLASSIFIED

E.O. 12356, Sec. 3.4

94-344

Bv 9/Cb, NARA, Date 3/3/194

WWRostow:rln

54a

SECRET - NODIS

DRAFT TELEGRAM

ACTION:

Amembassy MOSCOW

FO:

London

STATE

NODIS

DECLASSIFIED

E.O. 12356, Sec. 3.4

NLJ. 94-342

By ..., NARA, Date /2-/3-94

Request you seek early appointment with Kosygin to make following statement: (If Kosygin not available within next day or so, you should see Gromyko and ask him to transmit to Kosygin soonest.)

personally his gratification at recent development in Geneva which enabled our two representatives to table complete identical texts of a non-proliferation treaty on January 18. The President regards this as encouraging evidence that we can overcome differences in viewpoint and other obstacles in reaching agreement on an issue vital to the preservation of peace. He is confident that it will now be possible to move forward towards prompt approval of the draft treaty within the ENDC and the UN in order that it may be signed and brought into force at the earliest practicable time.

The President has akked me, at the same time, to convey to the

SECRET - NODIS

Chairman his sense of urgency over two related pressing issues, namely, progress towards limiting the strategic nuclear arms race, and restraint in the delivery of armament to the nations of the Middle East.

The President recalls that, in his letter of May 22, 1967, to the Chairman, he had expressed the conviction that our task of persuading the non-nuclear powers to accept a non-proliferation treaty would be greatly eased if you and we could demonstrate concurrently our will and ability to bring the nuclear arms race under better control. This remains his strong view.

Furthermore, both our nations are now expending enormous resources in the development and deployment of offensive and defensive strategic weapons systems which, by their impact on the security requirements of both countries, compel an everwidening spiral of armament from which neither nation can expect to derive any greater security. On the contrary, with the rapid development of technology and the massing of increasingly complex arrays of weapons, the danger increases. The President has asked me to make clear that in proposing discussions between our Governments on this issue, he in no way seeks military advantage; on the contrary, he seeks a solution through a limitation on arms based upon full appreciation by

each side of the national interests and security of the other--a security which he is convinced will not be served by a continuation of our present course. The President believes, therefore, it is in our mutual interest to begin official talks now in order to resolve this problem at the earliest practicable moment.

On the question of arms to the Middle East, the Chairman will have received by now Ambassador Dobrynin's report of his conversation with Secretary Rusk on January 9. This matter, too, is urgent and the President has asked me to stress his deep concern at the impact that continued arms traffic may have on the Middle East situation. We know from past experience that resort to arms is an ever-present danger in the Middle East. Not only does such action not resolve the problem, but it poses the danger of the spread of war beyond the confines of the area. The President has watched with growing concern the extensive delivery of arms to the area from the Soviet Union. The United States is under considerable pressure, as a consequence, to take matching

SECRET - NODIS

SECRET - NODIS

- 4 -

action. Despite this pressure, my Government has exercised great restraint, most recently in its agreement to provide Israel with only limited numbers of aircraft, without new models, and only in continuation of our agreement with Israel of 1966. By agreeing only to this limited extension of the 1966 agreement and by deferring decision on the introduction of new advanced aircraft into the area, we have exercised restraint and it is the President's earnest hope that this will be reciprocated by the Soviet Government. In this way our two governments could assist Ambassador Jarring in carrying out his vital mission and thus make a substantial contribution to prospects for a just and peaceful settlement in the Middle East. END TEXT.

For Ambassador Bruce: You should bring this message to the attention of Prime Minister Wilson prior his departure for Moscow.

EUR/SOV

1/18/68

SECRET - NODIS