

INFORMATION

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Tuesday
March 5, 1968 -- 9:50 a.m.

Mr. President:

A relatively quiet day at Khe
Sanh and the DMZ:

- 211 tons delivered;
- enemy harassing fire
relatively light.

W. W. Rostow

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WWRostow:rla

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By lg, NARA, Date 3-26-92

DECLASSIFIED
E.O. 12356, Sec. 3.3
DA Memo, Jan. 5, 1988
By lg, NARA, Date 3-26-92

Pres file

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360

Tuesday, March 5, 1968, 9:20 AM

TEXT OF CABLE FROM GENERAL WESTMORELAND

This is report number thirty on the situation in the Khe Sanh/DMZ area for the 24-hour period of March 4, 1968.

The weather at Khe Sanh continued with low ceilings and ground fog throughout much of the period, with only intermittent breaks in the cloud cover. No change in the weather is forecast for March 5.

While weather limitations affected close air support in the area, supporting arms expended 2756 rounds of mixed artillery and mortar. Fifty percent of the missions were observed. Enemy anti-aircraft activity was light as resupply aircraft off-loaded 211 tons of supplies and equipment with minimal interference.

A total of 151 rounds of mixed incoming rounds fell in the Khe Sanh area. Three Marines were killed and 24 were wounded, 13 of whom required evacuation. At 10:00 AM, an observation post located an active enemy mortar site two kilometers southwest of Khe Sanh. A mortar mission was fired with excellent target coverage. At 1:00 PM, a mortar mission was fired on an enemy 50 caliber gun position two kilometers northwest of Khe Sanh, destroying the gun and its crew. Eight kilometers southeast of Khe Sanh, an air strike on an enemy trench resulted in five North Vietnamese Army killed. At 1:30 AM, Marines heard movement in their wire and employed fire, silencing the movement.

Elsewhere in northern Quang Tri Province, enemy activity increased. A sharp contact took place in the vicinity of Con Thien where a platoon from the 2nd Battalion, 1st Marines, engaged an unknown size enemy force which broke contact in the late afternoon. Eleven North Vietnamese Army were killed in action. Friendly casualties were three killed, and five wounded and evacuated. Four weapons were captured. At 12:45 PM, 15 North Vietnamese Army were observed four kilometers north of Con Thien, a controlled air strike killed four of the enemy. The enemy fired 129 rounds of mixed artillery and mortar at positions along the DMZ. A company of the 4th Marines at C-2 received 30 rounds of mortar and four artillery rounds

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E.O. 12356, Sec. 3.3

AF Guide, SEA Records, 4/1/88

By 19 NARA, Date 3-26-92

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E.O. 12356, Sec. 3.3

DA Memo, Jan. 5, 1988

By 19 NARA, Date 3-26-92

resulting in three killed, and 16 wounded and evacuated. Camp Carroll received seven mortar rounds and 19 artillery rounds, resulting in two killed and 10 wounded (seven evacuated). The 3rd Battalion, 1st Marines in Operation Napoleon/Saline received 30 artillery rounds and 26 mortar rounds, with no casualties or damage.

There were two COFRAM missions fired expending 19 rounds and resulting in four enemy killed.

The Marine aircraft wing flew 150 sorties in support of Khe Sanh, the Air Force flew 147, and the Navy flew 27, for a total of 324 sorties. Bomb damage included one secondary explosion, 13 secondary fires, six bunkers destroyed, four structures destroyed, two mortar positions destroyed, and 17 enemy killed. There were eight ARC LIGHT strikes (48 sorties) in the Niagara area. Four of the eight strikes reported a total of 31 secondary explosions. Seven of the eight strikes were against targets within three kilometers of friendly forces.

During the period 211 short tons of supplies were flown into Khe Sanh. One hundred and twelve passengers constituted the remainder of the lift. There were a total of 41 sorties. Ten C-130 and four 123's completed air drops while three C-123's landed. Twenty-seven helicopters delivered passengers and cargo.

For the next period, 270 tactical air sorties are scheduled to support Khe Sanh. There will be seven ARC LIGHT strikes (42 sorties).

INFORMATION

Pres file
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Tuesday, March 5, 1968
9:45 a. m.

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MR. PRESIDENT:

Abe Feinberg thinks Walter Heller would be excellent. That is not only his own view, but he has checked with those who have worked with Heller since he left government. He finds the judgment universal.

W. W. Rostow

DETERMINED TO BE AN ADMINISTRATIVE
MARKING. CANCELLED PER E.O. 12356,
SEC. 1.3 AND ARCHIVIST'S MEMO OF
MAR. 18, 1983.

BY 19 ON 3-29-82

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Tuesday, March 5, 1968

MEMORANDUM FOR THE PRESIDENT**SUBJECT: NSC Meeting on Latin America; Noon, Wednesday, March 5****ITEM 1**

The purpose of the meeting is to discuss our policy and the problems we face in Latin America during 1968.

There is attached a paper, "Inter-American Region -- Policy Objectives and Problems -- 1968," which has been circulated to Council members. (Tab A) A one-page summary of the paper is at Tab B.

Secretary Rusk is prepared to start the discussion by summarizing the paper. He may call on Assistant Secretary Oliver or ~~Deputy Assistant Secretary Sayre~~ to elaborate on his summary. ~~(Assistant Secretary Oliver will be present unless he is detained at a Latin America Subcommittee hearing being held by Senator Morse which begins at 10:30 a.m.)~~

Should you wish to ask questions, here are four:

1. What can we do to prevent a clash between the Robles and Arias factions in Panama which could spill over into the Zone and set back the gains we have made in the treaty negotiations?
2. Do we have a plan for reinvigorating the OAS to put before the new Secretary General, including making CIAP an effective instrument for policy and action?
3. Do our Ambassadors in Latin America appreciate the importance of "preventive medicine" in combating communist insurgency and are they making maximum use of our military and police programs in this regard?
4. What can we do to get the Latin Americans to move toward economic integration as they agreed ^{at} Punta del Este?

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Authority NSC ltr 10-10-80By up/hg, NARA, Date 3-23-92

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To conclude the discussion, you may wish to direct that:

1. Maximum efforts should be made to maintain political stability and encourage constitutional procedures in Latin America, in order to keep up the "no-military-coup" record in existence since July 1966.
2. The change of guard at the OAS should be used to project a new image of creative, dynamic leadership for the OAS. In the process, CIAP should be revitalized to give the Alliance for Progress the leadership it was designed to provide.
3. A report should be prepared on the steps which might be taken to persuade the South American countries to move forward on economic integration to meet the Punta del Este schedule.

ITEM 2

Information Report

If time permits, Deputy Under Secretary of State Bohlen will be prepared to give a brief report on the tactics used by the Soviets in attempting to control Communist Party leaders' meeting in Bucharest, and scheduled meeting in Sofia.

W. W. Rostow

BKS:amc

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INTER-AMERICAN REGION

Our major policy objectives and problems for 1968 are set forth below under two principal headings, multilateral and bilateral.

MULTILATERAL

I. Alliance for Progress

Our major objective this year is to maintain the forward momentum of the Alliance for Progress toward achievement of the goals set in the April 1967 Summit Action Program. This will require maximum effective utilization of reduced AID appropriations (especially for education, agriculture and the development of institutions that strengthen democratic growth - Title IX), increased efforts to accelerate Latin American action on resource mobilization and constructive economic and social policies (especially economic integration), and increased external economic assistance from other Free World sources.

Our major problem is how to dispel growing Latin doubts about the sincerity of the U.S. commitment to the Alliance and how to galvanize the Latin American governments to move rapidly forward on bold economic and social reform programs. Appropriation cuts this year and possible restrictive trade legislation have aroused serious anxieties in Latin America. There are also signs that some Latin American governments are reluctant to take the next, more difficult steps necessary for development and some have not enlisted the full cooperation for achievement of Alliance goals of those who share economic and political power. Latin American exports dropped seriously in 1967, thus intensifying Latin pressures for trade assistance. Progress on economic integration within the LAFTA area has been limited and there will be considerable problems in 1968 in inducing the larger countries (Argentina, Brazil, Mexico) to take a leadership role.

---By shifting some AID funds from less to more deserving countries and by making stronger efforts to obtain inputs from multilateral and other sources, we can blunt the ill effects of

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By 4/1/88, NARA, Date 3-23-82

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this year's appropriation cut. Partial untying of aid would also be helpful. But next year's Congressional action must unequivocally show our determination to meet our commitments.

---The Central American Common Market faces a number of monetary and trade difficulties. We are studying ways to assure the continued viability of the CACM and we shall support other temporary sub-regional trade areas, such as that formed by the Andean countries, as stepping-stones to a regional Common Market.

---We shall continue our efforts to find ways to strengthen the Inter-American Committee on the Alliance for Progress as a multilateral policy-making body.

---More and more Latin countries are showing an interest in family planning and we are assisting those which ask our help, but more effective Latin American action is needed. Any U.S. involvement must be undertaken with full awareness of Latin sensitivities.

---The Latins believe, and we agree, that a more rapid expansion of their exports is essential to their development. One of the principal thrusts of our AID programs is toward creating conditions of financial stability, not only to promote development, but also to make possible increased and diversified Latin American exports on a competitive basis. We have reached agreement in principle with the other OECD countries on some system of generalized preferential tariffs for all developing countries by the developed countries. We have joined in the establishment of a Latin American Export Promotion Center. Finally, we have made clear that the Administration will continue to oppose proposals for restrictive trade legislation. Still, we can expect pressure for U.S. preferential tariffs for Latin American products, especially if there is no progress on the temporary generalized preferences for all developing countries.

---If we can resolve the soluble coffee issue, favorable Congressional action on a new International Coffee Agreement seems possible. Failure to renew the agreement will hurt severely in Latin America and will be laid at our door. We also

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will probably be holding continued discussions on possible cocoa and sugar agreements.

---We must continue our strong support for those democratic, forward-looking governments willing to take the political risks inherent in bold social and economic reforms.

---Unless we maintain the forward momentum of the Alliance, we can expect an increase in the "what have we got to lose" attitude already becoming apparent in a few Latin American countries, and a resurgence of political polarization and instability.

II. Strengthening the OAS

Our objective is a more dynamic and efficient Organization of American States which will assume greater responsibility in the promotion of Latin American development and the limitation of Latin American military expenditures affecting economic development resources.

One problem in achieving a more effective OAS has been the lack of efficient administration and executive leadership in the OAS General Secretariat. We expect this situation to improve with steps now being initiated by the Secretariat and with the election of Galo PLAZA Lasso as Secretary General.

---We favored the election of the most capable available candidate as Secretary General of the OAS and hence we supported Plaza for this post. While we were willing to support a non-U.S. citizen for Assistant Secretary General, we consider it important that a U.S. citizen be appointed as Assistant Secretary General for Administration, a position yet to be established, in order to help assure much needed administrative improvements. We believe that there will be general support for this from the other member states.

---Ratification by two-thirds of the OAS member states of the 1967 Protocol of Amendment to the OAS Charter, thus bringing it into

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force, will be an important step toward a more effective organization. The Protocol is now before the U.S. Senate for its advice and consent to ratification and we anticipate approval shortly. Thus far, three OAS member states have deposited their instruments of ratification.

III. Subversion and Insurgency

Our objective is continued improvement in the capabilities of Latin American countries to control and eliminate subversion and insurgency and the establishment of subregional cooperative security arrangements, particularly in the Caribbean area.

The main problem is that Castro's Cuba continues to advocate and support "wars of national liberation", and that the Latin American countries remain a prime target of direct and indirect subversion by Cuba, the Soviet Union, and, to a lesser extent, Communist China.

---The communist movement in Latin America has lost ground in recent years. Much of the initial enthusiasm for Castroism has cooled and factional rivalries have produced divisions in communist ranks in many countries. In 1967, communist-supported terrorist and guerrilla groups were effectively eliminated in Bolivia and Nicaragua, suffered serious setbacks in Guatemala and were brought largely under control in Colombia and Venezuela.

---Official Cuban statements and the record of Cuban activities clearly indicate that Havana continues to seek opportunities to foment and support armed violence, both urban and rural, against other Latin American governments.

---The security forces of some Latin American countries still have serious deficiencies in such areas as intelligence collection and analysis, communications and mobility. Prudence requires continuing MAP support in those countries where there are still active insurgencies and in those which are inherently vulnerable to insurgency because of geographic location or economic, social or political conditions.

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---We shall continue to foster regional cooperation against subversion, e.g., through the O.A.S., combined military exercises and periodic meetings of the Ministers of Interior of Central America and Panama.

---We shall continue our efforts to strengthen and expand sub-regional security arrangements. We are trying to persuade Venezuela to take the initiative toward improving and enlarging security arrangements among the Caribbean basin countries. Emphasis would initially be on police-type measures.

IV. Military Equipment for Latin America

Our objective is the avoidance by Latin American countries of non-essential arms purchases and maintenance of U.S. military influence while coordinating defense expenditures with economic and social needs.

The main problem is that our views differ from those of some Latin American countries with respect to their military and security requirements and they insist that the determination is their sovereign prerogative. Contributing to the problem is the fact that much Latin American military equipment is at the end of its useful service life and the replacement cycle is peaking at a time of growing Congressional impatience with Latin America's view of its security problems.

---We have been extremely selective in the types of equipment we have made available, but our leverage is limited, especially since military assistance is being curtailed more each year.

---Our attempt to obtain a Latin American "non-receipt" agreement at Punta del Este resulted only in an imprecise statement that unnecessary military expenditures would be eliminated.

---We are strongly urging that defense expenditures be coordinated with development needs and that expenditures for non-essential equipment be avoided. An expensive round of arms acquisition would have the most serious results. Even limited arms purchases are almost certain to be blown out of proportion in Congress.

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---We shall continue our effort to put the Latin American arms question, particularly legitimate modernization needs, into better perspective in this country and to urge moderation on the Latin Americans.

---We shall intensify our efforts to obtain an understanding on the arms problem in a multilateral Latin American forum.

---We must seek the toleration of key Latin Governments as we seek the facts we need to apply the Symington and Conte-Long amendments to the FAA. The issue is one that could stir up nationalistic sensitivities and could lead several governments to adopt a generally uncooperative attitude toward the US.

---If we go too far in our restrictive policy, the Latins may turn more and more to Europe for their equipment needs, as they see them, with resulting reduction of our influence and adverse effects on our balance of payments.

V. Marine Jurisdiction

Our immediate objective is to achieve a cessation of seizures of our tuna fishing boats by Ecuador and Peru.

The main problem is to find a mutually acceptable basis on which Ecuador and Peru, with the concurrence of Chile, will cease seizing our vessels and at the same time to avoid a confrontation over our position of a 3-mile territorial sea and a 12-mile fishery zone and the CEP position of a 200-mile territorial sea or, in Chile's case, fishery zone.

---Fishing grounds off Ecuador and Peru supply an important part of the U.S. tuna catch, which is valued at \$45-50 million annually. In the past 15 years, Ecuador and Peru have seized and detained numerous tuna boats on the high seas, occasionally firing on them, and have fined their owners for unlicensed fishing inside the claimed 200-mile limit. License fees and fines, always heavy, were tripled by Ecuador last year. These incidents have aroused members of Congress to propose various punitive and retaliatory measures. The frequency of incidents since March 1967 has been low, probably owing to restraint on the part of Ecuador and Peru induced by our diplomatic pressure and, since the first of the year,

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to a tie-up of the tuna fleet. Departure of the fleet for the southern grounds is imminent and will increase the danger of further incidents.

---We sent a special team to the CEP capitals last year to discuss the feasibility of a technical and scientific conference on fisheries that would encompass practical arrangements to end the seizures while reserving both sides' legal positions. We are awaiting a joint CEP decision to our proposal regarding the scope of such a conference.

---Should our efforts to end the seizures by negotiation fail and further incidents occur, strong repercussions in the U.S. fishing industry and the Congress are certain, especially if U.S.-supplied patrol craft make the seizures. We would then have to consider what other measures are available. International adjudication has already been proposed and rejected by the CEP governments. Other measures that have been approved by Congress include a cutback or cutoff of economic and military aid and taking back vessels on loan to the offending country.

BILATERAL

I. Bolivia

Our objective is for Bolivia to maintain its economic stability without adversely affecting its economic growth rate.

The main problem is that Bolivia faces a large budget deficit which may be aggravated by demands for wage increases.

---Although the Bolivian Government has overcome the Cuban-directed insurgency, various labor and student groups retain the capacity to provoke violent disturbances and would exploit any weakening of the economy.

---In response to a GOB request, we are considering a \$4.5 million Supporting Assistance Loan. We plan to use the leverage of the loan to insist on tax measures to increase revenue sufficiently to cover the deficit.

---Partly as a means to distract public attention from the budget situation, President Barrientos has lately been stressing

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his country's "independence" of both U.S. and Soviet "imperialism". However, we have no evidence of any change in Barrientos' pro-U.S. policies.

II. Brazil

Our objectives are continued economic stabilization and growth, forward movement in the social sector, a viable equilibrium among the civilian and military political forces in the country, and retention of Brazil as a major ally on the world and hemispheric planes.

The main problem we foresee at this point is that the government of Brazil may use its military base to stifle political opposition.

---Repercussions in the United States to such a development would in all likelihood take the form of public outcries of protest and congressional pressure to re-examine or suspend our assistance to the Brazilian Government. We recognize that our ability to prevent this train of events from transpiring is limited, but we nevertheless intend to exercise such leverage as we can to influence events in the direction of our objectives.

---We plan to continue urging Brazil to take the lead in promoting the Latin American common market, to abandon its opposition to the NPT, to stand with us in the search for ways to strengthen the OAS and hemisphere security.

---We will be as forthcoming as feasible in our economic and financial cooperation because this is an essential ingredient in promoting social and political development.

III. Chile

Our objective is to strengthen the political position of the Frei Administration, looking to the national elections of 1969 and 1970, in order to maintain a clear superiority of progressive, democratic and friendly political forces over the Communist-Socialist FRAP coalition and its allies.

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The major problem is that, although the Frei Administration has compiled an impressive record on economic and social reform, it is a minority administration which has isolated itself instead of building alliances with like minded political groups and Frei has been outmaneuvered by his communist opponents. The US is publicly identified not only with Frei's reform program but with his political fortunes as well.

---We are considering possible means of assisting Frei to repair his political situation. At some point, we will have to decide whether our support for and identification with Frei and the Christian Democratic Party (PDC) is too great, and whether we should be searching for alternatives as the 1969-70 elections approach. For example, would a coalition government be more in the U.S. interest than continuation of one-party PDC rule after 1970?

---There is increasing political pressure on Frei to attempt to secure for Chile a larger share of the profits being realized by US owned copper companies as a result of unprecedented high copper prices. We should be prepared to decide what our reaction would be to such a move by Frei.

IV. Cuba

Our long-range objective is to see the Castro regime replaced by a non-communist government which would not be a threat, direct or indirect, to us or to other Hemisphere nations. Our immediate objectives are to prevent the use of Cuba as a base for offensive military operations against us or other countries; to prevent or minimize Cuban subversion in other countries; to keep Cuba from becoming a model for emulation in the Hemisphere; and to maximize the cost to the Soviets of maintaining an outpost in this Hemisphere, thus discouraging them from similar adventures.

A major problem is the increasing difficulty in maintaining the cooperation of Free World countries outside the Hemisphere in the isolation and economic denial program which until now has been largely successful. On the other hand, doubts about Cuba's creditworthiness, stemming in part from uncertainty as to Soviet

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aid if Castro continues to irritate the USSR, are making some countries more cautious in extending credits.

---Despite recent setbacks to Cuban-supported subversion in Latin America, there is no indication that Castro intends to abandon his attempts to "export revolution" nor that he is considering a break in Soviet military ties.

---Because of strong repressive measures and the increased efficiency of its security apparatus, the Castro regime is able to prevent any translation of growing discontent into a popular revolt and Castro remains in control of the internal situation.

---The Policy Planning Council is currently preparing a National Policy Paper on Cuba which will review our present policy and possible alternative strategies. This paper will receive inter-agency consideration through the established procedures.

V. Dominican Republic

Our objective is to maintain at least that degree of political stability that will permit the development of a viable economy and democratic political institutions.

A major issue is the extent to which we are prepared to continue providing economic assistance, over the extended period required, to make economic and political development possible. Another issue is the extent to which we can expect democratic institutions to grow in a situation that requires the government to devote so much time and energy to preventing its own violent overthrow. Economic growth and development of democratic political institutions are interrelated, but success in the former does not automatically mean success in the latter.

---If the peso were devalued, the same level of assistance would result in accelerated economic growth. However, a U.S. effort to force a devaluation as a condition for assistance could bring about Balaguer's overthrow and a return to chaotic conditions. Since other needed reforms also have political implications, we expect performance to be slow.

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---The municipal elections scheduled for May 1968 will test the country's growth along democratic lines. A number of negative factors are converging that give cause for concern. It is extremely important that the Balaguer government weather this election period and we are planning a number of economic, political and psychological actions between now and the elections to help him do so.

---If Balaguer comes through the election period successfully, the odds on his survival for his full term will improve and the prospects for economic and social growth, as well as the development of democratic institutions, will be greatly enhanced.

VI. Ecuador

Our objective is to limit the dimensions of our current difficulties with the Arosemena Government and minimize their adverse effects on long-term U.S.-Ecuadorean relations.

The problem is to prevent further deterioration in relations while taking certain steps which we consider necessary.

---Withholding an Ambassador to Quito is the only appropriate response to President Arosemena's ejection of Ambassador Coerr last October. We must demonstrate to the rest of Latin America that we do not regard our Ambassadors as expendable pawns in the host country's political games.

---Insisting on adequate GOE performance for new AID lending is the only appropriate response to Arosemena's public statements last year criticizing Alliance loans and implying rejection of self-help requirements.

---The lack of new loans and the continued absence of a U.S. Ambassador may lead Arosemena to conclude that his best interests would be served by taking further steps toward a confrontation with the U.S. He might, for example, resume seizures of U.S. tuna boats fishing off Ecuador's coast.

---To restrain Arosemena from moving in this direction we are engaging in a dialogue with the GOE on the question of loan conditions, thus implicitly holding out the hope of new AID lending.

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At the same time, the dialogue may serve to create the basis for new lending if events prove this to be advisable. Regarding a new Ambassador, we have said only that the matter is under study.

VII. Guatemala

Our objectives for 1968 are a significant reduction in the current high level of violence and the enactment of badly needed fiscal measures as a first step in a broader reform program.

The obstacles we face are the Guatemalan Army's determination to end communist-sponsored insurgency by extra-legal means and the oligarchy's strong opposition to any change in the existing economic and social structure.

---The Army's intensive counter-insurgency campaign has seriously weakened the communist insurgent movement, but the guerrillas have sufficient support to avoid annihilation and have turned increasingly to terrorism. In the face of the inability of the regular police and the courts to cope with the problem, the Army, with the support of Right-wing extremists, is eliminating suspected subversives by summary execution. The level of violence resulting from retaliatory killings has reached alarming proportions; two American military officials have been killed and we cannot rule out the possibility the insurgents may undertake a campaign of terror against Americans.

---We are now exploring the most effective means of using U.S. influence to induce the Army to end its sponsorship of clandestine organizations. We will have difficulty in convincing military leaders that the counter-terror is contributing to political instability, but pressure from us may induce them to control more closely the clandestine assassination squads and put an end to the killing of non-communist Leftists.

---We have contributed substantial amounts of equipment and training to the police through the Public Safety Program and we now are attempting to determine whether the police can usefully absorb additional assistance designed to improve their ability to control subversives by legitimate means.

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---President Mendez is committed in principle to reform, but he has consistently retreated on the issue of tax reform in the face of heavy pressure from the right. He is keenly aware of the deep cleavages in society and has established as his top priority goal his survival in office and the maintenance of political stability.

---A tax reform commission is scheduled to submit its recommendations to the government in June and we are using our influence privately with key government officials, including the President, to stiffen their resolve to implement the recommendations. Should we attempt publicly to support the administration, however, the right would raise the bogey of U.S. intervention and the Guatemalan Congress would find it difficult to approve a meaningful tax law.

VIII. Guyana

Our objective is to prevent the establishment of a government led by communist-oriented Cheddi Jagan following the elections scheduled for late 1968 or early 1969.

The main obstacle is the racial loyalty of the East Indians, who number over half the population and who look to Jagan for leadership even though they do not share his Marxist-Leninist views. A Jagan government would be sympathetic to Castro and the Soviet Union and provide communists with a foothold for operations on the South American continent.

---We are striving to achieve our immediate objective by helping the government of Prime Minister Burnham through high impact AID projects to show concrete results in its economic and social development efforts prior to the elections.

---We have also encouraged Burnham's government to orient much of its economic development program toward the East Indian community and to take other economic, political and social measures to assure the East Indians that they need not fear an African dominated government.

IX. Haiti

Our major objectives are to insure that Haiti remains independent of communist control, to avoid the necessity for unilateral

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U.S. action when Duvalier dies or is overthrown, to achieve Latin American involvement in Haiti and to be in a position to bring our influence to bear for the establishment of stable democratic institutions in the post-Duvalier period.

The main issue is whether our current policy of correct and cool relations with Duvalier is the proper one, or whether we should take steps to influence the course of Haitian events through other means. Past experience has shown how difficult it is to operate economic programs with Duvalier in power and there seems little we can do now to effect basic political changes.

---The post-Duvalier period will be unstable and political conditions could bring to power an unfriendly government, possibly of Communist orientation. It is for this reason we carry on regular, quiet consultations with selected Latin American governments, are working with the OAS to install a large-scale technical assistance mission in Haiti, and are encouraging the formation of a Caribbean Security Arrangement.

---We removed our AID and military missions from Haiti in 1962 and 1963. None of the existing limited bilateral and multi-lateral programs permits us to influence the Haitian government significantly nor to check the deterioration of Haiti's political and economic life.

---Resumption of financial assistance even in the small amount that is needed would arouse criticism in this country and in Latin America that we are supporting a dictator. Yet we will probably be just as strongly criticized in a major crisis for not having laid the groundwork for a more active role in influencing a successor government.

X. Panama

Our objective is to conclude new canal treaties that will protect our interest in the existing canal, reduce sources of friction between the United States and Panama, and permit construction of a sea-level canal in Panama should we decide to do so at a later date.

The main problem in 1968 is that national elections both in Panama and the United States make it difficult for either country to take further action on the draft canal treaties. In Panama the

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lame-duck Robles Government no longer has sufficient political power to sign the treaties or secure their approval by the National Assembly. Although the GOP has shown interest in discussing "clarification" of the existing treaty texts, we see no advantage in any further negotiations with the Robles Government and have indicated to Robles that we think it best not to pursue the matter further at this time.

---To date, the canal treaties have not become a campaign issue, but it is always possible that as the election draws nearer they may receive greater attention. In such case, both candidates might feel compelled to adopt a strongly nationalistic stand. We cannot estimate with any certainty how the new Panamanian president, to be elected in May, 1968 and inaugurated in October, may wish to deal with the treaties.

---Under these circumstances, we are seeking to prolong the present hiatus regarding the treaties until late 1968 or early 1969 when negotiations of the draft treaties can be concluded.

XI. Peru

Our objectives are to preserve constitutional, democratic government, which is threatened by the difficulty which the Belaunde Administration is having in coping with the present economic crisis, and to assist Peru in its efforts to resume the rate of economic growth achieved during 1961-66.

The main problem is that Belaunde heads a weak minority government and our ability to influence decisions and events in Peru has been reduced to almost zero because of the difficulties we have been having since the outset of the Belaunde Administration in extending a significant amount of bilateral assistance to Peru and the strain on our relations this has produced. Our ability to engage in a lending program in the near future, and thus our leverage, remains in serious doubt.

---Peru's purchase of advanced military equipment has raised the issue of the application of the Conte-Long and Symington Amendments.

---Failure to resolve the issue of the International Petroleum Company properties presents a danger of FAA Hickenlooper action as well as termination of Peru's sugar quota.

---Peruvian seizure of U.S. tuna boats within 200 miles offshore lurks as a danger, and this year is tied to the ship loan legislation.

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---A further deterioration of the economic situation would imperil the present delicate political balance and could provoke a military coup.

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Inter-American Region: Policy Objectives and Problems for 1968Multilateral

1. On the Alliance for Progress (AFP), we must maintain the forward momentum toward achievement of the Summit goals. This requires maximum effective utilization of reduced AID appropriations and better use of AFP machinery, such as CIAP. South American movement toward economic integration is lagging.
2. The election of a new OAS Secretary General, and restructuring of the OAS machinery, provides an excellent opportunity to bring new dynamism and efficiency to the regional system.
3. While communist subversion and insurgency has been checked, the threat remains and we must continue helping the affected countries improve their capabilities to resist. The Caribbean continues to be the area of principal danger.
4. The Latin Americans should avoid spending scarce resources on unnecessary military equipment, but their estimate of requirements differs from ours and the cuts in grant aid has decreased our leverage.

Bilateral

1. Bolivia. Some budgetary help from us will be necessary to help offset the drop in tin prices and the cost of combatting guerrillas.
2. Brazil. Brazil is our major ally in the hemisphere and continued US assistance is essential for economic growth and political stability.
3. Chile. Frei has worked his Christian Democratic Party into a minority position where it may lose the 1969 congressional and 1970 national elections. We may have to reassess our support of the party.
4. Dominican Republic. The outcome of the May municipal elections will have a major influence on Balaguer's survival and his ability to carry out economic recovery and political development.
5. Panama. Our main objective now is reasonably fair elections and a peaceful transfer of powers in October. The Canal treaties are side-tracked until then.
6. Peru. Our relations are plagued by excessive Peruvian military purchases, unwillingness to settle the IPC problem and seizure of our tuna boats -- problems which stem largely from Belaunde's weak leadership.

Tuesday - March 5, 1968

Pres file

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Letters from President Diaz Ordaz

President Diaz Ordaz has replied to your letters on the death of his father, and on his gift of the film "A Most Friendly Visit". English translations of the two letters are enclosed.

W. W. Rostow

Enclosures

- Enatic 3561
1/27/68

39a

Informal Embassy Translation
of Letter Submitted to American Embassy, Mexico City,
to the President from Mexican President Gustavo Diaz Ordaz.
(February 22, 1968)

"Dear Mr. President and True Friend:

I am most grateful that, in the midst of your many problems, you should have written such a warm and personal letter of condolence on the 5th of this month.

As you say, my father reached a very advanced age, which permitted him to know pre-revolutionary Mexico, to witness the violent struggles which took place in our country in the second and third decades of this century, and to appreciate, in the last forty years of his life, the steady growth of our country in an atmosphere of peace and progress, although naturally not without various problems.

At his interment, a group of friends said that he never had an enemy. That is true.

Untiring until the end, he worked until the eve of his death: it was his job to inspect the trees of the famous Chapultepec Park, principally as a symbolic means of linking himself with the Government, which the people had chosen his son to head, and because of the love which he always had for nature.

I know the love which you had for your father -- although you were less fortunate than I, as you lost him when you were just beginning the brilliant career which would take you to the Presidency of the United States. This permits me to appreciate the sincerity of your words. My mother has asked me to thank you and Lady Bird for your kind reference to her.

Greetings from your friend,

Gustavo Diaz Ordaz".

DECLASSIFIED
White House Guidelines, Feb. 24, 1983
By g/ly, NARA, Date 6/25/96

Informal Translation
of Letter to President from Mexican President Gustavo Diaz Ordaz

"PRESIDENT OF MEXICO

National Palace,
February 23, 1968.

My Esteemed Mr. President:

I was so pleased to know that you liked the film "A Most Friendly Visit" which I recently sent you as a reminder of the trip which I made to Washington in October of last year.

Of course, I not only have no problem with your using the film as you see fit, but I am also very grateful for your remarks which I share because I also consider this film as constituting an objective demonstration of the cordiality which happily characterizes the relations between our two countries.

With warm regards from me and my wife to Lady Bird, I ask you to accept these expressions of my friendship.

/s/ Gustavo Diaz Ordaz

GUSTAVO DIAZ ORDAZ

His Excellency
Lyndon B. Johnson
President of the United States of America
The White House
Washington, D. C."

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-250
By Cb, NARA Date 11-3-97

Pres file

~~SECRET~~

INFORMATION

Tuesday - March 5, 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Report by Covey Oliver on his
South American Trip

Herewith Covey Oliver's report on his trip to
Venezuela, Bolivia, Peru and Colombia.

W. W. Rostow

Attachment

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By 14, NARA, Date 3-2-92

~~SECRET~~

Tuesday - March 5, 1968

MEMORANDUM FOR THE PRESIDENT - INFORMATION

Pres. file

SUBJECT: Panama Situation

Attached is the latest situation report on the Panama situation. The understanding reached early yesterday averted trouble, but its status is still fragile. Opposition candidate Arias contends that President Robles is not living up to his part of the bargain on naming an apolitical cabinet. So Arias is dragging his feet on his commitment to drop impeachment proceedings.

Since the crisis cycle is bound to repeat itself between now and the May 12 elections, Bill Bowdler and I think we should try to defuse the situation. One way to do this is to have President Robles, with opposition candidate Arias's concurrence, invite outside electoral experts to give technical help on electoral procedures and observe the elections. This has been done under OAS sponsorship in Costa Rica, Honduras, Nicaragua and twice in the Dominican Republic. If Robles prefers not to have the OAS involved (because of hard feelings generated by the hotly-contested election of a new OAS Secretary General), he might ask the Chief Justices of Colombia, Costa Rica and the United States to name the experts. We would try to have President Lleras of Colombia and President Trejos of Costa Rica -- two sterling democrats whose countries are contiguous with Panama -- take the initiative so that we would not be out in front. We have passed this idea to Covey Oliver who has called an IRG meeting today to consider it.

The new Panamanian Ambassador -- Jorge Velasquez -- will present credentials to you this morning. He was instructed to tell Secretary Rusk yesterday that the situation in Panama was under control. He may give you the same report. If the opportunity arises, I suggest you tell him we believe it is in the interest of Panama and all the hemisphere for free elections to be held and constitutional procedures followed in this important election -- the first of four presidential elections (Panama, Ecuador, United States, Venezuela) to be held this year.

W. W. Rostow

DECLASSIFIED

Attachment

Panama situation report from CIA.

Authority State Ex 9/26/78

By ip/hg, NARA, Date 3/23/92

NOV 0640/58

41a

CENTRAL INTELLIGENCE AGENCY
Directorate of Intelligence
5 March 1968

INTELLIGENCE MEMORANDUM

PANAMA

(Situation Report #3 - As of 0001 EST)

1. The National Assembly, which convened without serious incident at 5:00 PM EST, has recessed--ostensibly while the legislators await a leadership decision on the make-up of a commission which is to "study" impeachment charges levied against President Robles. In fact, both sides are waiting for evidence the other is complying with the terms of the compromise reached last night.

2. A crowd estimated by the embassy to number 7,000 at its peak gathered in the vicinity of the Assembly before the session got under way but dwindled to half that number by 7:00 PM. The opposition National Union adherents were said to outnumber government supporters 3 to 2 in the noisy crowd. Both sides were relatively orderly. The National Guard remained in control of the situation.

3. The Assembly may postpone further action until Robles follows through on his part of the compromise by appointing a "nonpartisan" cabinet. Robles also promised today to amend the electoral code.

4. A spokesman for Arnulfo Arias' National Union has said that Robles is demanding that the impeachment charges be dropped altogether before announcing a new cabinet. Arias has threatened to press for a hearing on the charges if Robles fails to come across.

5. Robles was last reported to be at the Guard headquarters, along with representatives of both factions. His moves over the next few hours will determine what action the Assembly takes when it reconvenes--probably tomorrow.

No Foreign Dissem
~~SECRET~~

DECLASSIFIED
Authority CIA Letter 12/21/78
By g/hg, NARA, Date 3/23/92

INFORMATION

42

~~SECRET~~

Monday, March 4, 1968
8:45 p.m.

Pres file

Mr. President:

Attached is Sec. Fowler's status report on the current gold crisis and the plans for dealing with it.

W. W. Rostow

~~SECRET~~

DECLASSIFIED

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

White House Guidelines, Feb. 24, 1983

By rg, NARA, Date 3-2-92

EFried:rlm

SECRET

42

DECLASSIFIED

Authority Treasury 9-24-79
By deh/ey, NARA, Date 3-4-92

March 4, 1968

MEMORANDUM FOR THE PRESIDENT

Subject: Gold Problems

1. The gold market broke out again last week. The causes seem to be:

- The Javits speech advocating a plan to embargo U. S. sales of gold and suspend gold pool sales in London.
- Widespread talk in New York and European financial centers about the inevitability of some change in the gold system -- such as an increase in the official price, a U. S. gold embargo, or letting the London price go.
- Weakness in sterling and the Canadian dollar.
- General uncertainty about the international monetary system, caused by worry in Europe among other things over the failure to pass the tax bill.

2. After a few weeks of quiet, gold pool losses last week came to \$123 million, including \$88 million on Friday. Today, losses were \$53 million. We face the prospect of increasingly heavy sales during the rest of the week.

3. Among the available options, our clear preference is to beat back the current speculative attack. To do this the gold pool countries will have to take some action together to show they are determined to keep the present system going and will firmly oppose any increase in the price of gold.

We will be starting tomorrow to discuss possible actions with them:

- Fred Deming will be talking to his counterparts during the course of some OECD meetings in Paris. He will keep us informed on what the Europeans are prepared to do.

SECRET

~~SECRET~~

- 2 -

- The Central Bank Governors meet in Switzerland this weekend. We may need to have Bill Martin attend.

4. If we cannot secure adequate gold pool reaction, or if members of the gold pool would refuse to continue the present arrangements in the face of continued heavy gold speculation, we would have to consider a choice of various alternatives including:

- Supporting the London market alone or in cooperation with those members of the pool who would be willing to continue.
- Letting the London price go for all transactions and selling only to central banks out of New York (as we did before we supported the London gold market) with as much manageable cooperation from friendly central banks as we could muster.
- Restricting sales in London to licensed transactions for industrial use at \$35 an ounce which would mean the price of gold probably would increase in Paris, Zurich and other gold markets.

The main danger in such a two-price system is that the central banks, particularly those in countries outside Europe, would be worried about their dollar holdings and would request us to convert them into gold. This could get everyone nervous, rapidly deplete our gold stock, and cause a general flight from the dollar.

If, on the other hand, these requests for conversion could be kept manageable, the system itself could be maintained.

5. Another option is to suspend gold sales. There are different ways of doing this, but the probability is strong that a gold embargo would lead to exchange rate wars and a trading blocs with harmful political as well as economic effects. The spillover to the domestic economy could be serious.

This is a difficult area to describe with any confidence, but the risks are clearly very great. Sooner or later we would move into an international monetary conference to pick up the pieces and try to create a new system.

~~SECRET~~

~~SECRET~~

- 3 -

6. The Deming Group is continuing to go over the possible consequences of these different courses of action. Our main need at present is to get solid information on what the Europeans will do in this sensitive area. We should get such information during this week.

In general, I believe we must try to keep the other major countries with us, both through the gold pool operations and through the IMF.

7. We will prepare recommendations for you in light of market developments and the informal discussions in Europe.

(Signed) Henry H. Fowler

Henry H. Fowler

~~SECRET~~

INFORMATION

43

~~SECRET~~

Monday, March 4, 1968
8:10 p.m.

Mr. President:

The eternally optimistic
Italians -- especially D'Orlandi --
reports the following from his talk in
Prague with a North Vietnamese.

The key point (p. 2) is marked.

W. W. Rostow

Rome 4590

~~SECRET~~

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-250
By cb, NARA Date 11-3-97

WWRostow:rla

Pres file



Department of State

#4
TELEGRAM

43a

~~SECRET~~

OO RUEHC
DE RUFHRO 4590 0641545
ZNY SSSSS ZZH
O 041500Z MAR 68
FM AMEMBASSY ROME
TO SECSTATE WASHDC IMMEDIATE 6262
STATE GRNC
BT

ROL: 733Q
RE : MARCH 4, 1968
12:39 P.M.

DECLASSIFIED
E.O. 12958, Sec. 3.6

NLJ 96-251

By is, NARA Date 8-18-98

~~SECRET~~ ROME 4590

FOR HARRIMAN FROM DAVIDSON.

NODIS/KILLY

1. D'ORLANDI RECEIVED MELOY AND ME THIS MORNING TO TELL US OF HIS CONVERSATION WITH SU WHICH TOOK PLACE FROM 7:00 TO 9:40 P.M. FRIDAY NIGHT (MARCH 1) IN PRAGUE.

2. SU RECEIVED D'ORLANDI VERY CORDIALLY. FOR THE FIRST TIME IN PRAGUE, KHET WAS PRESENT AND TOOK ALMOST VERBATIM NOTES.

3. AFTER INFORMING SU OF MY PRESENCE IN ROME AND EXPLAINING THAT HE HAD DEFERRED HIS TRIP TO PRAGUE TO CONFER WITH ME,

PAGE 2 RUFHRO 4590 ~~SECRET~~

D'ORLANDI ASKED SU FOR THE ANSWER TO THE QUESTION POSED BY FANFANI AS TO THE PERIOD OF DELAY BETWEEN THE STOPPING OF BOMBING AND THE FIRST US HANOI MEETINGS. SU REPLIED THAT HE HAD THOUGHT THAT THE CONTACTS WITH THE ITALIANS HAD ENDED BECAUSE OF A) FLAT STATEMENTS BY US GOVERNMENT OFFICIALS, B) THE UNILATERAL COMMUNIQUE ISSUED BY THE ITALIAN GOVERNMENT ABOUT THE NORTH VIETNAMESE VISIT TO ROME, AND C) D'ORLANDI'S NOT APPEARING IN PRAGUE LAST WEDNESDAY. SU CONTINUED THAT NOW THAT HE REALIZED THAT THINGS WERE NOT OVER, THAT AN AMERICAN OFFICIAL HAD COME TO ROME AND WAS WAITING IN ROME FOR D'ORLANDI'S RETURN AND THAT DISCUSSION WITH THE AMERICAN HAD DELAYED D'ORLANDI, HE FELT VERY ENCOURAGED. THOUGH BECAUSE OF THE PRECEEDING DEVELOPMENTS WHICH HAD LED THE NORTH VIETNAMESE TO BELIEVE THAT THE CHANNEL HAD BEEN CLOSED, HE WAS NOT ABLE TO SUPPLY A PRECISE ANSWER TO FANFANI'S QUESTION, HE COULD STATE THAT THE MATTER OF A DATE WOULD BE NO PROBLEM. THE REAL PROBLEM WAS SAN ANTONIO. MELOY ASKED D'ORLANDI IF HE COULD EXPLAIN WHY SU WANTED TO MEET WITH HIM LAST WEDNESDAY IF SU WAS NOT AUTHORIZED TO ANSWER FANFANI'S QUESTIONS. D'ORLANDI SUGGESTED THAT POSSIBLY SU WISHED TO COMPLAIN ABOUT THE ITALIAN COMMUNIQUE AND ASCERTAIN WHETHER TOGETHER WITH THE US STATE-

~~SECRET~~

~~SECRET~~

-2- ROME 4590, MARCH 4 (NODIS/KILLY)

PAGE 3 RUFHRO 4590 ~~SECRET~~
MENT IT WAS INTENDED TO BREAK OFF THE CHANNEL.

4. D'ORLANDI DICTATED THE FIRST PORTION OF MY MEMCON OF THE FEBRUARY 28 MEETING (THROUGH PARA C-3) TO THE NORTH VIETNAMESE. THE NORTH VIETNAMESE DID NOT COMMENT ON THE CONTENTS BUT ASSURED D'ORLANDI THAT A LONG AND DETAILED ACCOUNT OF THE CONVERSATION WOULD BE CABLED TO HANOI THAT NIGHT AND THAT ANSWERS TO THE QUESTIONS POSED BY THE AMERICANS WOULD BE CONSIDERED AND PREPARED AT THE HIGHEST LEVEL.

5. IN AN ATTEMPT TO GET SOMETHING NEW, D'ORLANDI PRESSED SU TO SUGGEST A LOCATION FOR US-HANOI MEETINGS THAT WOULD BE ACCEPTABLE TO HANOI. SU SAID THAT HANOI HAD FIXED VIEWS, AND JUST WANTED AN ATMOSPHERE FAVORABLE TO AGREEMENT. SU DID SAY THAT THE FACT THAT HANOI HAD NO REPRESENTATION AT A POSSIBLE SITE WAS IRRELEVANT AND POINTED OUT THAT THE LAST TIME MEETINGS HAD TAKEN PLACE IN GENEVA WHERE HANOI LACKED REPRESENTATION.

6. D'ORLANDI TOLD SU THAT HE HAD THE IMPRESSION THAT NORTH VIET-NAM DID NOT WANT TALKS TO BEGIN FOR AT LEAST THREE OR FOUR

PAGE 4 RUFHRO 4590 ~~SECRET~~
WEEKS AND THAT HE THOUGHT (THOUGH THEY DID NOT SAY SO) THE AMERICANS WANTED A SIMILAR DELAY, THE AMERICANS TO STABILIZE THE SITUATION AND THE NORTH VIETNAMESE TO TRY SOME NEW MONKEY-BUSINESS. D'ORLANDI THEN TOLD SU THAT IF BOMBING STOPPED AND TALKS BEGAN, ASSAULTING KHE SANH, INVADING OR TRYING TO DETACH THE TWO NORTHERN PROVINCES OF SOUTH VIET-NAM, LAUNCHING A SECOND WAVE OF ATTACKS AGAINST ONE OR MORE CITIES OR CREATING A SENSATION WITH SOMETHING ELSE LIKE AN ASSAULT ON CAMP CARROL, WOULD SINK THE WHOLE THING. SU REPLIED THAT, SPEAKING PERSONALLY AND NOT ON INSTRUCTIONS, SUCH THING WOULD BE OUT, THAT FROM THE MOMENT THE TWO SIDES MEET IT WAS OBVIOUS NO SUCH THING COULD HAPPEN. (I QUESTIONED D'ORLANDI ABOUT THIS REMARK OF SU'S AND D'ORLANDI REPLIED THAT WHILE HE TOOK NO NOTES ~~HE IS CERTAIN~~ THIS IS THE SENSE OF WHAT SU SAID.) D'ORLANDI TOLD SU THAT WHATEVER HE OR SU THOUGHT OF THE EFFECT OF BOMBING, IT IS A FACT THAT THE US GOVERNMENT AND US PUBLIC OPINION CONSIDERS BOMBING OF THE NORTH A MOST IMPORTANT WEAPON AND THAT NO PRESIDENT COULD GIVE AWAY SUCH A WEAPON WHILE SOMETHING TERRIBLE WAS HAPPENING EITHER IN THE DMZ OR THE SOUTH. SU DID NOT RESPOND TO THIS COMMENT. D'ORLANDI ALSO REMARKED THAT IT MIGHT BE .

~~SECRET~~

~~SECRET~~

-3- ROME 4590, MARCH 4 (NODIS/KILLY)

PAGE 5 RUFHRO 4590 ~~SECRET~~
NECESSARY FOR HIM TO GO TO HANOI TO RECEIVE ASSURANCES
DIRECTLY FROM THE TOP AND AGAIN SU DID NOT REPLY.

7. SU WILL CONTACT D'ORLANDI WHEN HE RECEIVES A REPLY FROM
HANOI. D'ORLANDI BELIEVES THAT THIS WILL TAKE FROM 10 TO 15
DAYS, THEN ANOTHER MEETING WILL BE ARRANGED EITHER IN ROME
(D'ORLANDI'S PREFERENCE) OR PRAGUE (SU'S PREFERENCE).

8. I TOLD D'ORLANDI THAT AFTER MEETING FANFANI TOMORROW,
I WOULD LEAVE FOR WASHINGTON ON WEDNESDAY MORNING. D'ORLANDI
AGREED THIS WAS OPPORTUNE MOMENT FOR MY DEPARTURE AND REQUESTED
THAT IN ORDER TO LIMIT THE NUMBER OF PEOPLE INVOLVED ALL FURTHER
COMMUNICATIONS WITH THE ITALIAN GOVERNMENT ON THIS CHANNEL BE
THROUGH MELOY AND THAT AMBASSADOR ORTONA NOT REPEAT NOT BE
KEPT INFORMED.

9. MELOY SUMMED UP WHAT D'ORLANDI HAD TOLD US OF HIS PRAGUE
TALK BY SAYING THAT THE ATMOSPHERICS WERE EXCELLENT BUT THAT
THERE WAS NOTHING SUBSTANTIVELY NEW FROM HANOI. D'ORLANDI
AGREED BUT SAID THAT HE WAS OPTIMISTIC.

GP-1. MELOY
BT

~~SECRET~~

44
INFORMATION

~~SECRET~~/FLEMING

Monday, March 4, 1968
8:05 p.m.

Mr. President:

Herewith the Shah and the North Vietnamese.

I think:

-- they are trying to take our temperature;

-- they are not so sure as they make out that they can really turn the tide against the South Vietnamese and us.

W. W. Rostow

~~SECRET~~

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-250
By CB, NARA Date 11-3-97

WWRostow:rla

DEPARTMENT OF STATE
THE SECRETARY

44a

~~SECRET/NODIS/FLEMING~~

March 4, 1968
3:30 p.m.

MEMORANDUM OF CONVERSATION WITH AMBASSADOR ANSARY
OF IRAN

The Iranian Ambassador came in immediately upon his return from St. Moritz where he had discussed Viet-Nam with the Shah. The Ambassador had gone to St. Moritz to meet the Shah because the Shah had informed him that representatives of Hanoi wished to discuss with the Shah the latter's idea about organizing a "Club" of Asian nations to probe for peace in Viet-Nam.

The Ambassador said that the Shah had met with representatives from Hanoi (not the Hanoi representative in Switzerland). Such representatives tried twice to get the Shah to get the United States "to comply with some of the terms and conditions Hanoi had in mind." The Shah turned them down saying that it was not up to him to tell the United States what to do. If Hanoi wished to explore such matters Hanoi ought to give some assurance to a group of Asian nations such as the Shah had in mind in order that a "Club" could be formed.

The Ambassador reported that the Hanoi representatives indicated they wished to see the Shah again. It was interesting that they told the Shah that most intermediary countries (such as the Italians) have tried to take advantage of their role by making public the fact of contact and that they particularly appreciated the fact that the Shah had not attempted to do so. The Hanoi representatives appeared to emphasize secrecy.

The Ambassador said the Shah commented briefly on the membership of the "Club". The original idea was Iran, Afghanistan, India, Pakistan, Cambodia and Japan. The Shah thought that the question of adding Indonesia could be taken up in any discussions with Hanoi. The Shah also had some doubt that Cambodia would be as qualified now as he had thought they would before since Cambodia's inclusion was based upon the notion that it was a friend of China.

S:DR:jmr

Dean Rusk
Dean Rusk

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-251

~~SECRET/NODIS/FLEMING~~

By us, NARA Date 8-18-98

TOP SECRET/SENSITIVE

Pres file

45

Meeting with the President
Monday, March 4, 1968, 5:30 P. M.

AGENDA

1. Presentation of report by Sect. Clifford and explanation by him of its substance.
2. General comments.

You may wish to go around the table and ask for observations by Sect. Rusk, Sect. Fowler, Gen. Wheeler, and others.

Key questions: You may then wish to ask the following questions:

-- (Gen. Wheeler) What is the likelihood of Gen. Westmoreland finding himself in a desperate military situation in the course of the next three months?

-- (Gen. Wheeler) Are there any measures that we might take at such a time to assist him if such a situation could arise?

-- (Gen. Wheeler) Have we contingency plans prepared for such an occasion? What particular forces are you recommending that we dispatch immediately, and in what ways might they help Gen. Westmoreland in the next three months?

-- (Sect. Rusk) How soon could we formulate what we want from the South Vietnamese and get an assessment from Bunker and Westmoreland as to the likelihood of their performance?

-- (Gen. Wheeler) Is there a lower level at which we could reconstitute our Reserves and meet the general objectives of Sect. Clifford's recommendation?

-- (Gen. Wheeler and Mr. Helms) If Westy and the South Vietnamese turn back the winter-spring offensive, what are the odds on our making 1968 a favorable year of decision; what role would the additional forces Westy has requested play in such an offensive operation?

-- (Sect. Rusk) What negotiating stance should we and the South Vietnamese adopt if we come through in good shape with some forward momentum in May or June?

-- (Sect. Clifford and Gen. Wheeler) What difficulties do you perceive with these recommendations in the Armed Services Committees?

DECLASSIFIED

Auth: NLS 83-24

By: JCH, I Date: 2-22-90

-- (Sect. Fowler) What difficulties do you perceive with the financial committees?

-- (Sect. Rusk) How would we handle the Foreign Affairs and Foreign Relations Committees and, in particular, cope with the anti-Vietnam group in the Senate?

-- (Sects. Rusk and Clifford) How would we present the justification for this program to the Congress and to our people? What consultations do you recommend before we move?

3. Depending on your own judgment at the end of the session, you may wish either to:

-- postpone a decision until you can talk alone with a smaller group, including particularly Secretaries Rusk and Clifford; or

-- direct Secretary Clifford and General Wheeler to undertake the consultations which were yesterday postponed; that is, with Senators Russell and Dirksen; Congressman Rivers; and, via General Goodpaster, with General Eisenhower.

4. Once you have come to a decision, you will need urgent refinement of military, diplomatic, and financial staff work.

W. W. Rostow

INFORMATION

46

~~SECRET~~

Monday, March 4, 1968
4:20 p.m.

Pres file

Mr. President:

Herewith Gen. Taylor's latest
assessment of the Saigon threat.

W. W. Rostow

~~SECRET~~

WWRostow:rla

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By ag, NARA, Date 3-2-92

460

THE WHITE HOUSE
WASHINGTON

~~SECRET~~

March 4, 1968

MEMORANDUM FOR THE PRESIDENT

Subject: Enemy Situation About Saigon

In a memorandum of February 24, I reported to you that the enemy divisions threatening Saigon had apparently not moved closer to the city. More recent intelligence tends to contradict this impression.

I have attached a Fact Sheet on this subject. At least three regiments of the 9th VC Division are immediately north of Saigon and one of these, the 273rd, has infiltrated into the northern part of the city.

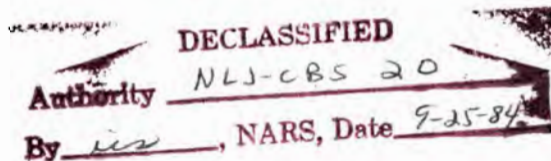
Two regiments of the 5th VC Division are near the Bien Hoa military complex and General Westmoreland's intelligence believes that elements of three regiments of the 7th North Vietnamese Division are moving into the Saigon area. There are two other North Vietnamese regiments close enough to Saigon to be able to participate in an attack while a half dozen local force battalions continue to infest the area as they have for a long time.

In summary, there are enough forces around Saigon to stage a first class attack. However, everyone seems to be aware of the danger, including President Thieu who considers the capital the number one target of the enemy.

M.D.T.
M. D. T.

Enclosure:

Fact Sheet.



~~SECRET~~

466

~~CONFIDENTIAL~~

FACT SHEET

SUBJECT: Enemy Threat to Saigon as Known to DIA as of 1200 Hours EST --
3 March 1968 (U)

1. (SS) The immediate enemy threat to Saigon is estimated to consist of two divisions -- the 5th and 9th Viet Cong Divisions. This estimate is based on the all-source information held in DIA.
2. (SS) Allied forces recently engaged elements of the 271st, 272d, and 273d Regiments of the 9th VC Division immediately north of Saigon. The 24 and 25 February JZ MACV DISCOMs and SIGINT indicate, moreover, that elements of the 273d Regiment have infiltrated into the northern part of the city.
3. (SS) The 274th and 275th VC Regiments of the 5th Division have been identified in SIGINT as being in the immediate vicinity of the Bien Hoa military complex. There are indications that elements of the 274th participated in the 28 February attack on the Ben Hoa Airfield and may attempt to interdict Route 1 east of Bien Hoa City. MACV has commented that elements of the 101st, 101st, and 165th Regiments of the 7th NVA Division are moving into the Saigon area. Prisoner interrogation reports have indicated that elements of the 141st NVA Regiment are already in southwestern Binh Duong Province.
4. (S) Captured documents taken from enemy killed on 21 February revealed that elements of the 88th NVA Regiment (the possible third subordinate to the 5th VC Division) may have moved into southern Binh Long Province to interdict Route 13.
5. (S) The Dong Nai NVA Regiment and Phu Loi VC Battalion may also be in position to threaten Saigon. The locations of these two units are presently unknown.
6. (C) Six Viet Cong local force battalions ranging in size from 150-450 men have traditionally operated in the Saigon-Military Region area. They are, however, believed to have suffered heavy losses during the recent "Tet offensive." The contribution these elements might make in any action against the capital would depend on the number and quality of the replacements they received.
7. This information has been coordinated with CIA who is in agreement with the facts as presented. MACV has been asked to comment and provide additional information if available.

DECLASSIFIED
Authority NTS 141-021-029/4
By je, NARA, Date 10-30-09

J. BARRIE WILLIAMS
MAJOR, USA
DIAAP-4A2/59708
3 March 1968

~~CONFIDENTIAL~~

Tracy
47~~TOP SECRET/SENSITIVE~~

Monday, March 4, 1968

1:45 p. m.

MR. PRESIDENT:

DECLASSIFIED

E.O. 12356, Sec. 3.4

SUBJECT: The Clifford Committee

NJ 90-106

By log NARA. Date 7-2-90

1. After much debate, there should be before you at 5:30 this afternoon an agreed paper.

2. The essence of the agreement is:

-- We should send to Westy in, say, the next three months, whatever we can send him that would be helpful in the tense battle he may face before the weather changes; but the condition of our Reserves does not permit us to get much to him in this time interval;

-- We should call up Reserves sufficient to meet the rest of his requirement if it is later judged that the rest of his request must and should be met;

-- These two actions require that we reconstitute the U.S. strategic Reserve. The exact scale of this reconstitution has not been agreed in the group nor the exact recommended combination of increased draft call and Reserve call-up. All hands agree, however, that our basic national security position requires the reconstitution of our Reserve position if we are not to tempt aggressors in various parts of the world.

3/ It was agreed that we should make a maximum effort to encourage and induce improved Vietnamese military and political performance. The particular headings for discussion with and pressure on the GVN are pretty well worked out.

As part of this effort there should be a program for improving the equipment of the ARVN; and a rough package has been worked out for that purpose of, say \$400 million.

4. It was agreed that there should be a fresh review of our strategy in Viet Nam; that this should be urgently conducted and completed before you are asked to make a commitment to send Westy forces beyond the tranche recommended for the next three months.

5. On the economic side, Joe Fowler would propose that the increased budgetary outlay for Fiscal 68-69 be offset dollar for dollar mainly by a tax increase, but he believes a program reduction of civilian outlays in Fiscal 69

~~TOP SECRET/SENSITIVE~~

March 4, 1968

will be required in the \$2-\$3 billion range. He has further recommendations in the field of manpower policy and administration and wage/price policy, but does not recommend formal wage and price controls. Since the recommended package is only now beginning to take shape, Secretary Fowler has not discussed it with Okun, Zwick, or Califano.

Discussion

You should know that the discussion we have had in these days has been colored by one major uncertainty and a widely shared reservation. The uncertainty is: what are enemy capabilities, and what are U.S. and ARVN capabilities in the days, weeks, and several months ahead?

We all have the feeling that the battle is likely to be pretty close. If the enemy brings in additional North Vietnamese forces, it could become dangerous for our side; and it will go badly for our side unless we can induce the ARVN to go out and fight in the countryside. On the other hand, if we and the ARVN prove capable of taking the offensive along the lines in Westy's latest cable, we could make 1968 the year of decision. Thus, the performance of the Vietnamese and the ARVN is critical and the exact state of the enemy which we won't know until we engage him or he engages us. Therefore, in looking ahead over the next months and considering Westy's request, we don't know whether we are being asked to send forces to prevent a radical deterioration in our side's position, or to permit him to conduct in the second half of the year a vigorous offensive.

The reservation, which goes deep in State and Defense, is that the additional forces would constitute a gross over-commitment of U.S. military resources to Viet Nam without bringing us closer to a resolution of the problem. Behind that judgment, in turn, is a feeling that we can only attain our objectives in Viet Nam by a negotiation which brings the Viet Cong into the political process, and this negotiation, in turn, may not be much advanced by putting additional U.S. forces into the country. Secretary Rusk, for example, is thinking in terms of sending ^{the} the absolute limit on U.S. forces and then leaving the rest of the job up to the South Vietnamese.

The group did not address itself to an extremely important question, which is precisely how this package would be presented to the Congress and the country.

I have some ideas about this; and I am sure others do also.

As for the Congress, there was a general feeling that this will be a difficult matter; probably possible; but we might confront some extremely ugly and determined opposition from Fulbright, Gore, etc. -- perhaps including a filibuster.

March 4, 1968

The differences of view about bombing and mining Haiphong were so profound within the group, and other issues so urgently required resolution, that the bombing question was put to one side for separate and later treatment.

W. W. Rostow

TOP SECRET/SENSITIVEMonday, March 4, 1968
1:45 p. m.

48

MR. PRESIDENT:

SUBJECT: The Clifford Committee

1. After much debate, there should be before you at 5:30 this afternoon an agreed paper.

2. The essence of the agreement is:

-- We should send to Westy in, say, the next three months, whatever we can send him that would be helpful in the tense battle he may face before the weather changes; but the condition of our Reserves does not permit us to get much to him in this time interval;

-- We should call up Reserves sufficient to meet the rest of his requirement if it is later judged that the rest of his request must and should be met;

-- These two actions require that we reconstitute the U.S. strategic Reserve. The exact scale of this reconstitution has not been agreed in the group nor the exact recommended combination of increased draft call and Reserve call-up. All hands agree, however, that our basic national security position requires the reconstitution of our Reserve position if we are not to tempt aggressors in various parts of the world.

3/ It was agreed that we should make a maximum effort to encourage and induce improved Vietnamese military and political performance. The particular headings for discussion with and pressure on the GVN are pretty well worked out.

As part of this effort there should be a program for improving the equipment of the ARVN; and a rough package has been worked out for that purpose of, say \$400 million.

4. It was agreed that there should be a fresh review of our strategy in Viet Nam; that this should be urgently conducted and completed before you are asked to make a commitment to send Westy forces beyond the tranche recommended for the next three months.

5. On the economic side, Joe Fowler would propose that the increased budgetary outlay for Fiscal 68-69 be offset dollar for dollar mainly by a tax increase, but he believes a program reduction of civilian outlays in Fiscal 69

TOP SECRET/SENSITIVE

DECLASSIFIED

Authority 7CJ 90-106By ry/uf, NARA, Date 3-2-92

March 4, 1968

will be required in the \$2-\$3 billion range. He has further recommendations in the field of manpower policy and administration and wage/price policy, but does not recommend formal wage and price controls. Since the recommended package is only now beginning to take shape, Secretary Fowler has not discussed it with Okun, Zwick, or Califano.

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You should know that the discussion we have had in these days has been colored by one major uncertainty and a widely shared reservation. The uncertainty is: what are enemy capabilities, and what are U.S. and ARVN capabilities in the days, weeks, and several months ahead?

We all have the feeling that the battle is likely to be pretty close. If the enemy brings in additional North Vietnamese forces, it could become dangerous for our side; and it will go badly for our side unless we can induce the ARVN to go out and fight in the countryside. On the other hand, if we and the ARVN prove capable of taking the offensive along the lines in Westy's latest cable, we could make 1968 the year of decision. Thus, the performance of the Vietnamese and the ARVN is critical and the exact state of the enemy which we won't know until we engage him or he engages us. Therefore, in looking ahead over the next months and considering Westy's request, we don't know whether we are being asked to send forces to prevent a radical deterioration in our side's position, or to permit him to conduct in the second half of the year a vigorous offensive.

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The group did not address itself to an extremely important question, which is precisely how this package would be presented to the Congress and the country.

I have some ideas about this; and I am sure others do also.

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March 4, 1968

The differences of view about bombing and mining Haiphong were so profound within the group, and other issues so urgently required resolution, that the bombing question was put to one side for separate and later treatment.

W. W. Rostow

INFORMATION

49

Pres file

~~SECRET~~

Monday, March 4, 1968
1:00 p.m.

Mr. President:

The attached indicates that the Soviets plan air harassment of Berlin, on the occasion of the governmental meetings there, much as they did on a similar occasion in April 1965.

W. W. Rostow

~~SECRET~~

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-250
By Cb, NARA Date 11-3-97

WWRostow:rla

~~SECRET~~

Monday, March 4, 1968 -- 12 Noon

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Indian Debt Relief

In the attached Messrs. Gaud, Zwick and Fowler recommend you approve a U.S. role in a debt relief package for India. The World Bank has proposed a relief package of \$100 million per year for three years. Our share would be less than \$9 million per year.

In short, in return for a minor rescheduling of a 1951 wheat loan to India, this exercise would reschedule a good part of the backbreaking load of European debt the Indians now face. There must be such a rescheduling of European debt if we are to avoid a situation within five years in which all our aid to India will go to pay back European loans. Charlie Zwick's memorandum (Tab A) is a good, concise summary of the proposal. It requires no action by Congress.

You will note in the Zwick memorandum that we have some evidence that India is making another arms deal with the Soviets. Although as a matter of law the Conte Amendment does not apply to debt relief, we would make it very clear that any suggestion of a violation of the letter or the spirit of the assurance Morarji Desai has given us to satisfy the Conte Amendment will affect our ability to provide debt relief just as it will affect all other forms of aid. I think this gives us a defensible position on the Hill if the Indians do something stupid. We will have plenty of time to reverse ourselves on debt relief if need be because the first repayments are not due until June.

I recommend you approve.

This one has a very short fuse. The debt relief meeting began today in Paris. The Japanese -- who would have to forego about \$20 million a year -- are taking a very strong position against the principle of debt relief and they have some support from the Italians. The World Bank needs our help if there is to be any chance of turning the Japanese around. If you approve, we need to let our negotiators know this afternoon.

My apologies for the rush. We have spent almost a week digging this out of the Treasury.

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-250
By Cb, NARA Date 11-3-97

W. W. Rostow

Approve package _____

Disapprove _____

Call me _____

EKH/vmr

~~SECRET~~

~~SECRET~~

50a

EXECUTIVE OFFICE OF THE PRESIDENT
BUREAU OF THE BUDGET
WASHINGTON, D.C. 20503

FEB 27 1968

MEMORANDUM FOR THE PRESIDENT

Subject: Proposed Indian Debt Relief

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-250
By cb, NARA Date 11-3-97

In the attached memorandum, Bill Gaud proposes that we join with nine other countries to provide debt relief to India.

The India Consortium meets next Monday to consider a World Bank proposal to reschedule \$100 million a year for three years. The U. S. share of this package would only be \$8.7 million a year, to be deducted from payments coming due on a Wheat Loan we made in 1951, not from Ex-Im or AID repayments. (The Wheat Loan was previously rescheduled in 1958.)

The World Bank proposal is structured so that countries with the hardest past aid terms - Japan, Germany, Italy, and France - would bear the bulk of the burden. All Consortium countries would do some rescheduling, but our share would be the smallest as a proportion of our aid, because our terms have been among the most generous. The proposal is for a simple ten-year postponement of payments falling due, including interest.

The Indian situation is different from that in previous debt relief exercises for Indonesia, Ghana, Brazil, and Turkey in that there is no immediate foreign exchange emergency or threat of default. However, the case for debt relief to India is clear. The net flow of resources (new aid minus repayments on prior loans), which is the most important measure of economic assistance, is declining rapidly.

- If present trends continue, within eight years, the only countries giving net aid will be the U. S., Canada, and the U.K. Others will be collecting more than they are giving.
- Within the next three years, repayments to Consortium donors will eat up over one-third of probable new aid from these countries, and this proportion will rise to two-thirds by 1976.

The best way to improve the net aid picture and to decrease our share would be for all countries to agree that this debt relief is additional to regular aid. The U. S. will press for this at the Consortium meeting. Even if, as is likely, it is a part of traditional Consortium aid levels, however, this rescheduling will help India by providing a portion of that assistance in a freely usable form and by slightly improving overall terms. Moreover, it is a vital and significant first step toward more meaningful debt relief in the future.

~~SECRET~~

~~SECRET~~

2

Prospects. It is by no means certain that this proposal will carry the day in the Consortium. So far, the Japanese and the French have opposed the idea. We should help the Bank to marshal a solid front and be ready to go along if the other major donors do. Above all, we should not give the dissenters a chance to lay blame for failure of the exercise at our door.

Balance of Payments. Under the World Bank proposal, our debt relief and that of all other donors would be untied. It appears that about 13 percent of Indian imports with free foreign exchange comes from the U. S. If this proportion holdsup, it covers our share of the debt relief (less than 9 percent) and we stand to gain at least as much in exports as we lose in debt repayments. Even if it doesn't and the Indians spend none of the newly freed exchange in the U. S., the maximum cost to our balance of payments is less than \$9 million.

Military Expenditures. Morarji Desai has given us the assurances required by the Conte amendment - that India is not buying any "sophisticated weapons" in the period from January 2 to June 30, 1968. AID lawyers advise that this debt exercise is not subject to the Conte and Symington amendments so, as a matter of law, we could proceed with it regardless.

In the past few days, we have received unconfirmed intelligence that the Indians may be about to enter into a new contract to buy 25 Soviet aircraft. We have plenty of flexibility to respond to this situation, if it develops, through the \$225 million loan which AID is now preparing for your consideration and through future P. L. 480 sales. Since the next payment on the Wheat Loan is not due until June 30, we also have plenty of time to stop this debt relief if we decide, as a matter of policy, to do so. AID has agreed to make this possibility clear at the Consortium meeting.

Recommendation. I recommend that you authorize U. S. support for the World Bank proposal.

Charles J. Zwick

Charles J. Zwick
Director

Attachment

Approve _____

Disapprove _____

~~SECRET~~

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DEPARTMENT OF STATE
AGENCY FOR INTERNATIONAL DEVELOPMENT
WASHINGTON, D. C. 20523

OFFICE OF
THE ADMINISTRATOR

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Rescheduling Indian Debt

Problem: We need to take a position on a World Bank proposal to reschedule Indian debt to be considered at a meeting of the Consortium March 4 and 5.

The Need for Action: Two pressures have brought the Indian debt question increasingly forward and now to the point of action, namely: The increasing burden on India and the problem of maintaining a net flow with the burden shared more fairly among donors.

--Debt Service on existing debt to the convertible currency area in the next three years will be 27% of India's earnings, even on favorable assumptions about exports. This is a very high rate. Debt service to the Consortium members alone will total more than \$1.2 billion for this period, or 30 to 40% of new Consortium aid.

--Because of high interest and the short maturity aid offered by many other Consortium members, we are providing an expanding share of net aid. If present trends continue, within a decade the U.S., Canada and the UK would be the only Consortium nations providing net aid to India; the others would collect more than they provide in new aid. This trend has to be reversed.

The Consortium understands the need for action does not arise from Indian failure to meet debt payments nor does India threaten default. The Consortium has considered the debt problem as largely a problem of terms of aid. The rescheduling is thus proposed in a developmental context, not one of default.

The World Bank Proposal

The proposal before the March meeting calls for:

--Rescheduling of \$100 million a year

--For three years beginning April 1968

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- 2 -

- Postponement for 10 years of the rescheduled amounts
- Zero interest (or its equivalent) during the postponement period
- Sharing of the relief so that all creditors, including the U.S., participate but with a relatively heavier share imposed on those with the poorest past terms. The U.S. share of the \$100 million is proposed to be \$8.7 million.

Issues

Sharing the Burden (See TAB A)

The Consortium has reviewed a number of bases for allocating shares of relief. Two logical extremes exist:

- Straight Shares, or identical proportion of relief from each donor, and
- Harmonization, or allocation of relief shares against those whose debt service receipts from India exceed the Consortium average.

The straight shares approach would call for \$20 million a year from the U.S. while the harmonization approach would relieve the U.S., Canada and the Bank/IDA from any obligation.

The straight shares approach would perpetuate the adverse trend of net aid; harmonization would slow the adverse trend by bearing more heavily on those donors who have given the poorest terms.

The harmonization approach will not be accepted. Other than the U.S., only Canada and (at its cost) the UK would support it.

On the other hand, we have made it clear we will not accept the straight shares approach, and that in the near future some brake must be placed on the worsening trend of net aid.

The proposal for the March meeting advances a compromise position, about halfway between the harmonization and the straight shares formulas.

The compromise proposal establishes the principle of differential shares--the largest shares being required from those who have given the hardest terms. Acceptance of this formula by the harder term

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members and this is problematical, will not reverse the net aid trend in this exercise because the scale of the exercise is small and because other members have declared that the relief will be counted against their subsequent aid pledges. Acceptance of the compromise, however, provides a good basis in principle for later negotiations on aid shares.

The compromise proposal would secure some immediate gains for the United States relative to the harder term givers. It would require larger concessions on terms and on aid flexibility from others compared to those asked of the U.S., Canada and the UK. The 10 year postponement at zero interest represents significantly better terms than most of the Consortium members have given. The use of rescheduling improves immeasurably the quality of aid by many whose aid has been loaded with inflexibilities whereas it is less of a quality shift for the U.S. Thus on all qualitative aspects, others are required to make more concessions than the U.S. And, they are required to make these concessions on a much more significant portion of their aid (See TAB B).

The compromise proposal is the best we can hope to get and is a very useful and important step in the direction we want to go.

Debt Relief as Additive Aid. A sure and quick way to reverse the adverse trend of net aid would be to have debt relief recognized as additive to regular aid--and to seek to hold previous shares for the regular aid residue. The disproportionately higher relief share by the hard donors would thus increase their share of net aid. As stated above, most Consortium members have already rejected this approach, and we have little leverage to force a change with this exercise. We should, however, seek to do so but should not press this to the point of losing the chance for the modest but real gains for the U.S. in the proposal even without the additive feature.

Balance of Payments Impact. The proposal calls for relief in the form of rescheduling or cash refinancing. This relief gives India more free exchange and could be looked at as untied aid with possible adverse B/P effect. The proposed U.S. share in the relief exercise, however, is under 9% while the U.S. share of Indian imports with free exchange has been about 13%. We have no reason to believe that the U.S. would get less than 13% of the increased free exchange--if others, and we should insist that they do, provide completely free debt relief. Thus, there is likely to be no adverse balance of payments impact. In fact, if we can put the exercise through, we stand to gain.

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- 4 -

Furthermore, U.S. insistence on any form of protection would give France and Japan and others an excuse for the non-participation they clearly prefer, and grounds which they could use to blame the failure of the exercise on the U.S.

Participation by all Donors. Some who might be willing to participate have legal inhibitions against providing the relief at the desired standard--for ten years without interest. Alternate devices to secure equivalent "quality" of relief by all include: partial cancellation of debt or voluntary relief beyond the required share. These approaches can be reduced to a common denominator--the grant equivalent of the relief--and thus equivalence can be measured.

The Bank/IDA family is a special case, since interest must be charged and cancellation is not possible. George Woods has proposed to the World Bank Executive Directors (to meet February 23) that the Bank provide about 50% more relief than its share under the compromise proposal in order to partly compensate for its need to charge interest on the rescheduled amount. The Bank management cannot go beyond this without difficulty, and Executive Branch agencies are inclined to support Mr. Wood's proposition. With this partial exception for the Bank, only relief of quality equivalent to the agreed standard should be acceptable.

There is a question as to willingness of some, particularly Japan but to an extent Germany, France and Italy, to participate quantitatively to the level of the compromise sharing proposal which calls for a higher share from these harder-term lenders. Refusal by any of these nations to participate would endanger success of the exercise and should be grounds for U.S. refusal to participate.

Debt Relief by Bloc. India has been reluctant to agree to press for parallel relief from non-Consortium creditors, primarily the Soviet Bloc, on grounds that service to these creditors is not in free exchange but rather in the form of purchases of goods in India. India's claim is that these exports are not a substantial burden or not comparable to free exchange repayments to the Consortium.

We do not accept this argument nor do other Consortium members. The exports to the Bloc have their costs in materials, labor, power and transportation. Furthermore, we and others, would have political difficulties giving debt relief which could be said to or which could in fact allow India to continue its debt payments to the Soviet Bloc.

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- 5 -

At the least, India must agree to make an effort to secure parallel relief from the Bloc. India should also be advised that, if relief is not secured from the Bloc, continuation of Consortium relief for the contemplated three years, and, more particularly, any extension beyond that period, would become increasingly difficult.

Limiting Supplier Credits. Unrestrained Indian imports on short-term supplier credits could defeat the purpose of the debt relief exercise. This is not now a significant problem, but some countries might be tempted to leave the Consortium, or remain only in a nominal way, and extend to India extensive short-term credit. The Consortium relief, if granted, would then be used to finance these harder transactions. Accordingly, and as a condition of a relief exercise, the Consortium should ask India to agree to consult on the need to place limitations on the future use of supplier credits. We would expect that India will readily agree on this point.

Indian Debt to the United States

Indian scheduled repayments in the next three years (see TAB C) are on account of Export-Import Bank loans (\$50 million plus a year), A.I.D. development loans (about \$15 million a year) and the 1951 Wheat Loan (\$10 million a year). It is legally possible to reschedule any of these, in whole or part, for 10 years without interest. Rescheduling of Wheat Loan payments, however, has fewer policy difficulties than would be the case for either Ex-Im or A.I.D. The compromise sharing formula, which we should not exceed, calls for just under \$9 million a year as the U.S. share. Accordingly, the entire U.S. share, if agreement is reached in the Consortium, can be accommodated within the payments due under the Wheat Loan.

Recommendation: Believing it to be in the U.S. interest, particularly following a year of reduced aid availability, it is recommended that we take an active role in seeking agreement by the Consortium to debt rescheduling for India for \$100 million a year for three years, subject to the following terms and conditions:

- Rescheduling to be for 10 years at no interest or on such lesser terms as may be agreed, providing that the major members of the Consortium participate and that all participants, with the partial exception of the World Bank, provide relief of equivalent quality;

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- 6 -

- Relief to be shared among the participants on a basis no less favorable to the U.S. than that of the compromise formula which requires a small share from the U.S. and other donors who have provided better terms of aid;
- The U.S. share of not more than \$9 million to be provided by rescheduling of payments due under the 1951 Wheat Loan; and
- Provided India agrees to seek parallel relief from other creditors including the Bloc, and agrees to prudent limitation on future acceptance of supplier credits.
- Provided other Consortium members agree that at least part of the debt relief is additive in order to reverse the adverse trend of net aid, or, failing agreement, are put on notice that this remains a strong U.S. objective to be pursued in subsequent aid discussions.

The Department of State and the Export-Import Bank join in the above recommendation.

William S. Gaud

William S. Gaud

Attachments (3)
TAB A, B and C

Approved: _____

Disapproved: _____

Date: _____

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LIMITED OFFICIAL USETAB AAlternate Bases for Sharing \$100 Million Annual Relief
(\$ in millions-rounded)

| | <u>"HARMONIZATION"</u> <u>(Heavier relief by</u> <u>harder donors)</u> | <u>"COMPROMISE"</u> <u>(Relief about midway</u> <u>between extremes)</u> | <u>"STRAIGHT SHARES"</u> <u>(Relief proportional</u> <u>to debt service</u> |
|---------------|--|--|---|
| Austria | 1 | 1 | 1 |
| Belgium | 1 | 1 | 1 |
| Canada | - | 1 | 2 |
| France | 7 | 5 | 3 |
| Germany | 34 | 27 | 18 |
| Italy | 9 | 7 | 4 |
| Japan | 27 | 20 | 12 |
| Netherlands | 1 | 1 | 1 |
| UK | 20 | 18 | 16 |
| Bank/IDA | <u>-</u> | <u>10</u> | <u>22</u> |
| Sub-total | 100 | 91 | 80 |
| United States | <u>-</u> | <u>9</u> | <u>20</u> |
| Total | 100 | 100 | 100 |

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LIMITED OFFICIAL USETAB BRelative Incidence of "Quality" Concessions

| | Historic Aid Share ^{1/} (\$ millions) | <u>Debt Relief Required: Compromise Formula</u> | |
|---------|--|---|---|
| | | <u>Relief in \$ millions</u> | <u>Percent of Aid in form of relief</u> |
| Japan | 45 | 20 | 44% |
| Germany | 63 | 27 | 42% |
| France | 17 | 5 | 29% |
| U.S. | 385 | 9 | 2% |

^{1/} For illustrative purposes, aid shares are shown on the basis of the allocation of the \$900 million Consortium support provided to back the Indian 1966 devaluation and import reform.

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LIMITED OFFICIAL USETAB CEstimated Payments Due U.S. From India
(\$ in millions-rounded)

| | <u>Principal</u> | <u>Interest</u> | <u>Total</u> |
|-----------------|------------------|-----------------|--------------|
| <u>FY 1969</u> | | | |
| ExIm Bank | 38 | 17 | 55 |
| A.I.D. | - | 14 | 14 |
| 1951 Wheat Loan | <u>6</u> | <u>4</u> | <u>10</u> |
| | 44 | 35 | 79 |
| <u>FY 1970</u> | | | |
| ExIm Bank | 39 | 15 | 54 |
| A.I.D. | - | 15 | 15 |
| 1951 Wheat Loan | <u>6</u> | <u>4</u> | <u>10</u> |
| | 45 | 34 | 79 |
| <u>FY 1971</u> | | | |
| ExIm Bank | 39 | 13 | 52 |
| A.I.D. | - | 15 | 15 |
| 1951 Wheat Loan | <u>6</u> | <u>4</u> | <u>10</u> |
| | 45 | 32 | 77 |

LIMITED OFFICIAL USE

Monday, March 4, 1968
9:55 a. m.

MR. PRESIDENT:

Herewith for your signature -- and
for the record -- the directive for the
weekend's work, as approved by the
Secretaries of State and Defense.

W. W. Rostow

~~TOP SECRET/SENSITIVE~~ attachment

5/a

TOP SECRET/SENSITIVE

February 28, 1968

**MEMORANDUM TO: Secretary of State
 Secretary of Defense**

As I indicated at breakfast this morning, I wish you to develop by Monday morning, March 4, recommendations in response to the situation presented to us by General Wheeler and his preliminary proposals.

I wish alternatives examined and, if possible, agreed recommendations to emerge which reconcile the military, diplomatic, economic, Congressional, and public opinion problems involved.

In particular, I wish you to consider, among others, the following specific issues:

- What military and other objectives in Viet Nam are additional U. S. forces designed to advance?**
- What specific dangers is their dispatch designed to avoid, and what specific goals would the increment of force, if recommended by you, aim to achieve: in the next six months; over the next year?**
- What probable Communist reactions do you anticipate in connection with each of the alternatives examined, and your recommended course of action?**
- What problems would we confront with respect to appropriations and the budget; and what measures would you propose to deal with those problems?**
- What problems would we confront with respect to balance of payments; and what measures would you propose to deal with those problems?**
- Should we go forward with an increment of U. S. forces; what negotiating posture should we strike, in general; and what modifications, if any, would you recommend with respect to the San Antonio formula?**

DECLASSIFIED

Authority State Bu 3-13-79, NSC 3-27-80

By ep/ry, NARA, Date 8-3-92

sent 3/5/68

-- Aside from the question of negotiations, what other diplomatic problems would we confront, and how should they be dealt with?

-- What special effort can we and should we take at this time with respect to improving the political and military performance of the South Vietnamese?

-- How should we frame our proposals for the Congress with respect to: objectives; legislation required (e.g., selective call-up); appropriations?

-- What major Congressional problems can be anticipated, and how should they be met?

-- Aside from your recommendations on the dispatch of forces and reconstitution of reserves, what steps are required to build up a production base for our over-all military effort?

-- What problems can we anticipate in U. S. public opinion, and how should they be dealt with?

You should feel free in making this report to call on the best minds in the Government to work on specific aspects of the problem; but you should assure the highest possible degree of security up to the moment when the President's decision on these matters is announced.

A handwritten signature, possibly "LBJ", in dark ink, located below the main text block.

LBJ:WWR:mz

INFORMATION

~~CONFIDENTIAL~~

Monday, March 4, 1968 -- 9:40 a.m.

Pres file

Mr. President:

This political talk by a relatively high captured NLF official is mildly interesting. He says:

- The point of the offensive is to achieve a political settlement in the South;
- An NLF -Saigon negotiation is envisaged, in the end.

To the best of my knowledge, this is the first Communist to state the NLF would talk to the GVN.

W. W. Rostow

TDCS 314/03818-68 (Advance)

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-259
By is, NARA Date 10-31-97

~~CONFIDENTIAL~~

WWRostow:rla

~~CONFIDENTIAL~~

Sunday, March 3, 1968

52c
SANITIZED

E.O. 12958, Sec. 3.6

NLJ 96-261

By Cb, NARA Date 6-30-99

TEXT OF CIA REPORT (TDCS 314/03818-68) (Advance)

The following information was developed from the interrogation of [REDACTED]

[REDACTED] was captured by the Army of the Republic of Vietnam forces on February 25, 1968. [REDACTED] volunteered no information, was reluctant to expound on any statements he did make, and was generally rebellious and uncooperative. He freely agreed, however, to discuss one subject, "The search for a political way to stop the flow of the people's blood."

1.5(c)
3.4(b)(1)

The Central Office of South Vietnam (COSVN) is currently attempting to implement the following new military and political strategies in South Vietnam.

A. The new military strategy calls for a phase of offensive assaults. This phase has no limiting time factor. Viet Cong/North Vietnamese Army forces will continue to launch attacks against the Government of Vietnam, city by city, capital by capital. Viet Cong/North Vietnamese Army forces may cease attacking for days or weeks at a time, but they will resume attacking again and again. The aims of the general offensive attack phase are to weaken the Army of the Republic of Vietnam, undermine the fighting spirit of the GVN armed forces, and create economic confusion among the people.

B. The new political strategy will be initiated upon the successful completion of the general offensive attack phase. At that time COSVN will bring political pressures to bear on the Government of Vietnam to recognize the National Front for the Liberation of South Vietnam and to accept the Front's five proposals for negotiations. The aim of the Front is to establish a probationary "united Government of Vietnam." General elections will follow, but only after the political problems implied in a "united Government of Vietnam" are settled.

Paralleling its interest in the new military and political strategies, COSVN has displayed a special regard for the formation of the National Alliance Front for Democracy and Peace (NAFDP). It is believed that the NAFDP has already put forth to COSVN its policy, which is known to consist of eleven points, and its constitution, which consists of four articles. The NAFDP is slated to

~~CONFIDENTIAL~~

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-2-

promote an independent policy, nationally and internationally, which will finally realize negotiations between the NFLSVN and the Government of Vietnam. [REDACTED] said that he has heard that Phan Khac Suu, the former Chairman of the now-defunct Constituent Assembly, is a prominent member of the NAFDP along with some eighty high-ranking Government of Vietnam officers and officials, and that proponents of the NAFDP reside in every big city and capital in South Vietnam. He described the flag of the NAFDP as being composed of three lengthwise stripes of equal width, the top and bottom stripes being green and the middle one red. A large yellow star is in the middle of the flag.

1.5(e)
3.4(b)(1)

Domestic policies of the NAFDP include the reunification and appeasement of all political parties, officials, laborers and ethnic minorities, among others; and the establishment of commercial services between North and South Vietnam, beginning with a postal system and progressing to a full trade agreement. Its foreign policy includes trade with neighboring nations and economic development on the international level.

~~CONFIDENTIAL~~

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-250
By cb, NARA Date 11-3-97

Mr. Rostow

53

INFORMATION

~~CONFIDENTIAL~~

Monday, March 4, 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Israeli Ambassador's Presentation of Credentials--11:00 a. m.
Tuesday, March 5

There are many serious issues you could discuss with Rabin, but these two points seem to me most important:

1. You want the warmest possible relationship with Israel and with the Ambassador. This comes from the heart.

2. If this relationship is going to work, Israel has to go all-out to make the Jarring mission succeed. We'll go on doing our share, but we can't shoulder the whole burden.

The Israelis fear we want them to make concessions just to get the Arabs to the negotiating table. They think the right way to deal with Arabs is to sit tight and keep the pressure on.

We don't kid ourselves about Nasser's reliability. We know they're dealing with a slippery customer. But we do think Israel has an obligation to help the Arabs find a way to negotiate without looking as if they've surrendered.

Perhaps the best way to make this point is to talk about your own experience in trying to negotiate with a tough opponent in North Vietnam. We don't want to press the analogy. The point is that you're not inexperienced in this game and even as the stronger power, we are turning over every stone to make peace without weakening our basic position.

We're just afraid that Israel--with actions like its expropriations in Arab Jerusalem, its evasiveness on accepting the UN resolution, its new regulations on the West Bank and its heavy retaliatory shelling of Jordan--will kill Arab hopes for a reasonable settlement even before negotiations begin. Jarring arrives back on Cyprus tomorrow. We don't know what he plans, but he may invite the parties to Cyprus for talks. Israel's response and its negotiations posture will be critical.

You may want to read Secretary Rusk's recent message to Abba Eban on Jerusalem (attached) because it describes our concern and gives you the flavor of our most recent approach.

W. W. Rostow

~~CONFIDENTIAL~~

~~SECRET/EXDIS~~

March 2, 1968

MESSAGE FROM SECRETARY RUSK
TO AMBASSADOR BARBOUR

1. Please call on Foreign Minister Eban and reiterate to him my conviction that great restraint is required in Israel's policies respecting Jerusalem. This conviction has been reinforced both by the somewhat improved prospects for meaningful negotiations under Jarring's aegis and by the increasing sense of frustration over Jerusalem on the part of the Arabs which continues to jeopardize this hopeful trend. According to our information, Israel has continued with expropriations of land and with the related new construction projects in the eastern part of Jerusalem. It is precisely these activities, however, which understandably give rise to concerns that the character of this part of Jerusalem is being irrevocably changed and that the possibilities of negotiating about its future are being foreclosed. I believe, therefore, that a suspension of the expropriation proceedings and of the related construction is essential to preserve a situation in which negotiation about the Middle East problem as a whole can take place. I strongly urge that the Government of Israel take this important step, in addition to refraining from any new measures which prejudice the future of Jerusalem.

2. You should inform Eban that I have just received his reply to my letter and will of course study it carefully. On first reading, however, although I welcome his indication that concerning Jerusalem Israel does not "foreclose hopes of a meaningful accommodation to any legitimate interests," I continue to believe that without the steps we are asking Israel to take, chances for the settlement Israel is working to achieve will be seriously jeopardized.

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-251
By us, NARA Date 8-18-98

~~SECRET/EXDIS~~

Confidential

Monday - March 4, 1968

*Pres file***MEMORANDUM FOR THE PRESIDENT - ACTION****SUBJECT: Report on Hemisfair and Suggested Letter to President Costa e Silva**

We are now one month away from the opening of Hemisfair and the following Latin American countries have agreed to participate:

| | |
|-------------|-----------|
| Mexico | Panama |
| Guatemala | Colombia |
| El Salvador | Venezuela |
| Honduras | Bolivia |
| Nicaragua | OAS. |
| Costa Rica | |

Despite efforts by Jack Valenti and Ambassador Tuthill to get the Brazilians to participate, we have had no luck to date. Ambassador Tuthill believes that short of a personal letter from you, little can be accomplished in persuading President Costa e Silva.

In view of the Brazilian President's negative responses in the past, Ambassador Tuthill is skeptical about the value of a letter from you. I think it is worth a try. I enclose a suggested letter for your signature. By combining the Hemisfair question with an expression of satisfaction over the recent settlement of the soluble coffee problem and appreciation for Brazilian help on the USS PUEBLO, the pitch on Hemisfair is softened. I have included in the letter a paragraph saying that you would be happy to have him to the Ranch if Brazil participates and President Costa e Silva decides to come up for the Brazilian National Day at the Fair. I don't know whether you are prepared to do this. It would be an added incentive and would help meet what Costa e Silva regards as an open-ended invitation extended through the Brazilians whom you saw at the Prayer Breakfast.

W. W. Rostow

Attachment

cc - Ernest Goldstein

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-250
By Cb, NARA Date 11-3-97

Confidential

March 4, 1968

Dear Mr. President:

Knowing the high importance to both our countries of the International Coffee Agreement, I want you to know how happy I am that our representatives have agreed on a mutually satisfactory provision in that Agreement on processed coffee.

The next step is to have our respective Congresses ratify the Agreement. I plan to present to our Congress the strongest possible case for ratification. It will be of great help if the Congress can be assured that the processed coffee problem has been finally and definitely solved both by the Agreement provision and by steps being taken to implement it.

I have also wanted to thank you for your cooperation in connection with the USS PUEBLO incident. I am sure that the action of your Foreign Ministry in expressing Brazil's serious concern to the Soviet Ambassador in Rio de Janeiro had a significant impact in Moscow. Frankly, I am deeply concerned over indications of North Korean aggressive intentions toward the Republic of Korea. I believe that reminders of the continuing interest of other countries such as Brazil in the peace of that area will help dissuade the North Korean Government from adventures which could lead to a reopening of hostilities.

Just recently I had an opportunity to review the list of countries which will be participating in HemisFair and was surprised to note that Brazil will apparently not be represented. As you may know, this great exposition is scheduled to open next month in San Antonio, Texas.

The Fair offers a unique opportunity for the millions of persons who will see the exhibits to become better acquainted with Brazil and have a deeper appreciation of the contribution Brazil is making to our home Hemisphere and the world. Although the time is short, I hope Brazil will be able to participate in the Fair.

Should you decide to do so and subsequently find that you are able to attend the Brazilian National Day festivities at the Fair, I would be most pleased to have you join me at the Ranch.

With warm personal regards,

Sincerely,

1/5/ Lyndon B. Johnson

His Excellency
Arthur da Costa e Silva
President of the Republic of Brazil
Palacio Planalto
Brasilia

LBJ/WGBowdler:mmm

cc - Mr. Ernest Goldstein

Profile

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~~TOP SECRET~~

Monday, March 4, 1968

MR. PRESIDENT:

Herewith Paul Nitze answers the five questions you raised just before you left for the weekend:

1. Seven-day, three-shift production for the M-16 (Tab A)

Answer: Can be done. Tab A includes (at the paper clip) the present production schedule.

2. Accelerating the four Maneuver Battalions (Tab B)

General Johnson explains that they have accelerated all the battalions once, and two of them twice. He does not believe that he can do better.

3. More air power for Vietnam (Tab C)

JCS requests now being studied in the context of Westmoreland's package. Answer: More air power could be used.

4. Helicopter production (Tab D)

Staff Increased production of approximately 1100 helicopters, at a cost of about \$700 million, now required. With additional deployments, the figure might be raised to 1400 additional helicopters at a cost of about \$900 million.

5. Fixed-wing aircraft assets (Tab E)

Defense Department now examining service requests for 140 additional aircraft for FY 68 at a cost of \$354 million; an additional 430 for FY 69 at a cost of \$970 million.

W. W. Rostow

Attachments (Tabs A thru E)

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-258
By 48, NARA Date 9-23-96



~~TOP SECRET~~

THE DEPUTY SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

Tab A
55a
A.
=

4 March 1968

MEMORANDUM FOR THE PRESIDENT

You asked whether M-16 production could be put on a seven-day-a-week three shift production schedule and, if not, why not. The answer is that it can be. Furthermore, we can accelerate initiation of production by a second source. An actual increase in deliveries can, however, not be expected until September 1968.

The details are in the enclosed memorandum prepared by my staff.

General Wheeler's comments on this subject are also enclosed. The two papers are substantively in agreement.

Enclosures

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 712 8990 (#24)
By ss NARA, Date 4-16-96

~~TOP SECRET~~



556

~~TOP SECRET~~
ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

3 March 1968

INSTALLATIONS AND LOGISTICS

MEMORANDUM FOR SECRETARY NITZE

SUBJECT: Expanded M-16 Rifle Production

Your memorandum of 1 March requested an analysis of "How M-16 production can be increased to a three-shift, seven-day a week basis."

Present Situation

Prior to January, Colts Industries (the original producer) was programmed to level off at a monthly production rate of 27,500 rifles. A second source was scheduled to begin deliveries in August 1969. This schedule would have produced, in the 24 months ending December 1969, 646,500 rifles.

- . In January 1968 Sec/Def instructed Secretary Resor to obtain Colts maximum production. This was determined to be a peak rate of 40,000 rifles per month, to be attained by June 1969, with a progressive build-up starting in January 1968. This is Colts current operating program. In the 24 months ending December 1969, this revised schedule will produce approximately 834,000 rifles -- or an increase of 187,500 above the original schedule. However, this production is on a three-shift, five-day per week basis (except for certain components which are produced on a seven-day per week basis).
- . At Secretary McNamara's instructions last week, we began urgent exploration of ways to achieve still greater production. Two additional actions have been found feasible, as discussed below. Army and I recommend that both be adopted.

First Action: Place Colts on a three-shift, seven-day per week basis.

- . Under this plan Colts can achieve a maximum production rate of 50,000 rifles per month by June 1969. However, due to lead times, it will not produce additional rifles over its current production schedule until September 1968.

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E.O. 12356, Sec. 3.4

NJ 89-80

By 8p/4p, NARA, Date 4/15/96

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- For the 24 months ending December 1969, the seven-day per week schedule will generate total production of 937,000 rifles -- or 103,000 more than under the current 40,000 per month schedule.
- The cost of taking this action is \$17.3 million in FY 1968 funding.

Second Action: Open 2 additional sources, instead of 1 additional source.

- Army has been proceeding to select a second source, using normal competitive methods. This second source (which is already funded in the FY 1968 budget) will be placed under contract in June 1968; but first deliveries will not be obtained until August 1969. Hence, it does not offer an early opportunity for improved deliveries. In fact, through December 1969 it will yield deliveries of only 14,000 rifles.
- Army has determined that General Motors Hydramatic Division has the capability to accept a sole source contract award immediately, under which it can begin deliveries in January 1969, and build to a production level of 25,000 rifles per month by October 1969. In the 12 months ending December 1969, it can deliver approximately 162,000 rifles.
- The cost of opening this third source in additional FY 1968 funding is \$34.8 million.

Summary

- In total, the two recommended actions will yield an additional 265,000 rifles by December 1969, if Army is authorized an immediate go-ahead.
- The additional cost in FY 1968 funding to achieve this increase is approximately \$52.1 million.

Desirability of Maximum Increase

- An analysis of M-16 requirements and assets as of 3/1/68 is as follows:

| | <u>Gross Requirement</u> (Excluding re- placement of M-1s) | <u>On Hand</u> | <u>Remainder</u> | <u>Needed Urgently</u> <u>for Vietnam</u> |
|------------------|--|----------------|------------------|--|
| PACOM | 1,568,318 | 534,706 | 1,033,612 | 376,796 |
| Other World-Wide | <u>943,639</u> | <u>170,559</u> | <u>773,080</u> | <u>-</u> |
| | 2,511,957 | 705,265 | 1,806,692 | 376,796 |

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The 376, 796 urgent requirement is defined as follows by the JCS:

| <u>User</u> | <u>Quantity</u> | |
|--------------------------|-----------------|---|
| 1. USARV | 91, 258 | Primarily for Combat Service Support Troops and Maintenance Float |
| 2. ARVN | 61, 938 | To complete equipping of ARVN |
| 3. Potential Deployments | | |
| a. Army | 72, 000 | Packages "A & B" in Wheeler message dated 2/25/68 |
| b. Marine Corps | 36, 600 | |
| 4. RF/PF Forms | 115, 000 | 1st increment of 268, 000 discussed in MACV message dated 2/28/68 |
| | <hr/> | |
| | 376, 796 | |

- . The maximum acceleration of production (including the two actions recommended) will produce monthly deliveries as shown in the attachment.

Tom Morris

THOMAS D. MORRIS

MILAI RIFLE PRODUCTION

2 MAR 68 SSC

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E.O. 12356, Sec. 3.4

NJ 89-80
By PLP, NARA, Date 4/5/96

| | 1) COLT'S | 2) 2D SOURCE | 3) 3D SOURCE | MONTHLY | TOTAL |
|----------|--------------|-----------------|-----------------|---------|---------|
| FEB 1968 | 29000 | 0 | 0 | 29000 | 29000 |
| MAR | 30000 | 0 | 0 | 30000 | 59000 |
| APR | 30000 | 0 | 0 | 30000 | 89000 |
| MAY | 31000 | 0 | 0 | 31000 | 120000 |
| JUN | 32000 | 0 | 0 | 32000 | 152000 |
| JUL | 16000 | 0 | 0 | 16000 | 168000 |
| AUG | 33000 | 0 | 0 | 33000 | 210000 |
| SEP | 35000 | 0 | 0 | 35000 | 234000 |
| OCT | 36000 | 0 | 0 | 36000 | 272000 |
| NOV | 38000 | 0 | 0 | 38000 | 310000 |
| DEC | 40000 | 0 | 0 | 40000 | 350000 |
| JAN 1969 | 40000 | 0 | 1000 | 41000 | 391000 |
| FEB | 42000 | 0 | 4000 | 46000 | 437000 |
| MAR | 44000 | 0 | 6000 | 50000 | 487000 |
| APR | 46000A | 0 | 8000 | 54000 | 541000 |
| MAY | 48000 | 0 | 10000 | 58000 | 599000 |
| JUN | 50000 | 0 | 12000 | 62000 | 661000 |
| JUL | 25000 | 0 | 6000 | 31000 | 692000 |
| AUG | 50000 | 500 | 18000 | 68500 | 760500 |
| SEP | 50000 | 1500 | 22000 | 73500 | 834000 |
| OCT | 50000 | 2000 | 25000 | 77000 | 911000 |
| NOV | 50000 | 4000 | 25000 | 79000 | 990000 |
| DEC | 50000 | 6000 | 25000A | 81000 | 1071000 |
| JAN 1970 | 50000 | 10000A | 25000 | 85000 | 1156000 |
| FEB | 50000 | 13000 | 25000 | 88000 | 1244000 |
| MAR | 50000 | 16000 | 25000 | 91000 | 1335000 |
| APR | 50000B | 19000 | 25000B | 94000 | 1429000 |
| MAY | 50000 | 22000 | 25000 | 97000 | 1526000 |
| JUN | 50000 | 25000 | 25000 | 100000 | 1626000 |
| JUL | 25000 | 8000 | 12500 | 45500 | 1671500 |
| AUG | 50000 | 25000 | 25000 | 100000 | 1771500 |
| SEP | 50000 | 25000B | 25000 | 100000 | 1871500 |
| OCT | 50000 | 25000 | 25000 | 100000 | 1971500 |
| NOV | 50000 | 25000 | 25000 | 100000 | 2071500 |
| DEC | 50000 | 25000 | 25000 | 100000 | 2171500 |
| JAN 1971 | 50000 | 25000 | 25000 | 100000 | 2271500 |
| FEB | 50000 | 25000 | 25000 | 100000 | 2371500 |
| MAR | 50000 | 25000 | 25000 | 100000 | 2471500 |
| APR | 50000C | 25000C | 25000C | 100000 | 2571500 |

2Y 6B ADD-ONS

A - END FY68 FDP

B - END FY69 FDP

C - END FY70 FDP

COLT'S 107,429 @ \$17.3 MIL

2D SOURCE NONE REQUIRED

3D SOURCE 162,000 @ \$34.8

TOTAL 269,429 @ \$52.1M



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55d

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

CM-3081-68
3 March 1968

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: Increased Production of the M16 Rifle (U)

1. (S) The President has requested me to comment on the capability of expanding the M16 rifle production to a 24-hour, 7-day a week basis.

2. (S) At the present time, Colts is the sole producer of the M16 rifle. The present rate of production is 29,000 per month. The pacing item in the manufacture of the rifle is the barrel. The Army has provided additional production tooling to Colts for the manufacture of barrels. This segment of the production line is on a 24-hour, 7-day a week basis. Production is gradually improving by about 1,000 rifles per month. Colts estimate of their maximum production, with the present equipment, is 40,000 per month which will be reached in June 1969. The Deputy Assistant Secretary of Defense (Materiel) has stated that 50,000 per month could be produced in this same time period if Colts installed additional equipment. However, in order to amortize the cost of that equipment Colts wants a contract with the Army now for additional quantities. This would involve about 400,000 rifles after maximum production is reached.

3. (S) The contract for the second source will be awarded in May or early June 1968. The companies and the Army are in process of technical review, evaluations, and proposals. The above date is the earliest time that the contract can be awarded. Production is scheduled to start in August 1969. It is anticipated that production will reach 25,000 per month by June 1970. Incentive will be in the contract to better production beginning time and rate.

4. (S) The requirement for M16 rifles for the remainder of FY 1968 is 781,016. At the present rate of production it would require over two years to produce this quantity. The total known requirement is 1,642,273 with additional follow on requirements. See the Enclosure for breakout of production and requirements. The total cost for known requirements is \$223.5 million.

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Authority Group 4
By rg, NARA, Date 5-2-92

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GROUP - 4
Downgraded at 3 year
intervals; declassified
after 12 years

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5. (S) The combined production of Colts and the second source is estimated to be 565,006 through FY 1970 with an estimated residual rifle requirement at that time of one and a half million. Therefore, the possibilities of additional sources should be explored.

6. (S) To provide as many rifles as possible to high priority US and ARVN Forces, rifles have been redistributed from CONUS assets. Action is continuing to investigate possibilities of further redistribution on a worldwide basis. However, these assets fall far short of filling the present requirement in Vietnam.

7. (S) Recommend the Department of the Army be provided necessary funds and procurement authority to increase present production to maximum capacity, bring in production from the second source as soon as possible, and explore possibilities of additional sources.



EARLE G. WHEELER
Chairman
Joint Chiefs of Staff

Enclosure

-2-

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ENCLOSURE

M16/M16A1 RIFLE PRODUCTION US REQUIREMENTS

| <u>COLTS PRODUCTION</u> | <u>SECOND SOURCE</u> | <u>KNOWN REQUIREMENTS</u> |
|-----------------------------|--------------------------|------------------------------|
| Remainder of FY 1968 | | Through FY 1968 |
| 152,000 | | Army 583,477 |
| | | Navy 4,500 |
| | | Air Force 122,443 |
| | | Marines <u>70,596</u> |
| | | 781,016 |
| FY 1969 | | |
| 420,000 | | CINCPAC Proposed Net Reqmts: |
| | | RTAV 4,646 |
| | | ROKV 24,056 |
| | | ARVN 193,619 |
| | | VNN/VNMC 12,049 |
| FY 1970 | | VNRF 140,276 |
| 460,000 | 105,000 | 115,000 NOW- VNPF 167,382 |
| | | RTAVR 931 |
| | | PHILCAG 2,007 |
| | | ATTRITION & MF 33,507 |

DECLASSIFIED
Authority Group 4
By gldch NARA. Date 4/15/96

Enclosure to CM-3081-68

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| | |
|-----------------------------|----------------|
| THAI RTARF | 24,000 |
| TRAINING RAVF | 2,500 |
| ROKS IN KOREA | 254,630 |
| PHILIPPINE (PC) | <u>1,654</u> |
| TOTAL | 861,257 |
| TOTAL REQMTS | 1,642,273 |
| REQUIREMENT NOW FOR VIETNAM | |
| USARV | 91,258 |
| ARVN | 61,938 |
| ARMY ALERTED | 72,000 |
| US MARINES | 36,600 |
| RF/PF FORCES | <u>115,000</u> |
| | 376,796 |

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Enclosure to CM-3081-68

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55f B

THE DEPUTY SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

3 March 1968

MEMORANDUM FOR THE PRESIDENT

You asked whether we could accelerate the scheduled deployment to South Vietnam of the additional four Maneuver Battalions which have been approved.

The attached memorandum from General Wheeler, enclosing a memorandum from General Johnson, gives the reasons why this can not be done.

Paul H. Nitze

Attachment

DECLASSIFIED
E.O. 12356, Sec. 3.4
NLJ 88-198
By *plp*, NARA, Date 4/15/96

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

2 MAR 68 10 39

OFFICE OF THE
SECRETARY OF DEFENSE

CM-3077-68
2 March 1968

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HIO V

MEMORANDUM FOR MR. NITZE

SUBJECT: Acceleration of Program 5 Infantry Battalions (C)

The attached memorandum from General Johnson responds to your request for information concerning the acceleration of the remaining Program 5 infantry battalions.

EARLE G. WHEELER
Chairman
Joint Chiefs of Staff

Attachment
A/S

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-256
By cb, NARA Date 2-24-97

Sec. Def Cont Nr. X-

1430

When Enclosure is Detached
This document is downgraded
to Confidential

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~~SECRET~~

552



UNITED STATES ARMY
THE CHIEF OF STAFF

1 MAR 1968

MEMORANDUM FOR: GENERAL WHEELER

SUBJECT: The Four Remaining Program 5 Infantry Battalions (S)

1. (S) You asked me for information setting forth the reasons why we cannot ship these four battalions earlier than their presently planned deployment periods.

2. (S) You will note from the inclosure that we have accelerated all of the battalions once and two of them twice. In the process we have curtailed training to the absolute minimum. Two of the battalions have completed their training and are now in the POM phase, and the remaining two will finish this training in one week. It will then take two weeks to complete POM and, inasmuch as this is a PCS move, we owe it to the deploying personnel to give them the opportunity to take leave for the purpose of getting their families settled in new homes. We cannot further reduce this time without denying these leaves and impairing efficiency of those functions relating to packing, crating and moving.

PREPARATIONS
FOR
MOVEMENT

PERMANENT
CHANGE OF
STATION

3. (S) These units, with their combat essential equipment, have already been scheduled to deploy by air.

4. (S) I recommend these units deploy as currently scheduled.

1 Incl:
as

Harold K. Johnson
HAROLD K. JOHNSON
General, United States Army
Chief of Staff

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-256
By cb, NARA Date 2-24-97

~~SECRET~~

SECRET

552

DEPLOYMENT SCHEDULE FOR INFANTRY BATTALIONS

| <u>UNIT</u> | <u>STATION</u> | <u>TRAINING COMPLETED</u> | <u>ORIGINAL ETA</u> | <u>FIRST ACCEL- ERATED ETA</u> | <u>CURRENT ETA</u> |
|----------------------------|----------------|-------------------------------|-------------------------|------------------------------------|------------------------|
| 5/12 INF BN (199th BDE) | Lewis | 8 Mar 68 | 30 Apr 68 | 15 Apr 68 (2 weeks) | 6 Apr 68 (3 weeks) |
| 6/31 INF BN (196th BDE) | Lewis | 2 Mar 68 | 30 Apr 68 | 15 Apr 68 (2 weeks) | 6 Apr 68 (3 weeks) |
| 5/46 INF BN (198th BDE) | Hood | 21 Feb 68 | 30 Apr 68 | 30 Mar 68 (4 weeks) | 29 Mar 68 (4 weeks) |
| 4/21 INF BN (11th BDE) | Hawaii | 10 Mar 68 | 30 Apr 68 | 15 Apr 68 (2 weeks) | 15 Apr 68 (2 weeks) |

DOWNGRADED AT 3 YEAR INTERVALS:
DECLASSIFIED AFTER 12 YEARS
DDO DIR 5200.10

SECRET

DECLASSIFIED
Authority Group 4
By rg, NARA, Date 3 2 92



~~TOP SECRET~~

THE DEPUTY SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

55j C

4 March 1968

MEMORANDUM FOR THE PRESIDENT

You asked for an analysis of the maximum amount of air support which MACV can profitably apply in support of his mission.

In January over 17,000 attack sorties (not including B-52 strikes) were flown in South Vietnam and over 8,000 in Laos. The principal consideration in increasing effectiveness is not so much an increase in the number of sorties as in improved intelligence and accuracy in delivering munitions. We are working hard to make improvements there.

The Services believe that some increases in deployed aircraft should be made (which would increase the total number of sorties available), particularly in the light of the MACV request for additional ground forces. We are studying their requests.

General Wheeler's comments on this subject are attached. You will note that the forces he lists are those which he believes can be profitably applied against the NVN target system as well as COMUSMACV's direct requirements, assuming with respect to the latter that an increase in ground forces in South Vietnam will be approved.

Paul H. Nitze

DECLASSIFIED
E.O. 12356, Sec. 3.4
NLJ 88-198
By *Ship* NARA, Date *4/15/96*

Attachment

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THE JOINT CHIEFS OF STAFF
WASHINGTON 25, D. C.

CM-3082-68
3 March 1968

55k

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: Increased Air Support Southeast Asia (U)

DECLASSIFIED
E.O. 12958, Sec. 3.6

NLJ 96-256
By Cb, NARA Date 2-24-9

1. (TS) The President has asked me to comment on the maximum amount of air support which COMUSMACV could profitably apply in support of his mission.
2. (TS) A summary of COMUSMACV's maximum aircraft requirements is shown at TAB A. These requirements include tactical aircraft approved in Program 5 forces which are not yet part of MACV's assets. The figures show that there is a significant number of aircraft which can profitably be used in the immediate future with continuing requirements throughout 1968 when problems such as beddown and protection are resolved.
3. (TS) The additional forces listed herein are those that can be profitably applied against the NVN target system as well as COMUSMACV's direct requirements. In NVN greater effort will be needed in the coming good weather months to destroy the enemy's stockpile of supplies and to offset his increased capability for accommodating to US air strikes. In SVN and adjacent areas in Laos, greater air effort is required to preclude further enemy offensive actions designed to gain the strategic as well as tactical advantage, and provide support to additional ground forces.
4. (TS) Tactical Air Units. Additional force requirements which can be used are:
 - a. Fifteen (15) tactical fighter squadrons.
 - (1) Four can be provided by deployment of two Air Force CONUS F-100 squadrons and two USMC squadrons as soon as revetments can be made available in South Vietnam.
 - (2) Subject to vertical construction approval at Nam Phong, Thailand, four Air Force F-4 TFS can be profitably operated from that base. F-4s would be deployed initially from SVN and replaced by CONUS assets. Operational flexibility of the Nam Phong location permits full employment of aircraft in ROLLING THUNDER as well as for operations in SVN and Laos. The Thailand location relieves SVN base

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congestion and vulnerability. Nam Phong can accept three F-4 TFS on an austere basis 120 days after construction starts. The additional F-4 squadron can be accepted between 150-180 days after construction starts. For full exploitation of the 15 TFS, approximately 5 tanker, 8 ECM, and 16 WILD WEASEL/IRON HAND aircraft are required. Their deployment will be recommended when available and when beddown can be provided.

(3) Four of the remaining seven tactical fighter squadrons can be provided during September/October and three in December 1968.

(4) Tactical reconnaissance assets presently assigned are considered adequate to support increased air activity through October 1968.

b. Four on-line CVAs could be effectively used during the forthcoming good weather period. The increased density and effectiveness of the NVN air defenses has required an increased allocation of combat aircraft in strike support roles. Current WESTPAC CVA resources will allow only three carriers to be on-line on a sustained basis. This can only be accomplished by withdrawing the current on-line CVA support in the Sea of Japan. To maintain four on-line CVAs would require seven CVAs deployed to WESTPAC. With six CVAs deployed, it would be possible to provide an average of 3.7 CVAs on-line; however, with present worldwide CVA commitment, the maximum number of CVAs that can be deployed to the Western Pacific is five, permitting three on-the-line on a continuing basis. This additional deployment to WESTPAC would necessarily require a major change in our worldwide CVA deployments. The Joint Chiefs of Staff will address this as a separate problem.

5. ~~(S)~~ Southeast Asia Airlift: CINCPAC requires the deployment of one C-130 squadron to fulfill the 1 September requirement. One additional C-130 squadron is required in Southeast Asia to meet the 31 December requirement. Five C-119 Air Reserve Squadrons should be called to active duty to replace C-130 deployments.

6. ~~(S)~~ B-52 Sorties: COMUSMACV has requested an ARC LIGHT sortie rate of 2250. A review of B-52 capability in SEA indicates that the maximum feasible sustained sortie rate is around 1,800 a month. A surge capability to 2,000/2,100 sorties a month could be maintained for a short time (30 to 45 days); however, this would accelerate required depot inputs for modification and thus aircraft availability would be reduced. The two major limiting factors are aircraft availability and the fact that only three bases in the Western Pacific have facilities capable of supporting sustained operations.

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7. ~~(S)~~ Army Helicopter Requirements: COMUSMACV has an urgent requirement for the helicopter units included in Program 5, but not yet deployed, as well as certain additional helicopter units.

a. Program 5 units can be deployed as indicated below:

| <u>UNITS</u> | <u>DEPLOYABLE DATES</u> |
|--|--|
| 3 Assault Support Helicopter Companies | 2 - May 68 1 - Nov 68 |
| 6 Assault Helicopter Companies | 1 - Dec 68 3 - Jan 69 1 - Feb 69 1 - Mar 69 |
| 4 Heavy Helicopter Platoons | 1 - Mar 68 1 - May 68 1 - Jun 68 1 - Jul 68 |

b. The following helicopter units have been requested by COMUSMACV to arrive not later than 1 September 1968:

| | |
|--------------------------------|---|
| Air Cavalry Squadron | 1 |
| Assault Helicopter Company | 3 |
| Aerial Weapons Company | 2 |
| Assault Spt Helicopter Company | 2 |
| Aerial Artillery Battalion (-) | 1 |
| Artillery Aviation Battery | 1 |

c. The following helicopter units have been requested by COMUSMACV to arrive not later than 31 December 1968:

| | |
|--------------------------------|----|
| Air Cavalry Squadron | 3 |
| Air Cavalry Troops | 2 |
| Assault Helicopter Company | 14 |
| Assault Sup Helicopter Company | 8 |

d. The above additional assault helicopter units are required by COMUSMACV to provide jungle battlefield mobility for the additional Army maneuver battalions as well as support for the projected Free World Force increase. The assault support helicopter units will provide a means for rapid artillery displacement as well as aerial resupply for artillery and infantry units. Additional air cavalry squadrons/troops are required to find and fix the enemy until mobile infantry and artillery units can destroy him.

8. ~~(S)~~ MARKET TIME and GAME WARDEN aircraft: Additional requirements to improve MARKET TIME and GAME WARDEN operations are:

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a. Currently only three VP aircraft can be accommodated at U Tapao. Approval to establish a Naval Air Facility at U-Tapao to accept one VP(L) squadron will increase the surveillance capability and reduce the operating cost of MARKET TIME aircraft, at no cost to B-52 operations. Additionally, the requirement exists to establish a Naval Support Facility (NSF) at Cam Ranh Bay for OPCON of MARKET TIME operations.

b. At the present, 22 armed helicopters are supporting a patrol boat force of 200 units. Based on the planning factor of two armed helicopters for each ten units, a requirement for 57 helicopters will exist by the summer of 1968. SECDEF has directed Army to transfer 19 UH-1/COBRA to Navy by 1 July 1968. The remaining deficit of 16 will be required from helicopter production resources, or as an alternative, single source procurement of 16 OV-12A aircraft. These latter could be available in 6 to 8 weeks.

9. ~~(S)~~ AC-119, AC-47 and AC-130 Requirements. COMUSMACV requires a AC-119 Squadron (16 UE) and 6 AC-47s by 1 September 1968, to improve the capability of providing battlefield illumination, reconnaissance, interdiction and supporting fire during the hours of darkness.

a. Ten AC-119 aircraft can be modified and deployed to SVN by 1 September 1968. The constraints limiting availability of the remaining six aircraft involve the availability of miniguns, night observation devices, 2 KW illuminator/APU, fire control system/computer, semi-automatic flare launcher and explosion proof fuel tanks. These constraints can be eliminated and the six aircraft deployed by 1 September 1968, by allocating an additional \$10.0 million for FY 68 MOD funds and the assignment of an unrestricted DX industrial rating to the AC-119 modification program.

b. The six AC-47 cannot be modified and deployed by 1 September 1968, because of the lack of miniguns and associated modules. However, they can be deployed in September but would have to operate as flare ships without guns for approximately 4 1/2 months. The required miniguns could be provided by obtaining a DX industrial rating for minigun production.

c. Two additional AC-119K squadrons (16 UE) and eight AC-130s could be effectively employed now; however, only one AC-119K squadron and the eight AC-130s can be provided by 31 December 1968. The remaining AC-119K squadron can be readied for a December 1968 deployment by the allocation of \$50.0 million additional FY 68-69 funds and assignment of a DX industrial rating to the modification program.

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10. ~~(S)~~ Forward Air Controller (FAC) Aircraft Requirements.

a. COMUSMACV has stated a requirement for 138 additional FAC-type aircraft by December 1968. Aircraft by type and date desired are as follows:

| <u>AIRCRAFT</u> | <u>DATE DESIRED</u> |
|-----------------|---------------------|
| 92 OV-10 | May |
| 10 OV-10 | Sep |
| 10 O-2A | Sep |
| 6 O-1 | Sep |
| 20 O-2A | Dec |

b. Production limitations preclude delivery of OV-10s to satisfy the above phased requirements. Delivery of 10 OV-10 aircraft per month begins in June 1968. Air/ground crew training and logistic actions are phased to support this new aircraft.

c. Current O-2A production was completed in February 1968. Forty-five (45) aircraft could be produced by December 1968 if accelerated procurement action is immediately taken. Present facilities are adequate to train the additional aircrews.

11. ~~(S)~~ Marine Corps Air Units. By 1 May 1968 the Marine Corps can provide the following units which satisfy COMUSMACV's requirements except for five HML/VMO (UH-1E) squadrons.

a. One VF/VA Marine Air Group (MAG) with supporting elements. Reference paragraph 4b above, four VF/VA squadrons (one A-4C and one F-4B squadron and two Marine Corps Reserve A-4B VMA squadrons).

b. One Marine Corps Reserve Helicopter MAG with supporting elements.

c. One CH-46 squadron (HMM).

d. One UH-34 squadron (HMM).

e. One CH-53 squadron minus HMH.

f. These deployments will require at least partial mobilization of the 4th Marine Aircraft Wing including call-up of selected Class III Reservists. Aircraft units deployed would be a combination of reserve and regular squadrons.

Earle G. Wheeler

EARLE G. WHEELER
Chairman, Joint Chiefs of Staff

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TAB A

SUMMARY OF AIRCRAFT REQUIREMENTS

| <u>SERVICE</u> | <u>REQUIREMENT</u> | <u>NLT</u> <u>1 MAY 68</u> | <u>NLT</u> <u>1 SEP 68</u> | <u>NLT</u> <u>1 DEC 68</u> |
|----------------|---|-------------------------------|-------------------------------|-------------------------------|
| USAF | F-4 Squadron | 1 | 4 | 2 |
| USAF | F-100 Squadron | 3 | | 1 |
| USAF | A-1 Aircraft | | 10 | |
| USAF | O-1 Aircraft | | 6 | |
| USAF | O-2 Aircraft | | 10 | 20 |
| USAF | OV-10 Aircraft | 92 | 10 | |
| USAF | C-130 Aircraft | 13 | 10 | 42 |
| USAF | AC-47 Aircraft | | 6 | |
| USAF | AC-119 Squadron | | 1 | 2 |
| USAF | AC-130 Aircraft | | | 8 |
| USAF | UH-1 Aircraft | 2 | | |
| USAF | CH-53 Aircraft | 3 | | |
| | | | | |
| USA | Air Cavalry Squadron | | 1 | 3 |
| USA | Air Cavalry Troop | | | 2 |
| USA | Assault Helo Company | | 3 | 14 |
| USA | Aerial Weapons Company | | 2 | |
| USA | Assault Support Helo Company | | 2 | 8 |
| USA | Aerial Artillery Battalion | | 1(-) | |
| USA | Artillery Aviation Battery | | 1 | |
| USA | Corps Aviation Company | | | 1 |
| USA | Command Airplane Co. | | | 1 |
| | | | | |
| USMC | VF/VA Squadrons (Marine Air Group (MAG) plus supporting elements) | 2 | 2 | |
| USMC | CH-46 Squadrons HMM/HMH | | 2 | 1 |
| USMC | UH-1E Squadrons HML/VMD | | 4 | 1 |
| USMC | Helicopter MAG (Supporting elements) | | 1 | |
| | | | | |
| USN | UH-1 Aircraft (or OV-12A substitute) | | 16 | |
| USN | 1 CVA with CVW * | 1 | | |

* Note paragraph 4b above

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TAB A

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THE DEPUTY SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

3 March 1968

552 D.
DECLASSIFIED
E.O. 12356, Sec. 3.4
NLJ 88-198
By plp, NARA, Date 4/15/96

MEMORANDUM FOR THE PRESIDENT

You asked how the production of helicopters can be expanded, including the cost and production schedules involved, to meet Southeast Asian requirements.

We estimate that current operations at current rates would indicate an increased production of approximately 1100 helicopters at a cost of approximately \$700 million. If the proposed additional deployments are sent forward, the comparable figures would be approximately 1400 helicopters at a cost of approximately \$900 million. Increased deliveries would be small in the initial months and would become substantial in the first quarter of next year.

The details are included in the attached memorandum by my staff.

General Wheeler's comments on this subject are also attached. The two papers are substantively in agreement. You will note that selective industrial mobilization and non-competitive contracting authority is recommended by General Wheeler as a means to accelerate helicopter production. The Secretary of Defense requires no authority in respect to such procedures, as they have previously been authorized and are in effect where the need has been identified.

Paul H. Nitze

Attachments

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ASSISTANT SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

3 March 1968

INSTALLATIONS AND LOGISTICS

MEMORANDUM FOR SECRETARY NITZE

SUBJECT: Helicopter Production

- Your memorandum of 1 March requested an analysis showing: "How the production of helicopters can be expanded, including the cost and production schedules involved, to meet Southeast Asian requirements."
- The following data are based upon a review of (1) recent Service submissions entitled, "Proposed Prudent Actions", (2) JCS memorandum, No. JCSM-116-68, dated 27 February 1968, (3) comments of Systems Analysis (Heyman and Brehm), and (4) Army's preliminary analysis of the four deployment options now being considered by the JCS.
- In the following analysis we are showing two alternative procurement add-ons which can be met by accelerating the current production base with an immediate go-ahead:

Alternative "A" - is that quantity which appears prudent to support current SEA operations, after considering attrition experience and overhaul capabilities.

Alternative "B" - is a larger quantity recommended by Army in order to enhance its capability to support additional SEA deployments.

- Eight items are reviewed in the attachments. A summary appears on the last page.

Tom Morris

THOMAS D. MORRIS

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ATTACHMENTS ARE DETACHED

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1. UH-1 SERIES (IROQUOIS)

This is the "work horse" for Army and Marine Corps. It serves as a troop transport, ambulance, armed helicopter, and general utility helicopter. 2405 now on hand in SEA. Attrition due to loss and damage is approximately double previous estimates.

Production Capability

| | <u>CY 1968</u> | | | <u>CY 1969</u> | | | |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | <u>Jan-Jun</u> | <u>Jul-Sep</u> | <u>Oct-Dec</u> | <u>Jan-Mar</u> | <u>Apr-Jun</u> | <u>Jul-Sep</u> | <u>Oct-Dec</u> |
| Present FY 68 Program (Cum) | 457 | 652 | 813 | 945 | 1077 | 1209 | 1360 |
| Max Incr (Cum) | - | - | 15 | 90 | 224 | 410 | 604 |

Proposed Increase in FY 1968 Program

| | <u>Quantity</u> | <u>Cost (\$ Mil)</u> | <u>Proposed By</u> |
|---------------|-----------------|----------------------|------------------------------|
| Alternative A | 552 | \$199.2 | Army, Navy, Systems Analysis |
| Alternative B | 604 | 214.8 | JCS, Army |

Comment: Any augmentation of SEA deployments above Program 5 would require maximum production. Costs include expansion in T-53 engine production from 200 to 300 per month. (This is the pacing item for UH-1 and AH-1G helicopters.) Alternative B will not exceed total inventory objective for active forces.

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-256
By cb, NARA Date 2-24-97

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2. AH-1G (COBRA)

- . This is Army's new armed helicopter, having greater fire power, range and endurance than the UH-1. Marine Corps will also use. 102 now on hand in Southeast Asia.

- . Production Capability

| | <u>CY 1968</u> | | | <u>CY 1969</u> | | | |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | <u>Jan-Jun</u> | <u>Jul-Sep</u> | <u>Oct-Dec</u> | <u>Jan-Mar</u> | <u>Apr-Jun</u> | <u>Jul-Sep</u> | <u>Oct-Dec</u> |
| Present FY 68 Program (Cum) | 210 | 315 | 420 | 482 | 538 | 586 | 634 |
| Max Incr (Cum) | - | - | - | 43 | 92 | 149 | 206 |

- . Proposed Increase in FY 1968 Program

| | <u>Quantity</u> | <u>Cost (\$ Mil)</u> | <u>Proposed By</u> |
|---------------|-----------------|----------------------|---|
| Alternative A | 132 | \$65.2 | Army, Systems Analysis (38 are for Marine Corps) |
| Alternative B | 206 | 101.8 | Army |

- . Comment: Any augmentation of SEA deployments above Program 5 would require maximum production. JCS did not recommend increase on the assumption this was not possible. Alternative B would not exceed total inventory objective for UH-1 and AH-1G.

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3. OH-6A (CAYUSE)

- . This is Army's new light observation helicopter. 137 now on hand in Southeast Asia.

- . Production Capability

| | <u>CY 1968</u> | | | <u>CY 1969</u> | | | |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | <u>Jan-Jun</u> | <u>Jul-Sep</u> | <u>Oct-Dec</u> | <u>Jan-Mar</u> | <u>Apr-Jun</u> | <u>Jul-Sep</u> | <u>Oct-Dec</u> |
| Present FY 68 Program (Cum) | 334 | 603 | 873 | 873 | 888 | 930 | 1030 |
| Max Incr (Cum) | - | - | - | 221 | 446 | 671 | 896 |

- . Proposed Increase in FY 1968 Program

| | <u>Quantity</u> | <u>Cost (\$Mil)</u> | <u>Proposed By</u> |
|---------------|-----------------|---------------------|-----------------------------|
| Alternative A | 300 | \$42.2 | JCS, Army, Systems Analysis |
| Alternative B | 360 | 50.7 | Army |

- . Comment: Either alternative keeps Hughes in continuous production after December 1968. (Bell, which has just won the second source competition, cannot begin deliveries until May 1969.) Alternative B provides additional support for SEA augmentations but does not exceed the inventory objective for active forces.

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4. CH-47A (CHINOOK)

This is Army's medium transport helicopter for weapons, personnel and cargo. (The Marine Corps version, CH-46A, is discussed later.) 232 are now on hand in Southeast Asia.

Production Capability

| | <u>CY 1968</u> | | | <u>CY 1969</u> | | | |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | <u>Jan-Jun</u> | <u>Jul-Sep</u> | <u>Oct-Dec</u> | <u>Jan-Mar</u> | <u>Apr-Jun</u> | <u>Jul-Sep</u> | <u>Oct-Dec</u> |
| Present FY 68 Program (Cum) | 60 | 89 | 110 | 120 | 129 | 135 | 141 |
| Max Incr (Cum) | 3 | 4 | 13 | 33 | 57 | 90 | 129 |

Proposed Increase in FY 1968 Program

| | <u>Quantity</u> | <u>Cost (\$ Mil)</u> | <u>Proposed By</u> |
|---------------|-----------------|----------------------|-----------------------------|
| Alternative A | 33 | \$68.3 | JCS, Army, Systems Analysis |
| Alternative B | 129 | 267.0 | Army |

Comment: On February 3, 1968 MACV was granted an augmentation of 30 CH-47 helicopters by Sec/Def. These are now being shipped and should be replaced. Alternative B would acquire maximum available production.

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5. CH-54A (FLYING CRANE)

This is Army's heavy duty helicopter capable of carrying 10,000 pounds of equipment, including airplanes and vehicles. 15 are now on hand in Southeast Asia.

Production Capability

| | <u>CY 1968</u> | | | <u>CY 1969</u> | | | |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | <u>Jan-Jun</u> | <u>Jul-Sep</u> | <u>Oct-Dec</u> | <u>Jan-Mar</u> | <u>Apr-Jun</u> | <u>Jul-Sep</u> | <u>Oct-Dec</u> |
| Present FY 68 Program (Cum) | 16 | 23 | 29 | 32 | 35 | 38 | 41 |
| Max Incr (Cum) | 2 | 8 | 14 | 23 | 38 | 59 | 80 |

Proposed Increase in FY 1968 Program

| | <u>Quantity</u> | <u>Cost (\$ Mil)</u> | <u>Proposed By</u> |
|---------------|-----------------|----------------------|------------------------|
| Alternative A | 4 | \$9.7 | Army, Systems Analysis |
| Alternative B | 4 | \$9.7 | |

Comment: Alternative A provides for attrition. Production base is rapidly expandable if other needs arise. Inventory objective will be met and maintained by this alternative.

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6. CH-46A (SEA KNIGHT)

This is Marine Corps' medium lift helicopter. 127 are now on hand in Southeast Asia.

Production Capability

| | <u>CY 1968</u> | | | <u>CY 1969</u> | | | |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | <u>Jan-Jun</u> | <u>Jul-Sep</u> | <u>Oct-Dec</u> | <u>Jan-Mar</u> | <u>Apr-Jun</u> | <u>Jul-Sep</u> | <u>Oct-Dec</u> |
| Present FY 68 Program (Cum) | 51 | 75 | 92 | 107 | 122 | 137 | 152 |
| Max Incr (Cum) | - | 6 | 27 | 57 | 101 | 149 | 197 |

Proposed Increase in FY 1968 Program

| | <u>Quantity</u> | <u>Cost (\$ Mil)</u> | <u>Proposed by</u> |
|---------------|-----------------|----------------------|---|
| Alternative A | *72 | *\$135.7 | Navy recommends 30, at cost of \$65.0 million. JCS recommends 72, at cost of \$135.7 million. |
| Alternative B | *72 | *\$135.7 | |

Comment: *Systems Analysis recommends no additional procurement in FY 1968 since adequate quantities of UH-34 are on hand and Marine Corps approved force inventory objective would be exceeded. Systems Analysis would defer additional procurement until FY 1969. Production base is rapidly expandable.

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7. CH-53A (ASSAULT TRANSPORT)

This is a Navy-Marine Corps helicopter capable of carrying 38 combat-ready troops (said to be the largest and fastest helicopter in the Free World). 35 are now on hand in Southeast Asia.

Production Capability

| | <u>CY 1968</u> | | | <u>CY 1969</u> | | | |
|-----------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| | <u>Jan-Jun</u> | <u>Jul-Sep</u> | <u>Oct-Dec</u> | <u>Jan-Mar</u> | <u>Apr-Jun</u> | <u>Jul-Sep</u> | <u>Oct-Dec</u> |
| Present FY 68 Program (Cum) | - | 4 | 4 | 4 | 6 | 12 | 18 |
| Max Incr (Cum) | 3 | 5 | 12 | 30 | 46 | 67 | 100 |

Proposed Increase in FY 1968 Program

| | <u>Quantity</u> | <u>Cost (\$ Mil)</u> | <u>Proposed By</u> |
|---------------|-----------------|----------------------|---|
| Alternative A | *58 | *\$133.4 | JCS only (None by Navy or Systems Analysis) |
| Alternative B | *58 | *\$133.4 | |

Comment: *Systems Analysis recommends no additional procurement in FY 1968 since adequate quantities of substitute assets are on hand (e. g., UH-34 and SH/UH-34) and Marine Corps inventory objective would be exceeded. Systems Analysis would defer additional procurement until FY 1969. Production base is rapidly expandable.

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8. OV-1D (MOHAWK)

This is Army's two-place, twin-engine surveillance aircraft, with short take-off and landing features. While a fixed wing aircraft, it is included in this analysis since it performs a similar mission to helicopters. 96 are now on hand in Southeast Asia.

Production Capability in FY 1968

On Order: 36 (By June 1970)

Additional Obtainable: 7 (By June 1970)

Proposed Increase in FY 1968 Program

| | <u>Quantity</u> | <u>Cost (\$ Mil)</u> | <u>Proposed By</u> |
|---------------|-----------------|----------------------|---------------------------|
| Alternative A | 7 | \$15.7 | Army and Systems Analysis |
| Alternative B | 7 | \$15.7 | |

Comment: Estimated shortfall against approved inventory objective for active forces is 42. Recent heavy damage experience in Vietnam justifies increased procurement with FY 1968 funds.

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SUMMARY OF PROPOSED INCREASE IN FY 1968 HELICOPTER PROCUREMENT

| <u>Item</u> | <u>Alternative A</u> (Current Operations) | | <u>Alternative B</u> (If Additional Deployments) | | <u>Minimum Recommendation</u> | |
|----------------------|--|--------------------------|---|--------------------------|-------------------------------|--------------------------|
| | <u>Qt.</u> | <u>Cost</u> (\$ Mil.) | <u>Qt.</u> | <u>Cost</u> (\$ Mil.) | <u>Qt.</u> | <u>Cost</u> (\$ Mil.) |
| UH-1 (IROQUOIS) | 552 | \$199.2 | 604 | \$214.8 | 552 | \$199.2 |
| AH-1G (COBRA) | 132 | 65.2 | 206 | 101.8 | 132 | 65.2 |
| OH-6A (CAYUSE) | 300 | 42.2 | 360 | 50.7 | 300 | 42.2 |
| CH-47A (CHINOOK) | 33 | 68.3 | 129 | 267.0 | 33 | 68.3 |
| CH-54 (FLYING CRANE) | 4 | 9.7 | **4 | 9.7 | 4 | 9.7 |
| CH-46 | 72 | 135.7 | **72 | 135.7 | * | * |
| CH-53 | 58 | 133.4 | **58 | 133.4 | * | * |
| OV-1D | <u>7</u> | <u>15.7</u> | <u>**7</u> | <u>15.7</u> | <u>7</u> | <u>15.7</u> |
| Total | 1158 | \$699.4 | 1440 | \$928.8 | 1028 | \$400.3 |

*Systems Analysis recommends no additional procurement.

**No additional procurement over Alternative A is recommended at this time.

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-256
By ct, NARA Date 2-24-97

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

55

CM-3080-68
3 March 1968

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: Helicopter Production (U)

1. (S) The President has requested me to comment on the capability of the helicopter production base to expand to meet Southeast Asia and worldwide requirements.

2. (S) By JCSM-116-68, dated 27 February 1968, you were advised of the recommendations by the Joint Chiefs of Staff concerning the helicopter production program. The recommended increased production is designed to permit the helicopter production rate to reach a minimum essential level that will assist in reducing projected inventory deficiencies and will establish a production base that is responsive to worldwide military requirements.

3. (S) A summary of the recommended increased helicopter program follows:

a. UH-1H. Add 552 for delivery over a 12-month period at a cost of approximately \$146.3 million. If contracts can be awarded by 1 May 1968, the present schedule of 75 per month can be increased to 100 per month in the 4th Quarter FY 1969. Accelerated deliveries can begin in approximately 12 months. This increased production can be achieved only if additional funds are provided immediately to provide the T-53 engine contractor with the capability to meet the demands of increased aircraft production. Approximately \$35 million are required to provide the contractor with this capability.

b. UH-1E. Add 28 Marine Corps and 32 Navy versions of the UH-1E at a cost of approximately \$30 million. The current production is scheduled to terminate in August 1968. This increased procurement will permit the production of the UH-1E to continue for 24 additional months at a rate of 2-3 per month. As in the case of the UH-1H, the T-53 engine is the pacing item. If the AH-1J can be produced in the same time frame, the Marine Corps would prefer to substitute the AH-1J for the UH-1E.

DECLASSIFIED

Authority Group 4
By lg, NARA, Date 3-2-92

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GROUP - 4
Downgraded at 3 year
intervals; declassified
after 12 years

~~SECRET~~

c. AH-1G. No specific increased procurement of the AH-1G was recommended because it would compete with the UH-1E/H for the T-53 engine. The present monthly production rate of 35 per month is scheduled to drop to 16 in June 1969. The production rate of 16 per month beginning in June 1969 could be supported with increased T-53 engine production capacity.

d. CH-46. Add 72 for delivery over a 12-month period at a cost of \$159 million. If contracts can be awarded by 1 May 1968, accelerated deliveries could begin in November 1968 from the current program. Additional deliveries could begin in November 1969 from the increased program. The current program delivery schedule of eight per month will drop to five per month in November 1968. The recommended program will provide six in November 1968 and reach a monthly production rate of nine in May 1969.

e. H-53. Add 58 combined Navy and Air Force versions at a cost of approximately \$145 million. If contracts can be awarded by 1 May 1968, the present schedule of two per month can be accelerated. This acceleration will provide for delivery of 10 more completed aircraft by December 1969 and the 58 additional aircraft by December 1970.

f. CH-47. The current program is being phased-down from a high of 15 aircraft per month in July 1967 to 2 per month in July 1969. A monthly production rate of 5 can be achieved in February 1969 by compressing the currently approved production schedule with no additional funds in the FY 1968 program. To maintain this delivery rate, additional funds amounting to \$49 million would be required in FY 1969 for the increased production of 33 CH-47 helicopters.

g. OH-6A. The present production rate of 43 per month will increase to 90 per month in September 1968, but is scheduled to drop to 25 per month in January 1969. The FY 1968 buy of 300 OH-6A helicopters is out on competitive bid to the present contractor, Hughes Tool Company and the Bell Company. It appears that Bell will be chosen. Deliveries on the FY 1968 program will begin in April or May 1969. It is recommended that 300 additional OH-6A helicopters be added to the procurement program at a cost of approximately \$28 million.

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4. (S) As stated in paragraph 3 above, the production increases were designed to permit the acceleration of the helicopter monthly production rate, not to satisfy worldwide requirements. These increases are thoroughly feasible and well within the present capabilities of the production base, if the capacity of the engine base is increased as recommended. These production increases would satisfy the Program Five helicopter requirements of Southeast Asia. There are requirements not addressed herein that could be satisfied by selective industrial mobilization and other similar actions.

5. (S) It is recommended that increased procurement of helicopters in the quantities cited above be authorized. The approximate cost is \$557.3 million. In addition, it is recommended that, as a matter of urgency, \$35 million be provided for the expansion of the T-53 engine production capacity. It is recommended that authority be delegated to the Services to negotiate noncompetitive cost reimbursable contracts and that selected industrial mobilization, as required, be obtained to accomplish production of helicopters and engines necessary to sustain a satisfactory military posture.



EARLE G. WHEELER
Chairman
Joint Chiefs of Staff

~~SECRET~~



~~TOP SECRET~~

558 E.
=

THE DEPUTY SECRETARY OF DEFENSE
WASHINGTON, D. C. 20301

4 March 1968

MEMORANDUM FOR THE PRESIDENT

You asked for an analysis of our program of fixed-wing aircraft assets so that we may be assured that no unsatisfactory shortages will be experienced in satisfying approved military requirements.

Attached is a projection of U.S. Fighter and Attack Active Aircraft Inventory. This assumes continued losses at predicted rates. To date our actual over-all losses have been almost exactly those predicted. The Services would, however, like to procure some additional 140 planes at a cost of \$354 million in FY 68, and 430 planes at a cost of \$970 million in FY 69.

We are currently giving consideration to their requests.

General Wheeler's comments on this subject are also attached, in which he addresses a force level in excess of the currently approved program in the amount of \$2.4 billion.

Paul H. Tipton

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 88-198
By *g/p*, NARA, Date 4/15/96

Attachment

~~TOP SECRET~~

~~SECRET~~

SSA

U. S. FIGHTER AND ATTACK

ACTIVE AIRCRAFT INVENTORY

| <u>FIGHTER/ATTACK</u> | <u>June 1965</u> <u>Actual</u> | <u>June 1968</u> <u>Authorized</u> <u>a/</u> | <u>Projected</u> <u>b/</u> | <u>June 1970</u> <u>Authorized</u> | <u>Projected</u> |
|---|-----------------------------------|--|-------------------------------|---------------------------------------|------------------|
| <u>Active Force</u> | | | | | |
| Navy/Marine | 2443 | 2632 | 2649 | 2688 | 2726 |
| Air Force | <u>2336</u> | <u>2307</u> | <u>2613</u> | <u>2265</u> | <u>2410</u> |
| Subtotal | 4779 | 4939 | 5262 | 4953 | 5136 |
| <u>Reserve Force</u> | | | | | |
| Navy/Marine | 577 | 577 | 598 | 562 | 562 |
| Air Force | <u>312</u> | <u>355</u> | <u>355</u> | <u>355</u> | <u>355</u> |
| Subtotal | 889 | 932 | 953 | 917 | 917 |
| <u>SPECIAL AIR WARFARE</u> | | | | | |
| Air Force - Active | <u>144</u> | <u>254</u> | <u>254</u> | <u>269</u> | <u>269</u> |
| TOTAL FIGHTER AND ATTACK CAPABLE A/C | 5812 | 5812 | 6125 | 6139 | 6322 |

a/ Authorized equipment for all tactical units, command support, pipeline and other approved activities (e.g., R&D, training).

b/ Projected actual inventory.

OASD/SA *Alte*
2 March 1968

DOWNGRADED AT 3 YEAR INTERVALS;
DECLASSIFIED 12 YEARS.
DOD D-R 5200.10

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~~TOP SECRET~~

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

CM-3079-68
3 March 1968

MEMORANDUM FOR THE SECRETARY OF DEFENSE

Subject: Fixed-Wing Aircraft Program (U)

1. (S) The President has requested me to comment on the adequacy of our programmed fixed-wing aircraft assets in satisfying approved military requirements.

2. (TS) Existing production schedules are insufficient to satisfy approved military requirements. The following is a summary of the major deficiencies and recommendations to correct these deficiencies:

a. Army. Shortage of OV-1 aircraft through FY 1970. Recommend the authorization to procure 50 additional aircraft at a cost of \$93.5 million. Deliveries of these aircraft could begin in September 1969.

b. Navy/Marine Corps Active. There is a shortage of Navy aircraft in the active structure. Increased procurement is required to restore capability to existing squadrons by bringing them to full strength and to replace aging aircraft. Some fall-out aircraft would, in turn, be assigned to reserve units as replacements for obsolete and diverted aircraft. It is recommended that approval be granted for the procurement of the following additional aircraft:

(1) Attack

(a) 75 A-4Fs (36 to modernize 3 active A-4B/C squadrons; 19 for carrier readiness air wing (CRAW) and pipeline; 20 for combat and operational attrition). The fallout of A-4C aircraft will be assigned to reserve units. (\$97.5 million)

(b) 62 A-7E (28 for transition of 2 A-4B/C squadrons to A-7; 16 CRAW and pipeline; 18 - combat and operational attrition). (\$155 million)

DECLASSIFIED

Authority Group 4
By 18, NARA, Date 3-29-92

GROUP - 4
Downgraded at 3 year
intervals; declassified
after 12 years

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CY 1 OF 25 CYS

~~TOP SECRET~~

(2) Fighter. 120 F-4J (41 - bring CONUS squadrons to full strength; 36 - modernize 3 active F-4B/F-8K squadrons; 23 - CRAW and pipeline; 20 - combat and operational attrition). The fallout of F-4B/F-8K will be assigned to reserve units. (\$336 million)

(3) Other Aircraft

(a) 24 KA-6D (24 - to replace aged KA-3 aircraft). (\$148.8 million)

(b) 12 T-2B (12 - bring training command to full strength in order to attain approved pilot training rate (PTR) of 2,750). (\$8.4 million)

(c) 8 EA-6B (8 - to achieve approved level at accelerated rate). (\$66.4 million)

(d) 12 C-2A (12 - to replace aged C-1A aircraft). (\$45.6 million)

(e) 15 KC-130 (15 - to replace older model KC-130s that will be transferred to the reserve to replace the C-119). (\$43.5 million)

(f) 14 C-130F (14 - to replace aged C-118 aircraft in active tactical support squadrons). The fallout of C-118 aircraft would be assigned to Naval Reserve transport squadrons to replace obsolete C-54s. (\$56 million)

(g) 11 RA-5C (to provide adequate pipeline for approved force level). (\$62.7 million)

(4) In addition, there is a requirement for additional funds to provide for the rework of aircraft, engines, and related components. This would provide 138 additional aircraft for deployment. (\$49 million)

c. Navy/Marine Corps Reserve. There is a limited combat capability of Naval/Marine Corps reserve squadrons due to obsolete aircraft and serious shortfalls in number of aircraft because of diversions to the active forces. The procurement of modern aircraft for active squadrons will permit fallout of aircraft to reserve squadrons to replace obsolete and diverted aircraft.

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d. Air Force Active. There is a shortage of Air Force aircraft in the active structure. Additional aircraft are required to restore capability to existing squadrons by bringing them to full strength and to provide adequate training base and pipeline, and combat/operational attrition aircraft for extension of Southeast Asia conflict through FY 1970. Additional aircraft procurement would also replace aging aircraft and aircraft with limited combat effectiveness in the active forces. These fallout aircraft would, in turn, be assigned to reserve units as replacements for obsolete aircraft. It is recommended that the following supplemental to the FY 1968 and FY 1969 budget be approved to procure additional aircraft:

(1) Fighter

(a) 259 F-4s (108 for transition of one F-105 active duty squadron and modernization of four active F-100 squadrons; 140 for training and pipeline; 11 for combat and operational attrition). The fallout of F-100 aircraft will be assigned to reserve units and be utilized for attrition replacement in active squadrons. (\$585.3 million)

(b) 173 A-37s (Aircraft to offset current and projected shortages in F-100 inventory. Provides aircraft for six squadrons, four in SEA; one for RTU; and one for CONUS reserve.) (\$63.3 million)

(2) Reconnaissance. 155 RF-4s (126 for modernization of seven RF-101 active duty squadrons; 24 for training and pipeline, five for combat and operational attrition). Fallout of RF-101s will be assigned to reserve units. (\$361 million)

(3) Tactical Airlift. 56 C-130s for combat/operational attrition and necessary resources for CCTS and RTU in C-130 training base. (\$169.1 million)

(4) FAC/ALO Aircraft. Add 250 O-2 aircraft at a cost of \$24 million. Provides for stated shortage of ALO/FAC aircraft in Southeast Asia and capability to support Korea or other contingencies.

(5) UW Aircraft. 6 specially modified C-130s for unconventional warfare. (Four for initial equipment against authorized program; two for combat/operational attrition). (\$19.2 million)

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e. RTU Air Force. Active tactical air squadrons, now being used as replacement training units (RTU), have depleted their spares and equipment in support of South-east Asia and can no longer deploy as combat-capable units. To restore these RTU squadrons to combat-ready status, it is recommended that funds be provided to procure the necessary spares and equipment. (\$8.373 million)

f. B-52 Aircraft Air Force. There is an excessive degradation of the SIOP due to increased utilization of B-52 in a conventional support role and programmed phase-out. It is recommended action be taken to defer inactivation of six B-52 squadrons proposed to phase out in FY 1968 and FY 1969.

g. Air Force Reserve/Air National Guard. There is a limited combat capability of Air Force Reserve and Air National Guard squadrons due to obsolete aircraft. Procurement of modern aircraft for active squadrons will permit transfer of fallout aircraft to Ready Reserve squadrons to replace obsolete and diverted aircraft.

3. Each of the Services have outstanding requirements for the modernization of their currently assigned aircraft. These modernizations include improvements to avionics, ECM, weapons capability, survivability in combat environment and other similar improvements to counter technological advancements of the Communist Bloc.

4. (TS) It is recommended that the aircraft procurements and other actions cited in paragraph 2 above be approved. The cost of this program for all services is approximately \$2,392 million. In addition, it is recommended that authority be delegated to the Services to negotiate noncompetitive cost reimbursable contracts and that selective industrial mobilization, as required, be obtained to accomplish production of aircraft necessary to sustain a satisfactory military posture.



EARLE G. WHEELER
Chairman
Joint Chiefs of Staff

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~~CONFIDENTIAL~~

March 4, 1968

Pres file

Mr. President

The British Ambassador brought in the attached paper which had been sent to him by George Brown. It was handed to George Brown by Barbara Ward who said some very important Americans (unnamed) were participants in the preparation of the paper. She mentioned Jack Valenti as one but, when George Brown checked with Jack Valenti, Jack knew nothing about it.

George Brown thought that we ought to have the paper with the additional comment that Barbara Ward said both the Canadians and the Vatican were in support of the paper.

We shall be giving it immediate examination in the State Department.

Dean Rusk

DECLASSIFIED

Authority NLQ 86-144

By up/ry, NASA, Date 3-3-92

DR:rla

~~CONFIDENTIAL~~

She

VIETNAM.

FOLLOWING IS TEXT OF MEMORANDUM ENCLOSED WITH BARBARA WARD'S LETTER.

BEGINS.

1. WE MUST GO BACK TO THE ONE PURPOSE OF THE WAR IN VIETNAM WHICH COMMANDS GENERAL ASSENT - THAT THE SOUTH VIETNAMESE SHOULD NOT BE COERCED INTO ACCEPTING A COMMUNIST OR ANY OTHER GOVERNMENT WHICH THEY DO NOT WANT. IT FOLLOWS FROM THIS THAT AMERICA'S FUNDAMENTAL AIM IS TO CREATE CONDITIONS OF CHOICE IN THE SOUTH.
2. THIS COMMITMENT, AN HONOURABLE ONE, PRECLUDES ALL POSSIBILITIES OF IRRESPONSIBLE WITHDRAWAL. GREAT POWERS KEEP THEIR PROMISES.
3. IT DOES NOT FOLLOW, HOWEVER, THAT THE PRESENT POLICY WHICH INVOLVES (A) HEAVY AND POSSIBLY HEAVIER BOMBING OF THE NORTH AND (B) INCREASING DESTRUCTION BY HEAVY WEAPONS IN THE SOUTH, IS LIKELY TO FULFIL THE OBJECTIVE. EUROPE'S LESSON IS THAT BOMBING IN THE NORTH WILL BE EFFECTIVE ONLY IF ACCOMPANIED BY A MASSIVE INVASION. THEN AMERICAN FORCES WILL HAVE TO BE TROUBLED. IN ANY CASE, NEITHER RUSSIA NOR CHINA CAN PERMIT THE OVERTHROW OF HANOI. FOR THIS REASON, ESCALATION UPWARDS - AS IN THE BALKANS IN 1914 - HAS NO LIMITS SAVE IN GENERAL WAR. THE MASSIVE INCREASE OF BOMBARDMENT IN THE SOUTH LOOKS LIKE DESTROYING THE SOCIETY THAT IS SUPPOSED, ULTIMATELY, TO BE ABLE TO DO THE CHOOSING. WHEN THE CRY IS: "WE MUST DESTROY THIS CITY TO SAVE IT", WE ARE CLOSE TO DR. STRANGELOVE.

/s.....

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-251
By isa, NARA Date 8-18-98

4. IS THERE AN ALTERNATIVE? THE COMMUNISTS HAVE INVENTED ONE WHICH AMERICA MIGHT ADOPT. IT IS CALLED 'FIGHTING AND NEGOTIATING'. AT SOME CONVENIENT POINT THIS SPRING, AMERICA SHOULD DO TWO THINGS SIMULTANEOUSLY, STOP THE BOMBING OF THE NORTH AND MOBILIZE MORE MEN FOR VIETNAM. IT SHOULD ANNOUNCE THAT IT WILL TALK AT ANY TIME, APPOINT NEGOTIATORS, APPEAL TO WORLD OPINION, REMIND HANOI OF ITS OFFERS TO TALK AND CONDUCT A MAJOR PEACE OFFENSIVE. AT THE SAME TIME, IT WOULD REINFORCE ITS ARMIES IN THE SOUTH AND CONTINUE THE TASK OF 'PACIFICATION'.

5. THE ADVANTAGE OF THIS CHANGE OF PACE ARE:

(A) THE CHIEF GRIEVANCE IN THE WORLD AT LARGE AND AMONG THE PRESIDENT'S CRITICS AT HOME WILL HAVE BEEN REMOVED:

(B) THE ONUS OF PEACE-BREAKING WILL HAVE BEEN PUT UPON HANOI:

(C)- THE SOUTH VIETNAMESE WILL BE REASSURED BY THE COMMITMENT OF MORE AMERICANS THAT THEY ARE NOT BEING DESERTED:

(D) THE NORTH VIETNAMESE WILL REALIZE THAT THEIR SPRING OFFENSIVE HAS MADE AMERICA BOTH MORE CANNY AND MORE DETERMINED:

(E) WITH MORE MEN, THE WAR CAN BE SCALED DOWN TO LESS MECHANIZED DESTRUCTION AND PACIFICATION CAN BEGIN AGAIN:

(F) THE AMERICANS COULD USE THE END OF BOMBING TO INVITE NEUTRAL NATIONS TO SEND IN CONTROL TEAMS INTO PACIFIED AREAS TO HELP SUPERVISE LOCAL CONSULTATIONS WHICH WOULD BEGIN TO INDICATE WHAT THE SOUTH VIETNAMESE REALLY WANT. THIS WOULD UNDERLINE THE LIMITED AND SPECIFIC NATURE OF THE AMERICAN COMMITMENT AND POSSIBLY ESTABLISH PROCEDURES FOR USE IN FUTURE 'WARS OF NATIONAL LIBERATION' SINCE VIETNAM HAS PROVED THAT DIRECT GREAT POWER INTERVENTION IS TOO AGONIZING FOR REPETITION.

(G) IF THE NORTH REFUSE TO TALK, AMERICA HAS TO DIG IN GRIMLY. ITS READINESS TO DO SO IS MUCH MORE LIKELY TO BRING THE NORTH TO A POLITICAL SOLUTION THAN THROWING EVER HIGHER LOADS OF EXPLOSIVES AT THEM. AFTER TWO YEARS OF BOMBING, THEIR ESCALATION IS PROVING MORE EFFECTIVE THAN AMERICAS. BUT PATIENCE IS JUST SOMETHING THE ASIANS MAY RECOGNIZE WHEN THEY SEE IT AND BEGIN TO THINK THAT COMPROMISE IS THE ONLY WAY OUT.

/6.....

6. THE DISADVANTAGES CAN BE ARGUED TO BE:

(A) ENDING THE BOMBING WILL BREAK SOUTHERN MORALE. SENDING MORE TROOPS IS DESIGNED TO PREVENT THIS:

(B) IT WILL WEAKEN THE SOUTH'S DEFENCE. THIS IS AN ARGUMENT CONDUCTED IN EUROPE DURING THE WAR WITH THE PROPONENTS OF BOMBING DRAWN HEAVILY FROM THE AIRFORCE, A NOT WHOLLY DISINTERESTED BODY OF ADVISERS. THE BOMBING SURVEYS SHOWED THAT WAR PRODUCTION AND MORALE INCREASED UNDER THE HEAVIEST BOMBING - UNTIL THE INVASIONS BEGAN. AND EUROPE WAS DEVELOPED, INDUSTRIALIZED AND VULNERABLE. NOTHING OF VALUE IS PRODUCED IN THE NORTH, THE PEOPLE DISPERSE TAKING WITH THEM ONLY AN INDOUBTABLE SPIRIT OF RESISTANCE AND A SINGULAR CAPACITY TO RESURFACE. CLOSING HAIPHONG WOULD POSSIBLY WIDEN THE WAR AND PROBABLY ONLY INCREASE THE PASSAGE OF GOODS OVERLAND. UNLESS INVASION OF THE NORTH IS PLANNED, IT IS DIFFICULT TO SEE HOW BOMBING CAN BE 'DECISIVE' AND IF IT IS NOT, ITS POLITICAL DISADVANTAGES FAR OUTWEIGH ITS DUBIOUS DEFENSIVE CONTRIBUTION.

(C) IT WOULD ENCOURAGE THE NORTH. IT IS HARD FOR ANYONE TO DECIPHER THE NORTH'S MOOD BUT HANOI MAY DETECT IN EVER HEAVIER BOMBING A SOMEWHAT FRANTIC AMERICAN DEMAND FOR A QUICK SOLUTION. HAVING FOUGHT FOR THIRTY YEARS, THEY ARE LESS CONCERNED WITH TIME. THEY MIGHT HOWEVER BE IMPRESSED BY A REINFORCEMENT OF AMERICAN FORCES COUPLED WITH A CALM ANNOUNCEMENT THAT AMERICA STAYS UNTIL THE SOUTH CAN CHOOSE. IT PUTS AMERICA BACK INTO THE POLITICAL GAME, BOTH IN VIETNAM AND IN THE WORLD AND WEAKENS THE GROWING IMPRESSION THAT MILITARY MOMENTUM IS TAKING POLICY OUT OF THE PRESIDENT'S HANDS.

(D) IT WOULD LEAD TO DOMESTIC CRIES OF WEAKNESS JUST BEFORE AN ELECTION. IT PROBABLY WOULD KNOCK THE CRITICS OFF BALANCE. FOR THE DOVES, IT OFFERS AN END TO THE BOMBING AND A MUCH

/GREATER

- 4 -

GREATER FIELD FOR POLITICAL NEGOTIATION. FOR THE HAWKS, IT OFFERS THE DETERMINATION TO STAY. FOR THE COUNTRY AS A WHOLE, IT OFFERS A CHANGE FROM THE PRESENT INFINITELY DISHEARTENING PICTURE OF THE FACT OF PRESENT DEADLOCK AND RISK OF FUTURE ESCALATION.

ENDS.

LORD CARADON

SENT 022016Z MTH

1. *copy*
2. *Pres file*

March 4, 1968

MEMORANDUM FOR THE PRESIDENT

THROUGH MARVIN WATSON

SUBJECT: National Chairman for UN Day

In the attached memorandum, Secretary Rusk recommends you appoint Leonard McCollum as National Chairman for UN Day 1968. If you approve, please sign the letter of appointment at Tab A.

McCollum is recommended by Ambassador Goldberg and Robert Benjamin of the UN Association. He is willing to serve if you name him. McCollum's biography is at Tab B. Charles Mortimer was UN Day Chairman last year; and Edgar Kaiser was in 1966.

The job of the UN Day Chairman is to encourage exhibits, school and library programs, conferences and other public and educational activities for UN Day (October 24).

W. W. Rostow

NDavis:feg



DEPARTMENT OF STATE

Washington, D.C. 20520

711
57a
February 20, 1968

MEMORANDUM FOR THE PRESIDENT

Subject: Appointment of a National Chairman
for United Nations Day

Recommendation

I recommend that you sign the attached letter to Mr. Leonard F. McCollum appointing him United States National Chairman for United Nations Day 1968 (October 24).

Discussion

It is by now an established custom for the President to appoint a distinguished American as United States National Chairman for United Nations Day.

The National Chairman supervises preparations for the observance of United Nations Day and, in particular, establishes contact with the Governors of all the states and the Mayors of most large cities to request that they name state and local United Nations Day Chairmen who will organize appropriate ceremonies to commemorate United Nations Day in their own communities. The national office of the United Nations Association of the United States of America serves as staff for the United Nations Day Chairman, and distributes posters, speakers' guides and kits of information materials to United Nations Day Committees.

For 1968 Mr. Leonard F. McCollum, Chairman of Continental Oil Company, has agreed to serve as UN Day Chairman if his designation is acceptable to you. Mr. McCollum would bring demonstrated competence and enthusiasm to the job and would be able to marshall the support of the business community for our

UN policies and programs. Mr. McCollum's appointment would be favorably regarded by the United Nations Association. Ambassador Goldberg concurs with the judgment that Mr. McCollum would be a fine Chairman.

Dean Rusk
Dean Rusk

Attachments:

1. Suggested letter to Mr. McCollum
2. Biographic Information.

March 5, 1968

Dear Mr. McCollum:

I take great pleasure in appointing you as United States National Chairman for United Nations Day 1968.

Observance of United Nations Day this year is particularly important. As you know, 1968 marks the 20th anniversary of the adoption by the United Nations General Assembly of the Universal Declaration of Human Rights. This year is being celebrated throughout the world as International Human Rights Year.

I am confident that you, as National Chairman, will find enthusiastic response from the business, labor, and community leaders who serve on the National UN Day Committee; from the Governors, Mayors and other State and local officials; and from the leaders of our great national organizations.

It is gratifying to know that we can count on your demonstrated abilities and influence to assure a successful, nationwide observance of UN Day 1968.

Sincerely,

/s/ Lyndon B. Johnson

Mr. Leonard F. McCollum
Chairman
Continental Oil Company
P. O. Box 2197
Houston, Texas

LBJ:State:NDavis:feg

Monday, March 4, 1968

MEMORANDUM FOR THE PRESIDENT

(Through Marvin Watson)

Dick Helms' third report on the foreign connections of U. S. peace groups lists no startling new developments since last December.

Pres file

1. U. S. peace activists continue their close coordination with North Vietnamese officials.
2. Ralph Schoenman, the prime mover behind the Bertrand Russell Foundation's peace projects, is now working in the U. S. His special target is reportedly the Black Power movement. He claims to have had success in getting Negro militant groups to back his Vietnam policy.

W. W. Rostow

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96.259
By js, NARA Date 10-31-97

Monday -
March 4, 1968

59

Pres file

MEMORANDUM FOR THE PRESIDENT -- INFORMATION

**SUBJECT: Proposed Scenic Road Network Along the US-Mexican
Border**

Herewith a creative idea developed by Harry Shooshan of Interior for linking natural and historical sites along the U. S. -Mexican border with a modest road network.

This has already been proposed to the Mexicans and they are interested. The Border Development Commission will consider it further at their March 18 meeting in San Diego.

W. W. Rostow

Attachment



59a

UNITED STATES
DEPARTMENT OF THE INTERIOR
OFFICE OF THE SECRETARY
WASHINGTON, D.C. 20240

February 26, 1968

Memorandum

To: The President of the United States
Through: Ambassador Raymond Telles, Chairman,
U.S. Section, U.S.-Mexico Commission
for Border Development and Friendship

From: Deputy Under Secretary for Programs

Subject: United States-Mexico Scenic Road Network

The network would provide pleasure driving in beautified areas along both sides of the border, from one end to the other, taking advantage enroute of numerous natural and historical features.

Existing roads, to be designated on the United States side by the governors of the four border states and to be uniquely marked, would make up the United States portion of the network. Mexico would designate a network of routes on her side of the border. Many miles of leisurely driving, lower standard roads would be included. This would not be a big road building program to provide high-speed highways coast to coast.

Linked by these networks--like a string of pearls--would, on both sides of the border, be:

- parks, recreation areas and wildlife refuges;
- historic missions, forts, battlefields, and presidios;
- monuments, memorials, cultural and archaeological sites.

Individual "pearls" have only selective appeal to the few. Strung together, and highlighted by a promotional effort, they would offer a recreational experience with appeal to the many. A representative list of "pearls" is attached.

Along the roads, we hope on both sides of the border, would be constructed:

- campsites, picnic areas and rest stops;
- privately developed food, housing and service facilities.

Three of the travel trails included in the recent state plan prepared by Texas, could tie directly into the network on the U. S. side:

- Texas Tropical Trail (between Laredo and Brownsville);
- Texas Mountain Trail (a portion of which runs southeast from Juarez along the border);
- Texas Pecos Trail (a portion of which parallels the border southeast of Big Bend National Park).

At our meeting with Mexico in Juarez on December 5, we proposed the idea of a scenic roads network. Mexico was interested; and in response to their request, we subsequently made available to Mexican officials our preliminary thinking, along with a copy of the attached map. We stressed that the map was conceptual and illustrative and was in no sense an attempt to influence the choice of roads on the Mexican side. We hope to establish the degree of Mexico's interest at a joint working meeting of the Commission on March 18 in San Diego.

The National Park Service and your Council on Recreation and Natural Beauty have field survey teams on the border. Among their tasks is the identification of specific roads, additional "pearls", and suggested locations for roadside facilities--all having significant potential. Their reports are due shortly.

With these in hand, we will develop a blueprint to use as a basis:

- for obtaining agreement on specific responsibilities within the federal establishment;
- for approaching members of the Congress, when timely, to obtain endorsement and assistance;

-- for approaching state, local and perhaps private interests to enlist their enthusiasm, cooperation and participation, since implementation of the proposal will require total involvement.

We believe this proposal has a lot of potential. After we have established at San Diego the acceptability to both sides of a more specific plan, it might lend itself to a joint announcement by you and President Dias Ordaz. Actual implementation could follow such an announcement.

This report is made to you now because the opportunity did not occur on February 2, despite the generous amount of time you gave to the Commission.

~~(Sgd) Harry Shooshan~~

Harry Shooshan

Enclosures

List of "Pearls"

Some examples with potential are:

Texas - Mexico Border

Forts: Polk, Brown, Ringold

Missions: San Francisco Visanon, Solano del Nombre

Presidio: San Carlos del Sacramento

Historic Sites: 12 near Falcon Reservoir

New Mexico - Chihuahua Border Region

Mission: El Paso del Norte (1659)

Presidio: Janos - 17th century Spanish

Historic Sites: Santa Rita Copper Mines, Southern Route to California - pioneered by Mormon Battalion (1846)

Pre-Historic Sites: Casa Grande Ruins, Pendleton Ruin

Arizona - Sonora Border Region

Missions: (north and south of border) Arizpe, Bac, Caborca, Cocoespera, Cucurpe, Doleroo, Guevavi, Magdalena, Sonoita

Presidios: Altar (1752), Fronteras (1690), Terrenate (1741)

Historic Sites: Early haciendas

Pre-Historic Site: Ventana Cave - Lehner Mammoth or Trincheras sites

Monday, March 4, 1968

~~SECRET/SENSITIVE~~

Pres file

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Pressure on the Canadian Dollar

Canadian Finance Minister Sharp saw Secretary Fowler Friday evening to go over the problems facing the Canadian dollar. (His visit to Washington was closely guarded to keep it from the press.)

Sharp said the Canadian dollar had come under pressure because of:

- the UK devaluation;
- the anticipated effects of the U. S. balance of payments program;
- misinterpretation of the U. S. program.

Pressure was heavy in January; it quieted down after issuance of the Treasury statement explaining the limited impact of the U. S. program on Canada; and it flared up again during the Canadian Government crisis last week. Since January 1, the Government used up \$900 million, or 1/3 of its reserves, to support the Canadian dollar.

U. S. consideration of balance of payments trade measures posed an additional problem:

- Sharp said that if we imposed an import surcharge, the Canadians would have to devalue since they had no feasible way to offset it.
- If we imposed a border tax (export subsidy and import surcharge), the effect on their exchange market would probably be manageable, since they have already announced publicly that they would match whatever we did. Nevertheless, Sharp believes that any measure in this area would not be in our interest. It could not benefit our balance of payments very much, and it would set off a wave of retaliatory measures whose ultimate effect on trade and confidence no one could accurately foresee.

In appraising the general situation confronting the Canadian dollar, Sharp said that Canada's cost and price problems were manageable and the Government

DECLASSIFIED

Authority NLTJ-001R-166-3-13
By Ch, NARA, Date 10-31-13

~~SECRET/SENSITIVE~~

~~SECRET/SENSITIVE~~

wanted to avoid devaluation. To maintain the rate, however, it was essential to reverse the growing belief that the Canadian dollar could not hold. He asked Fowler to consider two measures:

- exemption of Canadian investment from the balance of payments program. Even though the program does not bear heavily on Canada, Sharp said that an exemption would have an important psychological effect.
- an Exim Bank line of credit of \$1 billion -- he said they would not intend to use it but its existence would be strong evidence of Canadian determination to hold the rate.

Sharp said that whatever we could do to help would not be a balance of payments drain for us because of our bilateral reserve arrangement. He argued that the U. S. can neither gain nor lose reserves in dealing with Canada.


Secretary Fowler explained our problems with an outright exemption of Canada from the investment program, asked Sharp to consider what we could do together in the border tax area, and said we would go over their requests and give them an early answer.

We have begun to explore the possibilities of:

- an Exim standby credit as part of a multilateral support operation with the Europeans;
- a statement of intent that we would re-examine our investment guidelines for Canada if they were proving to be a serious problem for Canada.

We will have firm recommendations for you after looking into these possibilities.

W. W. Rostow


ERF:mst

~~SECRET/SENSITIVE~~

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-250
By Cb, NARA Date 11-3-97

ACTION *61*~~CONFIDENTIAL~~

Monday, March 4, 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Concessions on Israel's PL 480 Agreement? *2. Pres file*

Negotiations on Israel's PL 480 agreement begin Tuesday. The Israelis have made one final low-key pitch for concessions. I report it because it was made on instruction but I would be inclined to stick to our present position, because I think we can do so without creating a problem and because we're already making a major concession in having any PL 480 program at all for Israel.

You will recall that, in approving the \$27 million Israeli food sale, you decided that Israel should move this year to 100% dollar sale. The alternative was 75% dollar and 25% local currency. All of your advisers recommended a 100% dollar sale, and I recall your agreeing strongly that Israel "shouldn't be begging."

A less significant element in the normal terms for this kind of agreement is a 5% downpayment (in this case \$1.35 million). We do waive this in some cases (India, Pakistan, Indonesia, Congo, Ceylon, Ghana, Guinea) and reduce it in others (Morocco, Tunisia, Sudan). No one sees any economic reason not to require the full 5% from Israel.

Saturday, Eppie Evron "on instructions" from his Finance Minister asked us to reconsider reducing the dollar requirements to 75% and waiving the downpayment. He admitted, in making this pitch to Hal Saunders, that they weren't going to make a federal case of this. He acted like someone dutifully carrying out orders, knowing that the decision had been made.

The one reason for making any concession would be to give them the sense that we're not being completely uncompromising. Eppie points out that they're already making the \$200 million shift in reserves Eshkol promised and buying \$50 million in commodities here for cash.

All of your advisers are inclined to resist this final effort. But if you want to give a little I would recommend sticking to 100% dollar sale--the important issue--but reducing the downpayment requirement from 5% to 2.5%. This would be purely a gesture since the amount involved would be only \$675,000.

W. W. Rostow

Stick to approved terms _____

Reduce downpayment to 2.5% _____

cc: Harry McPherson

~~CONFIDENTIAL~~

62

Pres file

March 4, 1968

Mr. President:

Attached, for your approval,
is a proposed message to General
Ankrah on the eleventh anniversary
of Ghana's independence.

W. W. Rostow

Approved _____

Call me _____

WWR:EKH:RM:lw

Att: File 757

62a

PROPOSED MESSAGE TO GENERAL ANKRAH (GHANA)

Dear Mr. Chairman:

All Americans join me in sending warmest greetings to you and the people of Ghana as you celebrate the eleventh anniversary of your national Independence Day.

Vice President Humphrey has told me of the great vitality and impressive accomplishments he found during his recent visit with you. The new Ghana is rekindling for all her citizens the promise of a stable and prosperous independence.

I have warm memories of our meeting last October, Mr. Chairman, and I much appreciate the gracious welcome you gave Vice President and Mrs. Humphrey. We are deeply proud of the strong bonds of friendship that unite our two countries.

With best personal regards.

Sincerely,

Lyndon B. Johnson

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

~~SECRET~~

Monday - March 4, 1968

MEMORANDUM FOR THE PRESIDENT - ACTION*Free file*

SUBJECT: Possible Visit by President Frei

Ambassador Kerry reports that President Frei believes he can obtain Senatorial approval to visit Brazil. Frei wants to combine this visit with the long-delayed visit to Washington.

Subject to your approval, we propose to have Kerry inform Frei that your invitation still stands and that July would be a convenient month.

W. W. Rostow

Approve Frei visit

—

Disapprove

—

Call me

—

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-18
By ing, NARA, Date 5-22-95

VZCZCEFA002
00 WTE1
DE WTE 972

FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAP80651

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-250
By CB, NARA Date 11-3-97

~~SECRET~~ 64

~~MODIS~~

68 MAR 4 AM 11:09

MONDAY

Pre file

~~SECRET~~ MODIS/CACTUS

1968 MAR 4 15 46

HEREWITH THE NORTH KOREANS REJECT OUR LAST OFFER AND PRODUCE
A PURPORTED LETTER FROM THE CREW ASKING FOR AN APOLOGY -
WE'VE COME TO A CROSS ROADS.

TEXT OF CABLE FROM SEOUL (4692)

SUBJ: SUMMARY AND COMMENTS ON TENTH CLOSED SENIOR MAC
MEMBERS MEETING AT PAMMUNJOM, MARCH 4.

1. TODAY'S MEETING LASTED 48 MINUTES, MOSTLY DEVOTED TO
UNCOMPROMISING PRESENTATION BY PAK OF NORTH KOREAN POSITION
AS STATED IN SIXTH AND SUBSEQUENT MEETINGS AND EQUALLY
FIRM REJECTION OF PROPOSALS WE PUT FORWARD AT NINTH MEETING.
AT END OF HIS OPENING STATEMENT, PAK HANDED ADMIRAL SMITH
ENGLISH VERSION WITH HEADING AGAIN DESCRIBING HIM AS
REPRESENTATIVE OF GOVERNMENT OF NORTH KOREA. HE ALSO GAVE
SMITH HANDWRITTEN LETTER ADDRESSED TO PRESIDENT JOHNSON
PURPORTEDLY SIGNED BY ENTIRE CREW, INCLUDING WOUNDED. LETTER
SAYS WOUNDED IN FINAL STAGES OF RECOVERY. SMITH ACCEPTED
LETTER AS "DOCUMENT ADDRESSED TO PRESIDENT OF THE UNITED
STATES" TO AVOID ANY ENDORSEMENT OF AUTHENTICITY.

2. FOLLOWING PAK'S LONG STATEMENT, SMITH MADE STATEMENT BASED
ON GUIDANCE. PAK RESPONDED WITH SHORTENED VERSION OF HIS
PREVIOUS LINE. MEETING ENDED WITH PAK PROPOSING RECESS
AFTER SMITH HAD SAID HE WOULD REFER PAK'S STATEMENT TO
APPROPRIATE AUTHORITY AND ADVISE PAK WHEN HE HAD REPLY.

3. BELIEVE FOLLOWING ASPECTS THIS MEETING ARE NOTEWORTHY:

A. COMMUNISTS OBVIOUSLY USED INTERVAL BETWEEN MEETING TO
DRAFT LETTER TO PRESIDENT JOHNSON WITH CONSIDERABLE CARE AND
TO OBTAIN (OR POSSIBLY FORGE SOME OF) CREW'S SIGNATURES.

B. PAK HAD CAREFULLY REHEARSED HIS PRESENTATION. HE
DELIBERATELY PROJECTED TOUGH IMAGE DURING PORTION OF HIS
STATEMENT IN WHICH HE REJECTED IMPARTIAL INQUIRY BY THIRD
PARTY AND INDICATED U.S. IN NO POSITION TO "ACCEPT" RELEASE
OF CREW TO NEUTRAL CUSTODY. HE ADDED IN VERY HARSH TONES THAT
SUCH REMARKS CONSTITUTE DEFILEMENT OF NORTH KOREAN SOVEREIGNTY
AND ASKED RHETORICALLY AND SNEERINGLY WHETHER THIS MEANT U.S.
BELIEVES NORTH KOREA HAS NEITHER LAW NOR ABILITY TO DEAL
WITH SITUATION. HE CONCLUDED THIS MOST DRAMATIC PORTION OF
HIS PRESENTATION WITH STATEMENT IN SOFTER TONES THAT IT
WOULD BE HEIGHT OF FOLLY FOR US TO BELIEVE THAT IT CAN
COMPEL NORTH KOREA TO ACCEPT "UNWARRANTABLE" CLAIMS.

C. PAK'S PRESENTATION CONTAINED ONLY VAGUEST REFERENCES TO POSSIBILITY THAT CREW MIGHT BE TRIED, BUT IMPLICATION WAS PRESENT IN SUCH STATEMENTS AS: "AS LONG AS YOUR SIDE KEEPS ON TAKING SUCH AN UNWARRANTED STAND AS PRESENT AT OUR MEETINGS, OUR SIDE WILL HAVE NO OTHER WAY BUT TO UNDERSTAND THAT YOUR SIDE HAS NO CONCERN ABOUT THE FATE OF THE CREW OF THE PUEBLO AND TRIES TO EVADE THE RESPONSIBILITY FOR THEM. ACCORDINGLY, OUR SIDE WILL HAVE NO ALTERNATIVE BUT TO CONSIDER ANOTHER STEP."

D. IN ARGUING FOR US ACCEPTANCE OF NORTH KOREAN POSITION, PAK AT ONE POINT REFERRED TO EXISTENCE OF "PRECEDENTS OF HAVING SETTLED SIMILAR CASES IN THE PAST UNDER THE TERMS ACCEPTABLE TO BOTH SIDES," BY WHICH HE DOUBTLESS MEANT HELICOPTER CREW.

E. PAK CLEARLY LEFT DOOR OPEN FOR FURTHER MEETINGS, ALTHOUGH THERE EQUALLY CLEARLY NO GIVE IN NORTH KOREA POSITION.

F. THERE WAS NOTHING IN PAK'S PRESENTATION TO INDICATE NORTH KOREAN THINKING IN TERMS OF PRISONER SWAP OR RANSOM AS SUGGESTED LAST WEEK BY CZECH AND POLISH NNSC MEMBERS.

FOLLOWING IS EMBASSY SEOUL COMMENT:

LETTER IS SIGNED BY ALL 82 MEMBERS OF CREW, INCLUDING THREE WOUNDED. OFFICER'S NAMES APPEAR ONLY AS CURSIVE SIGNATURE FOLLOWED BY RANK AND POSITION. ENLISTED PERSONNEL BOTH SIGNED AND PRINTED THEIR NAMES. ALL SIGNATURES APPEAR IN SAME BLACK INK. SIGNATURES OF TWO REPORTEDLY SLIGHTLY WOUNDED CREW MEMBERS (CRANDALL AND CHICCA) ARE INTERSPERSED WITH OTHER CREW SIGNATURES. SIGNATURE OF SERIOUSLY WOUNDED CREW MEMBER (WOELK) APPEARS IN VERY CRAMPED WRITING AT VERY END OF ENLISTED CREW LIST. SIGNATURES OF CIVILIANS (TUCK AND IREDALZ) FOLLOW WOELK'S. ALTHOUGH IT MIGHT TAKE HANDWRITING EXPERT TO JUDGE, THERE IS SAMENESS TO CERTAIN SIGNATURES AND GENERAL APPEARANCE OF SIGNATURE PAGES WHICH SUGGESTS SOME NAMES MAY HAVE BEEN FORGED. SIGNATURES OF BUCHER AND MURPHY ONLY APPEAR ON LAST PAGE OF LETTER TEXT.

LETTER WAS OBVIOUSLY CAREFULLY DRAFTED. PHRASEOLOGY IS SOMEWHAT MORE ACCEPTABLE AS AMERICAN THAN PREVIOUS EFFORTS, ALTHOUGH TONE REMAINS UNNATURAL. HANDWRITING IS NEAT AND REGULAR, AND NOT UNLIKE WHAT ONE WOULD EXPECT TO SEE IN TERM PAPER OF INTELLIGENT EIGHTH GRADE STUDENT, POSSIBLY A GIRL. IT IS CLEARLY NOT BUCHER'S, NOR DOES IT SUPERFICIALLY RESEMBLE AFFIXED SIGNATURES OF ANY OTHER CREW MEMBERS.

~~SECRET~~

~~NO DIS~~

~~SECRET~~

65
NOMOS

FOLLOWING IS TEXT OF LETTER AS BROADCAST OVER NORTH KOREAN RADIO:

THE PRESIDENT OF THE UNITED STATES OF AMERICA, THE WHITE HOUSE, WASHINGTON, D.C. 29 FEBRUARY 1968

DEAR MR. PRESIDENT,

WE, THE OFFICERS, CREW AND CIVILIAN OCEANOGRAPHERS OF THE USS PUEBLO, ARE WRITING YOU JOINTLY TO EXPLAIN THE FACTS AND THOSE POINTS WE CONSIDER PERTINENT TO OUR CAPTURE, AND OUR DETENTION IN THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA AND TO REQUEST YOUR ASSISTANCE IN OUR REPATRIATION. WE CONSIDER THIS LETTER TO BE VITAL TO OUR FUTURE. WE DO NOT MEAN TO IMPLY THAT YOUR CONCERN FOR US IS OR HAS BEEN NEGLIGENT; ON THE CONTRARY, OUR EARNEST DESIRE IS THAT YOU, OUR COMMANDER IN CHIEF, HAVE THE COMPLETE FACTS AS WE AND THE GOVERNMENT OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA KNOW THEM.

WE ARE ALL MEMBERS OF THE ARMED FORCES OF THE UNITED STATES OR THE DEPARTMENT OF DEFENSE.

THE USS PUEBLO WAS DESIGNED AND COMMISSIONED TO CONDUCT ELECTRONIC ESPIONAGE AND HAD A DETACHMENT OF MEN ASSIGNED WHO ARE HIGHLY TRAINED IN THIS FIELD. A SECONDARY CAPABILITY WAS TO TAKE OCEANOGRAPHIC MEASUREMENTS USEFUL FOR NAVAL OPERATIONS FOR WHICH TWO CIVILIAN OCEANOGRAPHERS WERE ASSIGNED.

WE WERE OPERATING UNDER OFFICIAL U.S. NAVY ORDERS ISSUED TO US BY COMMANDER, NAVAL FORCES JAPAN, OUR OPERATIONAL COMMANDER. OUR ORDERS WERE APPROVED AND SANCTIONED BY THE JOINT CHIEFS OF STAFF AND THE CHIEF OF NAVAL OPERATIONS.

OUR SHIP, IN ORDER TO OBTAIN ELECTRONIC AND VISUAL INTELLIGENCE, INTRUDED INTO THE TERRITORIAL WATERS OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA AT THE FOLLOWING POINTS:

- 1--9.8 MILES FROM KALTAN NORTH OF CHONGJIN;
- 2--11.2 MILES FROM ORANGDAN;
- 3--10.75 MILES AND 11.3 MILES FROM SONGJIN EAST OF CHONGJIN;
- 4--3.2 MILES FROM ANSONGGAP IN THE MAYANGDO AREA;
- 5--7.6 MILES FROM YODO IN THE WONSAN AREA.

DETERMINED TO BE AN ADMINISTRATIVE MARKING. CANCELLED PER E.O. 12358, SEC. 1.3 AND ARCHIVIST'S MEMO OF MAR 16, 1983.

BY rg ON 3-31-92

AS WE WERE ORDERED, WE CONCENTRATED OUR INTELLIGENCE COLLECTION EFFORTS DURING THE 10 DAYS IN THE COASTAL WATERS OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA IN THE VICINITY OF FOUR PORTS: CHONGJIN; SONGJIN; MAYANGDO, AND WONSAN. WE SAMPLED THE ELECTRONIC ENVIRONMENT WITH EMPHASIS ON COLLECTING VARIOUS INFORMATION ON THE NAVAL FORCES OF THE KOREAN PEOPLE'S ARMY AND INTERCEPTING AND LOCATING RADARS ALONG THE COAST. WE ALSO INTERCEPTED COMMUNICATIONS AND DETECTED OBSERVATION POSTS AND MILITARY OBJECTS LOCATED ON THE COAST. WE WERE CAPTURED WHILE COMMITTING HOSTILE ACTS 7.6 MILES FROM YODO IN THE VICINITY OF WONSAN IN THE TERRITORIAL WATERS OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA ON 23 JANUARY 1968.

IMMEDIATELY FOLLOWING THE CAPTURE WE ATTEMPTED TO DENY THE REAL PURPOSE OF OUR OPERATION AND OUR INTRUSIONS INTO THE TERRITORIAL WATERS, HOPING TO SAFEGUARD NATIONAL SECURITY AND OUR NATIONAL HONOR. HOWEVER, WE COULD NOT LONG DENY THE FACTS SINCE THE KOREAN PEOPLE'S ARMY HAD IN THEIR POSSESSION OUR DOCUMENTS WHICH REVEALED THE REAL PURPOSE OF OUR OPERATION AND THE SHIP'S POSITION LOGS AND CHARTS WHICH PROVED OUR INTRUSIONS INTO THE TERRITORIAL WATERS OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA.

IN LIGHT OF THIS DAMNING EVIDENCE AND OUR LATEST HONEST CONVICTION THAT WE HAD GRAVELY WRONGED THE KOREAN PEOPLE, WE SINCERELY AND OPENLY CONFESSED EVERYTHING. WE THEN WROTE A JOINT LETTER OF APOLOGY TO THE GOVERNMENT OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA AND ASKED FOR LENIENCY.

SINCE OUR DETENTION WE HAVE BEEN TREATED HUMANELY. WE ARE PROVIDED WITH ALL THE NECESSITIES FOR DAILY LIVING. IN FACT, THE TREATMENT WE ARE RECEIVING IS CLEARLY BEYOND EXPECTATION. OUR WOUNDED HAVE BEEN TREATED AND ARE NOW IN THE FINAL STAGES OF RECOVERY.

IT IS LEGITIMATE FOR THE GOVERNMENT OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA TO INSIST THAT BEFORE OUR REPATRIATION CAN BE REALIZED, THE NECESSARY AMENITIES BE MADE BY OUR GOVERNMENT UNDER WHOSE ORDERS WE OPERATED. SPECIFICALLY, WE BELIEVE THAT SINCE THE REAL FACTS OF THE PUEBLO CASE HAVE BEEN FULLY REVEALED TO THE WORLD, OUR REPATRIATION CAN BE REALIZED ONLY WHEN OUR GOVERNMENT FRANKLY ADMITS THE FACT THAT WE INTRUDED INTO THE TERRITORIAL WATERS OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA AND COMMITTED HOSTILE ACTS, AND SINCERELY APOLOGIZES FOR THESE ACTS AND GIVES ASSURANCE THAT THEY WILL NOT BE REPEATED.

WE HAVE HAD MANY HOURS OF SOLITUDE SINCE OUR DETENTION TO REFLECT AND CONSIDER THE NATURE OF OUR OFFENSE, AND RATHER THAN HARBORING RESENTMENT TOWARD THE KOREAN PEOPLE FOR OUR CAPTURE, WE HAVE A STRONG FEELING OF GUILT FOR THE ACT WE COMMITTED.

WE HAVE FORMED THE OPINION THAT ESPIONAGE SUCH AS WE CONDUCTED IS AN UNJUST INFRINGEMENT UPON THE SOVEREIGNTY OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA AND UNDERMINES COMPLETELY ANY CHANCE FOR HONESTY IN INTERNATIONAL UNDERSTANDING. THIS IS OUR BELIEF AND DOES NOT CONCERN THE QUESTION OF THE NECESSITY FOR VIGILANCE TO INSURE THE SECURITY OF THE UNITED STATES.

MR. PRESIDENT, THE IMMENSE WEIGHT OF EVIDENCE THAT CONFIRMS THE PUEBLO'S INTRUSIONS INTO THE TERRITORIAL WATERS OF THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA AND ITS ESPIONAGE ACTS IS OVERWHELMING AND CANNOT BE REFUTED.

A VAST MAJORITY OF US ARE IN OUR TWENTIES AND HAVE MOST OF OUR LIVES YET TO LIVE. WE COULD DISCUSS AT LENGTH OUR HOPES FOR THEIR FUTURES BUT WE THINK THAT YOU UNDERSTAND OUR DESIRE FOR PROMPT REPATRIATION.

WE KNOW THAT YOU DO NOT CONSIDER US AS MERE PAWNS BUT AS U.S. NAVAL OFFICERS AND MEN WHO ATTEMPTED TO DO ONLY AS THEY WERE ORDERED. MORE IMPORTANTLY, WE KNOW THAT YOU VALUE US AS CITIZENS OF OUR COUNTRY OF WHICH YOU ARE PRESIDENT.

WE FIRMLY BELIEVE NOW THAT YOU HAVE THE FACTS, THAT YOU WILL TAKE ALL THE NECESSARY STEPS FOR OUR EXPEDITIOUS RETURN.

WE HAVE HAD NO WORD OF OUR FAMILIES AND LOVES ONES AT HOME SINCE OUR CAPTURE. WE ARE TORN BY SORROW, SUSPENSE. AND LONGING FOR NEWS OF THEIR WELL-BEING AND ARE CERTAIN THAT THEY ARE EVEN MORE WORRIED ABOUT US. WE DEPEND ON YOU TO REUNITE US WITH THEM AS SOON AS POSSIBLE. WE ALL TRULY LOVE OUR COUNTRY AND ARE TORN BY GRIEF AND LONGING FOR OUR FAMILIES.

IN SUMMATION, MR. PRESIDENT, OUR FUTURE HAPPINESS AND THE WELL-BEING OF THE MANY HUNDREDS OF AMERICANS IN OUR FAMILIES, IS IN YOUR HANDS. WE DO NOT DOUBT THAT YOU WILL SEE US SWIFTLY RETURNED.

VERY RESPECTFULLY, THE COMANDING OFFICER, OFFICERS, CIVILIAN OCEANOGRAPHERS, AND CREW OF THE USS PUEBLO (AGER-TWO).

~~SECRET~~

~~NO DIS~~

DTG: 041253Z MAR 1968

~~SECRET~~

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1968 MAR 4 15 03

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DE WTE 973

FROM WALT ROSTON
TO THE PRESIDENT
CITE CAP80652

DECLASSIFIED

Authority OSD LG 1/3/79
By ip/16, NARA, Date 3-3-92

~~SECRET~~

MARCH 4, 1968

HEREWITH THE DAILY KHE SANH-DMZ REPORT:

- 160 TONS DELIVERED;
- CONTINUED PROBING;
- CONSIDERABLE CASUALTIES INFLICTED ON THE ENEMY, BOTH ON THE GROUND AND WITH ARTILLERY FIRE.

Free file

THIS IS REPORT NUMBER TWENTY-NINE ON THE SITUATION IN THE KHE SANH/DMZ AREA AND COVERS THE 24 HOUR PERIOD MARCH 3, 1968.

LIMITED VISIBILITY WITH LOW CEILINGS CONTINUED AT KHE SANH THROUGHOUT MOST OF THE REPORTING PERIOD. DESPITE DISAGREEABLE WEATHER CONDITIONS, SEVERAL AIR OBSERVER CONTROLLED FIXED WING AIR STRIKES WERE EFFECTIVELY EXECUTED. DURING THE DAY ARTILLERY BATTERIES FROM THE 13TH MARINES FIRED 133 MISSIONS EXPENDING 1553 ROUNDS OF AMMUNITION WITH EXCELLENT TARGET COVERAGE REPORTED. SUPPLIES AND EQUIPMENT AMOUNTING TO 160 SHORT TONS WERE OFFLOADED DURING THE PERIOD AS RESUPPLY AIRCRAFT LANDED AND TOOK OFF WITHOUT INTERFERENCE. GENERALLY, ENEMY ACTIVITY AT KHE SANH DURING THE DAY WAS CONFINED TO SPORADIC INCOMING ARTILLERY AND MORTAR ROUNDS AND HARASSING PROBES.

OF PARTICULAR NOTE DURING THE PERIOD, WAS A SIGHTING MADE BY AN AIR OBSERVER AT 11:45 AM, NINE KILOMETERS NORTHWEST OF HILL 881. AN ESTIMATED ENEMY BATTALION WAS OBSERVED IN A COLUMN MOVING EAST. AIR STRIKES AND ARTILLERY MISSIONS RESULTED IN A REPORT THAT 18 NORTH VIETNAMESE WERE KILLED. ELSEWHERE DURING THE DAY, THE MARINES FOUND TWO DIRECTIONAL MINES ON THE LEFT FLANK OF THEIR "D" COMPANY. ALTHOUGH ONE WAS DISARMED, THE OTHER DETONATED AND BLEW OPEN A SECTION OF THEIR DEFENSIVE WIRE. THIS MORNING "E" COMPANY RECEIVED SMALL ARMS FIRE FROM A LOCATION SOUTHEAST OF THEIR POSITION. ARTILLERY MISSIONS WERE CALLED, SILENCING THE FIRE. AT 1:05 AM THE 37TH ARVN RANGER BATTALION REPORTED A PROBE OF THEIR LINES. MORTAR ROUNDS AND ARTILLERY DEFENSIVE FIRES WERE EMPLOYED.

ENEMY INCOMING AT KHE SANH WAS COMPARATIVELY LIGHT YESTERDAY AS ONLY 180 ROUNDS OF MIXED ARTILLERY, ROCKET AND MORTAR STRUCK IN THE AREA. ALTHOUGH NO MATERIEL DAMAGE WAS REPORTED, 16 MARINES WERE WOUNDED. AT ADJACENT INSTALLATIONS BORDERING THE DMZ, ENEMY SHELLING CONTINUED DURING THE PERIOD, BUT A SLACKENED PACE OF 34 ROUNDS OF MORTAR AND 20 ARTILLERY ROUNDS FELL AT CAMP CARROL WITH ONLY MINOR INJURIES SUSTAINED BY ONE MARINE. AT DONG HA COMBAT BASE 15 ROUNDS OF ARTILLERY MIXED WITH TWO MORTAR ROUNDS WERE RECEIVED BETWEEN NOON AND 4:00 PM. THERE WERE NO INJURIES RECORDED. THE 3D BATTALION, 3D MARINES AT A-3 RECEIVED A TOTAL OF 11 AFTERNOON ROUNDS OF ARTILLERY WITH NO DAMAGE REPORTED. OFFSHORE, SIX ARTILLERY ROUNDS WERE FIRED AT THE USS NEWPORT NEWS WITH THE NEAREST ROUND IMPACTING 200 YARDS AWAY, CAUSING NO DAMAGE TO THE VESSEL.

IN AN ALL DAY CONTACT A COMPANY OF MARINES SPOTTED 300 WELL EQUIPPED NORTH VIETNAMESE 1500 METERS WEST OF A-3. AIR STRIKES AND ARTILLERY WERE EMPLOYED. WHEN CONTACT CLOSED, 136 NORTH VIETNAMESE BODIES WERE COUNTED. FRIENDLY CASUALTIES WERE ONE KILLED, THREE WOUNDED (EVAQUATED). AT POSITIONS 1500 METERS EAST OF A-3, MARINES ENGAGED A DUG-IN ENEMY FORCE. WITH ARTILLERY PREPARATORY FIRES IN SUPPORT, FRIENDLY UNITS ACCOUNTED FOR 21 NORTH VIETNAMESE KILLED WITH EIGHT INDIVIDUAL AND ONE CREW SERVED WEAPON CAPTURED. FRIENDLY CASUALTIES WERE ONE KILLED AND FIVE WOUNDED. WHILE SWEEPING IN THE VICINITY OF MAI XA THI VILLAGE YESTERDAY, THE 3D BATTALION, 1ST MARINES FOUND 30 MORE NORTH VIETNAMESE BODIES AND THREE ADDITIONAL INDIVIDUAL WEAPONS. A LANDING CRAFT STRUCK A MINE 300 METERS SOUTHEAST OF MAI XA THI VILLAGE INJURING THREE MARINES AND DAMAGING THE VEHICLE.

THREE COFRAM MISSIONS WERE FIRED EXPENDING 59 ROUNDS, AND KILLING 9 ENEMY.

THERE WERE A TOTAL OF 276 TACTICAL AIR SORTIES FLOWN IN SUPPORT OF KHE SANH AREA. THE MARINES FLEW 101 SORTIES, WITH BOMB DAMAGE REPORTED AS ONE SECONDARY EXPLOSION, TWO SECONDARY FIRES, ONE AUTOMATIC WEAPON POSITION DESTROYED, AND 19 ENEMY KILLED. THE AIF FORCE FLEW 96 SORTIES AND THE NAVY 79, REPORTING 19 ROAD CUTS, ONE TANK DESTROYED, FOUR GUN POSITIONS DESTROYED, EIGHT ENEMY KILLED, ONE ARMORED VEHICLE DAMAGED, SEVEN SECONDARY EXPLOSIONS, TEN SECONDARY FIRES, NINE MILITARY STRUCTURES AND TWO TRUCKS DESTROYED. FIVE ARC LIGHT STRIKES (30 SORTIES) WERE FLOWN IN THE NIAGARA AREA.

AIR RESUPPLY FOR KHE SANH FOR THE PERIOD AMOUNTED TO 160 SHORT TONS. RESUPPLY SORTIES TOTALLED 23 FOR 3 MARCH. TEN C-130 AIRCRAFT COMPLETED TEN AIR DROPS. THREE C-123'S COMPLETED TWO AIR DROPS AND ONE LANDED. TEN HELICOPTERS DELIVERED PASSENGERS AND CARGO.

TACTICAL AIR SUPPORT FOR THE NEXT PERIOD WILL TOTAL 273 SORTIES. THERE WILL BE EIGHT B-52 STRIKES (48 SORTIES) FLOWN IN THE NIAGARA AREA.

THE MORNING OF 3 MARCH 1968 AT KHE SANH WAS CLOUDY WITH FOG AND OCCASIONAL LIGHT DRIZZLE. CONDITIONS IMPROVED DURING THE EARLY AFTERNOON WITH CEILINGS OF 1500 FEET AND VISIBILITY WHICH RANGED FROM 3 - 5 MILES IN FOG. AFTER 3:00 PM THE WEATHER AGAIN BEGAN TO DETERIORATE REDUCING CEILINGS AND VISIBILITY TO 500 FEET AND 2 1/2 MILES BY 9:00 PM. CONDITIONS WERE FURTHER RESTRICTED AFTER MIDNIGHT AND UNTIL THE EARLY MORNING HOURS OF 4 MARCH AS HEAVY FOG REDUCED VISIBILITY TO 1/16 MILE. LITTLE CHANGE IS FORECAST THROUGH 9:00 AM OF 3 MARCH. THE BEST CONDITIONS ARE EXPECTED BETWEEN 1:00 PM - 7:00 PM WHEN CEILINGS AND VISIBILITY ARE FORECAST TO BE 1500 FEET AND SIX MILES. AFTER 9:00 PM HEAVY FOG WILL AGAIN REDUCE VISIBILITIES TO BELOW ONE MILE.

1. THE KHE SANH DUMP AND AMMUNITION SUPPLY POINT STATUS AS OF 8:00 P.M. MARCH 3 IS AS FOLLOWS:

| | DAYS SUPPLY ON HAND | PREVIOUS STATUS 8:00 PM 2 MAR EST (9:00 AM 3 MAR SVN) |
|--|------------------------|---|
| CLASS I (RATIONS) | | |
| MEAL, COMBAT, INDIVIDUAL B RATIONS | 18 18 | 15 DAYS 9 DAYS |
| CLASS III (FUEL) | | |
| AVIATION GAS (AVGAS) | 3 | 3 DAYS |
| JP-4 FUEL (JET FUEL) | 8.3 | 8.3 DAYS |
| MOTOR GASOLINE (MOGAS) | 9 | 9.3 DAYS |
| DIESEL | 8.7 | 10 DAYS |
| CLASS V (AMMUNITION) | | |
| A. HIGH EXPLOSIVE | | |
| 60-MM MORTAR | 44 | 44 DAYS |
| 81-MM MORTAR | 24 | 24 DAYS |
| 90-MM (TANK) | 92 | 92 DAYS |
| 4.2" MORTAR | 47 | 47 DAYS |
| 105-MM HOWITZER | 13 | 14 DAYS |
| 155-MM HOWITZER | 16 | 16 DAYS |
| B. ANTI-TANK | | |
| | | ROUNDS ON HAND |
| 90-MM HEAT | | 1,059 |
| 66-MM ROCKET (LAW) | | 3,531 |
| ANTI-TANK MINES (M-15) | | 153 |
| ANTI-TANK MINES (M-19) | | 668 |
| ANTI-TANK MINES (M-21) | | 0 |
| 105-MM HEAT | | 154 |
| 106-MM RECOILLESS RIFLE (HEP-T) | | 706 |
| 106-MM BEEHIVE | | 909 |
| 3.5" ROCKET | | 1,630 |
| 90-MM AP-T | | 329 |

DTG: 041325Z MAR 68

XEROX FROM QUICK COPY

~~SECRET~~

~~MEMORANDUM~~

~~THE WHITE HOUSE~~

~~WASHINGTON~~

March 4, 1968

~~SECRET~~


~~TO: The President~~

FROM: W. W. Rostow

TO: THE PRESIDENT

SUBJECT: Panama Situation

67
Pres file
CAP80653

 representatives of Presidential candidates Arias and Samudio reached an understanding early this morning which has been accepted by President Robles. Key elements of the understanding are: 1.5(e) 3.4(b)(1)

- (a) The special session of the National Assembly will be held on March 4 as scheduled, but impeachment charges will be referred to a study commission;
- (b) The special session will reconvene March 5 to consider reforms in the electoral system. It is understood that the present three magistrates on the Electoral Tribunal will be changed;
- (c) President Robles will change his cabinet to make it more non-political;
- (d) Both political groups will immediately cease provocative propaganda and try to calm down the political atmosphere.

Presidential candidate Arias plans to go ahead with his public demonstration this afternoon, but it is probable that Presidential candidate Samudio will cancel his.

The situation is still tense and difficult, but, hopefully, the above understanding will provide a way out of the present electoral crisis.

SANITIZED
E.O. 12958, Sec. 3.6
NLJ 96-259
By is, NARA Date 10-31-97

~~SECRET~~

~~SECRET~~

1968 MAR 4 13 49

VZCZCWWZ020
OO WTE15
DE WTE 970

FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAP80650

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.3
DA Memo, Jan. 5, 1988
By 19 NARA Date 3-6-92

HERewith A RATHER HEARTENING REPORT FROM WESTY ON THE MANPOWER SITUATION:

- U.S. FORCES, UP 5,000 NET SINCE 31 JANUARY
- REGIONAL FORCES COMPANIES ABOUT 75 PER CENT OF STRENGTH
- POPULAR FORCES PLATOONS ABOUT 85 PER CENT OF STRENGTH
- REGULAR ARMY BATTALIONS COMBAT EFFECTIVE HAVE RISEN IN THE PAST TWO WEEKS FROM 98 TO 118, OF THE TOTAL OF 155.

SUBJ: PRESENT STATUS OF RVNA7 (U)

REF: JCS 02506 DTG 021840Z MAR 68 (S)

I. THE ASSESSMENT MENTIONED IN THE REFERENCE IS TO BE AS OF 29 FEB WITH ALL REPORTS TO BE IN FROM THE FIELD BY 8 MAR. EXPECT THIS DETAILED ASSESSMENT TO BE AVAILABLE 17 MAR. TO SATISFY YOUR IMMEDIATE REQUIREMENT THE FOLLOWING INTERIM REPORT IS FURNISHED.

II. PERSONNEL STATUS.

A. FOLLOWING DATA OBTAINED FROM JGS. REPLACEMENTS WERE FURNISHED TO UNITS LISTED DURING PERIOD 31 JAN - 29 FEB:

| (X) PERSONNEL LOSSES (KIA, WIA, MIA) | | REPLACEMENTS |
|--------------------------------------|------|--------------|
| AIRBORNE DIVISION | 1335 | 1639 |
| MARINE BRIGADE | 1031 | 407 |
| RANGERS | 992 | 3277 |
| 1ST DIVISION | 2611 | 2040 |
| 2D DIVISION | 432 | 499 |
| 5TH DIVISION | 403 | 754 |
| 7TH DIVISION | 721 | 556 |
| 9TH DIVISION | 530 | 797 |
| 18TH DIVISION | 181 | 879 |
| 21ST DIVISION | 605 | 1117 |
| 22D DIVISION | 217 | 587 |
| 23D DIVISION | 473 | 495 |
| 25TH DIVISION | 206 | 611 |
| 42D REGIMENT | 138 | 402 |
| 51ST REGIMENT | 234 | 368 |
| TOTAL | 9754 | 14,428 |

(X) PERSONNEL LOSSES ARE ONLY FOR THOSE REASONS INDICATED. NOT INCLUDED ARE SIGNIFICANT LOSSES INCURRED BY DESERTION AND DEATHS AS A RESULT OF ACCIDENTS, DISEASE, ECT. NO ESTIMATE AVAILABLE AT THIS TIME.

B. RF/PF UNIT STATUS BELOW REFLECTS INFORMATION FURNISHED BY ADVISORS IN EACH CTZ. DATA ARE NOT COMPLETE, BUT ARE BEST AVAILABLE AS OF 1 MAR.

XEROX FROM QUICK COPY

68

Pres file

68 MAR 4 AM 8:59

MONDAY

THE PACE OF ENEMY INCOMING SLACKENED YESTERDAY, PARALLELING ENEMY GROUND ACTIVITY, AS A COMPARATIVE LOW 157 ROUNDS OF MIXED ARTILLERY, ROCKET AND MORTAR ROUNDS FELL DURING THE PERIOD. INCIDENT TO THE DAY'S SHELLING, TWO FATALITIES WERE RECORDED, WITH INJURIES SUSTAINED BY AN ADDITIONAL 23 MARINES. A C-123 AIRCRAFT WAS DESTROYED WHEN STRUCK BY INCOMING MORTAR ROUNDS.

AT BORDERING INSTALLATIONS ALONG THE DMZ, ENEMY INCOMING FOLLOWED ITS NORMAL DISTRIBUTION. TWELVE ROUNDS OF MORTAR FELL AT CAMP CARROL INFLECTING INJURIES TO ONE MARINE. SIX MORTAR ROUNDS FELL AT CA LU. A RECONNAISSANCE TEAM OPERATING 10 KILOMETERS SOUTHEAST OF CAMP CARROLL RECEIVED FIVE ROUNDS OF MORTAR. SIX ROUNDS OF ARTILLERY FELL AT DONG HA. AT A-3 AND GIO LINH, SIX AND 34 ROUNDS OF ARTILLERY WERE RECEIVED RESPECTIVELY. THREE MARINES WERE INJURED FROM THE 3D BATTALION, 3D MARINES, POSITIONED AT A-3. ARVN UNITS AT A-1 RECEIVED 57 ROUNDS OF ARTILLERY. FINALLY, THE 3D BATTALION, 1ST MARINES IN OPERATION NAPOLEON/SALINE, RECEIVED 35 ROUNDS OF MIXED MORTAR AND ARTILLERY ROUNDS. DAMAGES ATTRIBUTED TO THE DAY'S SHELLING WERE MINIMAL.

GROUND CONTACTS IN NORTHEASTERN QUANG TRI PROVINCE ACCELERATED AS 3D BATTALION, 1ST MARINES, WHILE SWEEPING THROUGH MAI XA THI VILLAGE IN CONTACT THROUGHOUT THE DAY, UTILIZED TANKS, NAVAL GUNFIRE AND AIR STRIKES; AND KILLED 36 NORTH VIETNAMESE WHILE CAPTURING FOUR INDIVIDUAL AND THREE CREW SERVED WEAPONS. FRIENDLY CASUALTIES WERE LISTED AS 22 KILLED, 37 WOUNDED WITH SEVEN MISSING. IN LAI SON 187, AN ARVN BATTALION (1ST BATTALION, 1ST REGIMENT) ENGAGED A LARGE ENEMY FORCE SEVEN KILOMETERS NORTH-EAST OF DONG HA. WHEN CONTACT BROKE, 189 ENEMY BODIES WERE COUNTED WITH 32 INDIVIDUAL AND 14 CREW SERVED WEAPONS CAPTURED. ARVN LOSSES AMOUNTED TO SEVEN KILLED AND 24 WOUNDED.

AT 1159AM YESTERDAY, SIX NVA WERE KILLED EIGHT KILOMETERS NORTH OF GIO LINH IN THE DMZ BY AN ARTILLERY MISSION WHICH ALSO CAUSED SIX SECONDARY EXPLOSIONS. AT 1228PM YESTERDAY, A FORWARD OBSERVER WORKING WITH THE 2D BATTALION, 1ST MARINES, CONDUCTED A FIRE MISSION ON 50 NORTH VIETNAMESE ASSEMBLED IN THE OPEN 1000 METERS SOUTH OF A-3 RESULTING IN 20 NORTH VIETNAMESE KILLED. SEVEN ADDITIONAL NORTH VIETNAMESE WERE KILLED YESTERDAY AS A RESULT OF A FIRE MISSION ON NORTH VIETNAMESE IN THE OPEN THREE KILOMETERS SOUTH OF A-3. AT 4:45PM, A COMPANY, 3D BATTALION, 3D MARINES CAME IN CONTACT WITH AN UNKNOWN SIZE ENEMY FORCE TWO KILOMETERS WEST OF GIO LINH. INITIAL REPORTS INDICATE ONE MARINE WAS KILLED WITH ENEMY CASUALTIES UNKNOWN.

THE FOLLOWING EQUIPMENT WAS RECOVERED FROM THE ENEMY JUNK CAPTURED AT THE MOUTH OF THE CUA VIET: 44 INDIVIDUAL WEAPONS, 3600 ROUNDS OF SMALL ARMS, 210 KILOS OF TNT, 120 GRENADES, AND 126 ROUNDS OF MIXED MORTAR AND AMMUNITION. AT 11:00AM A SAMPAN WAS DISCOVERED BEACHED AT CUA VIET CONTAINING THE FOLLOWING SUPPLIES: 112 - 82MM

MORTAR ROUNDS, FOUR 75MM RR ROUNDS, 122 - 82MM MORTAR FUSES, 13 INDIVIDUAL WEAPONS, 633 KILOS OF TNT, 14 RPG-2 ROUNDS, AND 2880 ROUNDS OF SMALL ARMS AMMUNITION. OFF THE DMZ COAST YESTERDAY, THE USS HULL RECEIVED 12 ROUNDS OF ARTILLERY. THE CLOSEST ROUND LANDED 12 METERS OFF THE STARBOARD BOW. THERE WAS NO DAMAGE TO THE SHIP. FIRE WAS RETURNED AT THE ENEMY POSITION SILENCING THE ENEMY FIRE.

THERE WERE FOUR COFRAM MISSIONS FIRED DURING THE PERIOD, EXPENDING 54 ROUNDS, AND RESULTING IN 20 NORTH VIETNAMESE KILLED.

TACTICAL AIR SORTIES IN SUPPORT OF KHE SANH TOTALLED 219 FOR THE PERIOD. MARINE AIRCRAFT FLEW 83 SORTIES, PRODUCING THREE SECONDARY EXPLOSIONS AND THREE SECONDARY FIRES. THE AIR FORCE FLEW 77 SORTIES AND THE NAVY FLEW 59, REPORTING ONE BRIDGE DESTROYED, THREE SECONDARY EXPLOSIONS, 17 SECONDARY FIRES, FOUR BUNKERS DESTROYED, AND 13 ROAD CUTS. SIX ARC LIGHT STRIKES (35 SORTIES) WERE FLOWN IN THE NIAGARA AREA. PRELIMINARY BOMB DAMAGE REPORTS INDICATE FAVORABLE RESULTS. THREE OF THE STRIKES FLOWN WERE THE CLOSEST TO DATE TO FRIENDLY FORCES (1.2 KILOMETERS).

AIR RESUPPLY FOR THE REPORTING PERIOD AMOUNTED TO 99 SHORT TONS. HOWEVER, THE FUEL DROP LANDED OUTSIDE OF THE DROP ZONE AND WAS DESTROYED BY U.S. FORCES. THERE WAS ONE SHORT TON OF VEHICLES. THIRTY-ONE REPLACEMENTS WERE AIR-LANDED. RESUPPLY SORTIES TOTALLED 14 ON 1 MARCH. SIX C-130 AIRCRAFT COMPLETED FIVE AIR DROPS AND ONE LANDED AT THE AIRFIELD. EIGHT C-123 AIRCRAFT ALSO LANDED AT THE FIELD. HELICOPTER OPERATIONS WERE PREVENTED BY UNFAVORABLE WEATHER. THE GROUND COMMANDER REQUESTED THAT AIR DROPS BE CURTAILED SO MATERIAL RECEIVED DURING PRECEDING DAYS COULD BE HANDLED.

FOR THE NEXT PERIOD, 279 TACTICAL AIR SORTIES ARE SCHEDULED IN SUPPORT OF KHE SANH. A TOTAL SEVEN ARC LIGHT STRIKES ~~(42 SORTIES)~~ ARE SCHEDULED FOR THE NIAGARA AREA.

AS INDICATED, THE WEATHER WORSENEDED IN THE KHE SANH AREA. LOW CLOUDS AND FOG PERSISTED THROUGHOUT MOST OF THE DAY AT KHE SANH ON 1 MARCH AS CEILINGS LOWERED UNTIL NOON YESTERDAY WITH VISIBILITIES RESTRICTED FROM ONE-HALF TO TWO MILES. THE BEST CONDITIONS OF THE DAY WERE REPORTED BETWEEN NOON AND 3:00 PM WHEN CEILINGS RANGED FROM 600 TO 2000 FEET AND VISIBILITIES RANGED FROM TWO TO SIX MILES. CONDITIONS BEGAN DROPPING RAPIDLY AFTER 3:00 PM PRODUCING LOW CEILINGS AND VISIBILITIES DURING THE NIGHT AND EARLY ON 2 MARCH OF 200 TO 500 FEET AND ONE-QUARTER TO ONE-HALF MILE. THE FORECAST FOR THE PERIOD 2 - 3 MARCH IS FOR CONTINUED POOR TO MARGINAL CONDITIONS WITH THE BEST WEATHER OCCURRING AFTER 10:00 AM WHEN CEILINGS AND VISIBILITY ARE EXPECTED TO REACH 1000 FEET AND FOUR MILES. DETERIORATING CONDITIONS WILL AGAIN OCCUR AFTER 10:00 PM WHEN LOW CLOUDS AND FOG WILL FORM AND PERSIST INTO THE MORNING OF 3 MARCH.

1. THE KHE SANH DUMP AND AMMUNITION SUPPLY POINT (ASP) STATUS AS OF 8:30 P.M. MARCH 1 IS AS FOLLOWS:

| | | DAYS SUPPLY ON HAND | PREVIOUS STATUS 8:00 PM 29 FEB EST (9:00 AM 1 MAR SVN) |
|--|--|------------------------|--|
|--|--|------------------------|--|

| | | | |
|---------|--|----------|--------------------|
| CLASS I | (RATIONS) | | |
| | MEAL, COMBAT, INDIVIDUAL R RATIONS | 15 10 | 13 DAYS 10 DAYS |

| | | | |
|-----------|------------------------|-----|----------|
| CLASS III | (FUEL) | | |
| | AVIATION GAS (AVGAS) | 3 | 3 DAYS |
| | JP-4 FUEL (JET FUEL) | 8.3 | 7.5 DAYS |
| | MOTOR GASOLINE (MOGAS) | 9.3 | 8.7 DAYS |
| | DIESEL | 10 | 8.4 DAYS |

CLASS V (AMMUNITION)

A. HIGH EXPLOSIVE

| | | |
|-----------------|----|---------|
| 60-MM MORTAR | 44 | 44 DAYS |
| 81-MM MORTAR | 24 | 19 DAYS |
| 90-MM (TANK) | 92 | 92 DAYS |
| 4.2" MORTAR | 15 | 31 DAYS |
| 105-MM HOWITZER | 16 | 16 DAYS |
| 155-MM HOWITZER | 15 | 15 DAYS |

B. ANTI-TANK

| | ROUNDS ON HAND |
|---------------------------------|----------------|
| 90-MM HEAT | 1,359 |
| 66-MM ROCKET (LAW) | 2,343 |
| ANTI-TANK MINES (M-15) | 168 |
| ANTI-TANK MINES (M-19) | 668 |
| ANTI-TANK MINES (M-21) | 0 |
| 106-MM HEAT | 154 |
| 106-MM RECOILLESS RIFLE (HEP-T) | 726 |
| 106-MM BEEHIVE | 999 |
| 3.5" ROCKET | 946 |
| 90-MM AP-T | 329 |

| | DAYS SUPPLY ON HAND | PREVIOUS STATUS 8:00 PM 29 FEB EST (9:00 AM 1 MAR SVN) |
|------------------------|------------------------|--|
| CLASS V | | |
| (COFRAM) | | |
| 105-MM HOWITZER | 5 | 5 DAYS |
| 155-MM HOWITZER | 5 | 5 DAYS |
| 40-MM GRENADE LAUNCHER | 5 | 5 DAYS |
| HAND GRENADES | 10 | 10 DAYS |

2. ON 1 MARCH KHE SANH WAS RESUPPLIED WITH 99 TONS AS
FOLLOWS:

| | |
|-----------|---------|
| CLASS I | 29 TONS |
| CLASS II | 2 TONS |
| CLASS III | 16 TONS |
| CLASS IV | 8 TONS |
| CLASS V | 43 TONS |
| CLASS VII | 1 TON |

JTG: 021445Z MAR 63

XEROX FROM QUICK COPY

ACTION

69

**Sunday, March 3, 1968
12:00 noon**

Mr. President:

**Herewith your Chairman of the
Task Force on Communications Policy
requests permission to add a repre-
sentative of HUD to the group.**

Pres file

W. W. Rostow

Agreed_____

No_____

Call me_____

WWRostow:rla

69a

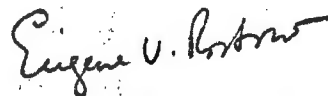
UNDER SECRETARY OF STATE
FOR POLITICAL AFFAIRS
WASHINGTON

March 2, 1968

Dear Mr. President,

In our work on your Task Force on Communications Policy, we have found it valuable to consult on a number of occasions with the Department of Housing and Urban Development on matters relating to communications policy problems arising in the urban environment. Officials of HUD have been helpful in assisting us in this matter and indeed have offered to provide financial support for an outside research project of mutual benefit both to HUD and to the Task Force. In view of the importance of our work to their mission, and their expressed interest in participating in this work, ~~it~~ consider it desirable to add Undersecretary Robert Wood of HUD to the membership of the Task Force in order that this Department can be directly represented on these matters.

Respectfully yours,



Eugene V. Rostow

The President,
The White House.

70

~~CONFIDENTIAL~~

March 3, 1968

Pro file

CAP80640

FROM WALT ROSTOW

FOR THE PRESIDENT

North Koreans have called for a meeting at 11:00 a.m. March 4 their time, which is 9:00 p.m. tonight our time.

We shall, therefore, know where we are tomorrow with respect to our pretty rock-bottom proposals made at the last session.

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-250
By CB, NARA Date 11-3-97

WWRostow:rlh

~~CONFIDENTIAL~~

March 3, 1968

Fall President From Walter Rostow
Herewith Sec. Rusk and Sec. Clifford 700
propose a statement in San Antonio
They feel strongly it should not be explicitly withdrawn

CAPG
WH 80642

Last September I said in San Antonio that we would stop all aerial and naval bombardment of North Viet-Nam when this would lead promptly to productive discussions. I added that we, of course, assumed that while discussions proceed, North Viet-Nam would not take advantage of the bombing cessation or limitation.

Last September that seemed to me to be about as reasonable and fair an approach to peace in Viet-Nam as anyone could possibly find. Events since September have made it clear that the San Antonio formula has met the same fate as have dozens upon dozens of other proposals made in many quarters over the past few years looking toward peace in Southeast Asia.

Hanoi has categorically rejected what I suggested at San Antonio both in words and in deeds. Private explorations have produced a negative result. North Vietnamese and Viet Cong forces in South Viet-Nam launched a broad offensive during the Tet holidays against the cities and their civilian populations. Since September ^{additionally} major North Vietnamese units have been concentrated in South Viet-Nam, particularly in the area near the DMZ. The purpose of the attacks on the cities was not peace in accordance with existing international agreements but the subjection of South Viet-Nam by force. Their ^{initial} effort failed and no one of the cities or towns which they attacked remains in their hands. But they appear determined to maintain ~~that~~ what they call their winter - spring offensive.

These events require us to take the longest and hardest look at the basis for peace in Southeast Asia. Surely it must include respect for the political independence and neutrality of Cambodia. Surely it must include complete compliance by all parties with the Geneva Accords of 1962 on Laos. Surely it must include the absence of hostilities between North Viet-Nam and South Viet-Nam, the restoration of the demilitarization of the DMZ and the settlement of any outstanding problems by peaceful means. We would welcome any effort by any government or group of governments to help move Southeast Asia toward peace. The obstacle will not be the United States nor the South Vietnamese, nor the Laotians, nor the Cambodians. We call upon the authorities in Hanoi to recognize the responsibility they bear for the present violence in Southeast Asia and to take serious steps toward peace in the interest of their own people and in accordance with the concern of the rest of the world.

*the right of
the people of
South Viet-nam
peacefully
to exercise
their right
to self-
determination*

Surely it must include

In answer to a specific question: Does this mean the withdrawal of the San Antonio formula? - It is suggested that the following reply be given:

We are not withdrawing any of the many proposals we have made nor our acceptances of proposals made by others. We must report that Hanoi has rejected them and that what they say must be weighed against what they do.

~~SECRET~~ 71

~~SECRET~~

March 2, 1968

CAP 80634

FROM WALT ROSTOW

FOR THE PRESIDENT

Herewith an Ambassador thanks you -- a rare event.

"You have dealt me good hand. I promise to play it well.

God bless. Oehlert"

Pres file

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-250
By cb, NARA Date 11-3-97

~~SECRET~~

~~SECRET~~

~~SECRET~~

VZCZC44Z084
OO WTE16 RAMEY AFB PUERTO RICO
DE WTE 948

FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAP80633

1968 MAR 2 23 26

~~SECRET~~

MARCH 2, 1968

72
MAR 2 PM 6:39
SATURDAY
Pres file

HEREWITH HUSSEIN THANKS YOU AND ASKS US TO LEAN ON THE ISRAELIS.

1. FOLLOWING IS TEXT OF LETTER DATED MARCH 2, 1968, ADDRESSED TO PRESIDENT JOHNSON BY KING HUSSEIN:

2. QUOTE

DEAR MR. PRESIDENT: I AM GRATEFUL FOR YOUR PERSONAL MESSAGE WHICH PRECEDED THE RETURN OF GENERAL KHAMMASH FROM HIS VISIT TO WASHINGTON.

3. OUR TWO COUNTRIES HAVE INDEED ENJOYED A WARM, CLOSE AND MUTUALLY BENEFICIAL RELATIONSHIP FOR A LONG PERIOD OF TIME, AND I AM PLEASED TO RECEIVE YOUR ASSURANCES THAT IT IS IN THE UNITED STATES POLICY AND INTEREST TO CONTINUE THIS RELATIONSHIP WITH US AND THAT THE STRAINS AND PROBLEMS CREATED BY THE JUNE WAR HAVE NOT ALTERED THE UNITED STATES FUNDAMENTAL POLICY TOWARDS JORDAN.

4. THE ARMS PACKAGE, WHICH GENERAL KHAMMASH BROUGHT US IN ANSWER TO OUR REQUEST AND WHICH WAS AIMED AT MEETING OUR LEGITIMATE ARMS REQUIREMENTS, DID INDEED MANIFEST A STRONG REAFFIRMATION OF YOUR SUPPORT. WE, AND IN THE FACE OF THE ENORMITY OF THE PROBLEMS THAT CONFRONT US, HAVE EVERY HOPE THAT THIS PACKAGE, WITH SOME SLIGHT MODIFICATIONS, CAN FINALLY BE AGREED UPON, TO ENABLE US TO OVERCOME THE CURRENT PROBLEMS.

DECLASSIFIED

Authority ERUS 44-68, vol. 20 #79

By JK, NARA, Date 12-18-09

5. AS FOR YOUR UNALTERED AND FIRM RESOLVE TO EXTEND FULL DIPLOMATIC AND POLITICAL SUPPORT TO AMBASSADOR JARRING TO REACH A JUST AND DURABLE SETTLEMENT IN THE MIDDLE EAST, I CAN ASSURE YOU, MR. PRESIDENT, THAT WE HAVE EXTREMELY HIGH HOPES THAT THIS VALUABLE SUPPORT MAY ENABLE AMBASSADOR JARRING TO MAKE PROGRESS IN THE PURSUIT OF HIS MISSION. HOWEVER, I REGRET TO INFORM YOU, MR. PRESIDENT, THAT I HAVE BECOME EXTREMELY DISHEARTENED BY WHAT APPEARS TO BE LACK OF GENUINE INTEREST IN A JUST AND DURABLE PEACE BY THE ISRAELIS. IT IS UNFORTUNATE THAT THEIR VICTORY SHOULD DIRECT THEM TO FOLLOW A VERY NARROW AND SHORT-SIGHTED APPROACH. FOR THOUGH THE ISRAELIS HAVE WON A BATTLE THEY SEEM UNABLE TO APPRECIATE THE FACT THAT THEY HAVE NOT WON A WAR. THIS IS MANIFESTED IN THEIR LACK OF CLARITY OVER THE ACCEPTANCE OF THE SECURITY COUNCIL'S RESOLUTION UNDER THE MANDATE OF WHICH AMBASSADOR JARRING IS PURSUING HIS MISSION. IN THEIR ARBITRARY ACTIONS IN DEFIANCE OF A SEMI-UNANIMOUS UNITED NATIONS RESOLUTION ON JERUSALEM. IN THEIR CONTINUING ACTIONS AIMING AT MAJOR ALTERATIONS IN THE CITY WHICH, AS YOU WELL-KNOW, MR. PRESIDENT, DOES NOT BELONG TO US ALONE BUT TO ALL ARABS AND MUSLIMS WHO HAVE ENJOYED THE PRIVILEGE OF BEING THE PROUD CUSTODIANS OF THE HOLY PLACES WITHIN IT SINCE THE TIME OF THE KHALIFA OMAR, OVER THIRTEEN CENTURIES AGO; IN COMPELLING THOUSANDS UPON THOUSANDS OF PEOPLE TO CONTINUE TO LEAVE THE AREAS ACQUIRED BY ISRAEL THROUGH AGGRESSION AND TO FLEE IN THE FACE OF TERROR AND PERSECUTION, THUS ADDING AN UNIMAGINABLE STRAIN TO THE ALREADY HEAVY BURDENS WHICH WE SHOULDER; AND FINALLY IN THEIR MOST RECENT DECISION TO ALTER THE STATUS AND EVEN THE NAME OF THE OCCUPIED WEST BANK, THUS DEALING A SEVERE BLOW TO THE JARRING MISSION AND ANY CHANCE OF ITS SUCCESS. SUCH ACTIONS DO NOT CREATE AN ATMOSPHERE CONDUCTIVE TO THE LAYING OF FOUNDATIONS FOR A JUST AND DURABLE PEACE AND ARE IN DEFIANCE OF THE UNITED NATIONS THROUGH WHICH ISRAEL WAS CREATED, AND WHICH HAS REPEATEDLY CALLED UPON ISRAEL TO RESPECT THE RIGHTS OF THE PEOPLE SHE PERSECUTED AND TO PERMIT THEM TO RETURN TO THEIR HOMES AND LAND.

~~SECRET~~

~~SECRET~~

6. FURTHERMORE, ISRAEL HAS PERSISTED IN THE USE OF BRUTAL FORCE AND HAS CONSTANTLY ATTACKED OUR PEOPLE ON THE EAST BANK OF JORDAN, INFLECTING HEAVY LOSSES OF LIFE AND PROPERTY. HER RIDICULOUS AND TOTALLY INCOMPREHENSIBLE EXCUSE FOR DOING ALL THIS IS THAT I AM NOT FULFILLING MY SO-CALLED DUTY OF ENSURING THE SAFETY AND SECURITY OF HER FORCES WHICH OCCUPY A GOOD PORTION OF MY COUNTRY. ISRAEL SEEMS UNWILLING TO UNDERSTAND THAT SO LONG AS SHE REMAINS IN SUCH OCCUPATION SHE WILL BE MET BY MOUNTING RESISTANCE BY THE PEOPLE UNDER OCCUPATION AND WHO ARE VICTIMS OF HER AGGRESSION. THE SUM TOTAL OF ALL THIS IS A GREAT TRAGEDY FOR PEACE AND FOR THOSE WHO BELIEVE THAT A JUST, HONOURABLE AND DURABLE PEACE CAN AND MUST EXIST IN THIS AREA, AND A GROWING REALIZATION THAT THE CHANCE OF ACHIEVING SUCH A PEACE WHICH, IN MY OPINION, IS THE FIRST AND LAST SUCH CHANCE, MAY BE LOST TO ALL FOREVER.

7. I HOPE MY READINGS ARE WRONG, ALTHOUGH WHAT I LIVE AND SEE MAKES ME TEND TO BELIEVE THAT I AM RIGHT. I AM CONFIDENT THAT YOU, MR. PRESIDENT, WILL SPARE NO EFFORT TO ENSURE THAT SUCH A CHANCE IS NOT LOST.

8. I MUST CONFESS, MR. PRESIDENT, THAT PATIENT AND OPTIMISTIC AS I AM, I AM BEGINNING TO HAVE SOME DOUBTS ABOUT THE WISDOM OF CONTINUING TO BE SO.

9. I WISH YOU, SIR, THE VERY BEST IN SURMOUNTING THE MANY DIFFICULTIES THAT YOU FACE AS LEADER OF ONE OF THE WORLD'S GREATEST POWERS THROUGHOUT THIS CRITICAL PERIOD IN THE HISTORY OF MANKIND. I WISH TO SHARE WITH YOU, MR. PRESIDENT, YOUR CONFIDENCE THAT WE CAN SOLVE OUR PROBLEMS AND OBTAIN THE OBJECTIVE WE BOTH SO FERVENTLY DESIRE-A PEACEFUL MIDDLE EAST IN WHICH A UNITED JORDAN CAN CONTINUE TO PLAY ITS HISTORIC ROLE.

10. WITH MY BEST REGARDS. (SIGNED) HUSSEIN

END QUOTE

DTG 022227Z MAR 9168

~~SECRET~~

~~SECRET~~

73

1968 MAR 2 16 42

DECLASSIFIED

024 001
00 WTE17
DE WTE 943

Authority OSD 1-3-79
By up/ly, NARA, Date 3-3-92

FROM: WALT ROSTOW
TO : THE PRESIDENT
CITE: CAP88629

Pres file

~~SECRET~~

MARCH 2, 1968

68 MAR 2 AM 11:48

SENT
SATURDAY

HERewith KHE SANH -- I CORPS REPORT:

- POOR WEATHER;
- ONLY 99 TONS DELIVERED;
- CONSIDERABLE BUT NOT MAJOR GROUND CONTACTS.

TEXT FOLLOWS:

THIS IS REPORT NUMBER TWENTY-SEVEN ON THE SITUATION IN THE KHE SANH/DMZ AREA AND COVERS THE 24 HOUR PERIOD, MARCH 1, 1968.

WEATHER CONDITIONS YESTERDAY AT KHE SANH WERE LESS THAN OPTIMUM AS PROHIBITIVELY LOW CEILING AND FOG OCCURRED THROUGH MUCH OF THE DAY. ALTHOUGH VISUAL FIXED WING SUPPORT WAS NOT POSSIBLE, EFFECTIVE RADAR CONTROL AND COMBAT SKY SPOT SORTIES WERE FLOWN. RESUPPLY AIRCRAFT OFFLOADED ONLY 99 SHORT TONS OF SUPPLIES AND EQUIPMENT.

ALTHOUGH FIXED WING STRIKES WERE AFFECTED BY THE WEATHER, ARTILLERY BATTERIES EXPENDED A TOTAL OF 1562 ROUNDS ON KNOWN AND SUSPECTED ENEMY TARGETS WITH GOOD TARGET COVERAGE. ENEMY ACTIVITY THROUGHOUT THE PERIOD WAS GENERALLY LIGHT WITH SCATTERED ENEMY NIGHT-TIME MOVEMENTS DETECTED BY ACTIVATED TRIP FLARES. SPECIFICALLY, DURING THE PERIOD, ENEMY ACTIVITIES CONSISTED OF SMALL PROBES AND HARRASSING FIRES. AT 3:00AM YESTERDAY, D COMPANY, 1ST BATTALION, 9TH MARINES, HEARD MOVEMENT OUTSIDE ITS WIRE; ILLUMINATION WAS FIRED REVEALING FOUR NORTH VIETNAMESE RUNNING AWAY. ONE WAS KILLED AS A RESULT OF SMALL ARMS FIRE. IN A LATE REPORT, AS A RESULT OF THE ENEMY PROBE AT POSITIONS OCCUPIED BY THE 37TH ARVN RANGERS, IN ADDITION TO SEVEN ENEMY KILLED BY RANGER ELEMENTS, 63 NORTH VIETNAMESE BODIES WERE FOUND AT FIRST LIGHT ATTRIBUTED TO ARTILLERY MISSIONS. AT 8:05PM YESTERDAY, THE MARINES OBSERVED TROOPS WITH LIGHTS MOVING FIVE KILOMETERS NORTHWEST OF KHE SANH. ARTILLERY AND MORTAR MISSIONS FIRED WITH GOOD TARGET COVERAGE.

| CTZ | NUMBER OF REPORTING RF COMPANIES | AVERAGE PRESENT FOR DUTY STR |
|---------------|-------------------------------------|---|
| I | 136 | 111 |
| II | 224 | 96 |
| III | 214 | 91 |
| IV | 335 | 96 |
| TOTAL COS 909 | | OVERALL AVERAGE PFD STRENGTH 99 (AUTH - 123) |

| CTZ | NUMBER OF REPORTING PF PLTS | AVERAGE PRESENT FOR DUTY STR |
|------------------|--------------------------------|--|
| I | 713 | 31 |
| II | 1,050 | 25 |
| III | 761 | 31 |
| IV | 1,844 | 30 |
| TOTAL PLTS 4,365 | | OVERALL AVERAGE PFD STRENGTH 29 (AUTH - 35) |

C. THERE DOES NOT APPEAR TO BE ANY VN AIR FORCE UNIT WHICH HAS HAD ITS CAPABILITY SEVERELY TAXED AS A RESULT OF PERSONNEL LOSSES.

D. PERSONNEL ESTIMATES BY JGS AT THE END OF FEB, USING THE BEST INFORMATION AVAILABLE, INDICATES THAT PERSONNEL REQUIREMENTS THROUGH THE END OF FY68 CAN BE SATISFIED. THE LARGE NUMBER OF REPLACEMENTS FURNISHED DURING FEB REFLECT THE EXTRAORDINARY STEPS TAKEN BY GVN TO MEET THE CURRENT SITUATION. THESE STEPS INCLUDE: RECALL OF RESERVISTS, ACCELERATION OF TRAINING CYCLES, AMNESTY PROGRAMS AND INTENSIFIED ROUND-UP PROGRAMS FOR DESERTERS AND DRAFT-EVADERS, RESTORATION TO DUTY OF DESERTER-LABORERS AND SELECTED MILITARY PRISON. THE GVN MOBILIZATION DIRECTOR IS CONFIDENT THAT HE CAN MEET FORESEEABLE MANPOWER DEMANDS THROUGH CY68.

III. OPERATIONAL STATUS.

A. DURING YOUR RECENT VISIT TO MACV YOU WERE PROVIDED WITH DATA REGARDING THE EFFECTIVENESS OF THE 155 RVNAF MANEUVER BATTALIONS. AN UPDATE BASED ON THE LATEST AVAILABLE INFORMATION FOLLOWS:

| CTZ | ASSIGNED | | COMBAT EFFECTIVE | | COMBAT INEFFECTIVE | |
|-------|----------|-------|------------------|-------|--------------------|-------|
| | 19 FEB | 1 MAR | 19 FEB | 1 MAR | 19 FEB | 1 MAR |
| I | 34 | 34 | 20 | 24 | 14 | 10 |
| II | 26 | 26 | 22 | 26 | 4 | 0 |
| III | 56 | 55 | 36 | 48 | 20 | 7 |
| IV | 39 | 40 | 20 | 20 | 19 | 20 |
| TOTAL | 155 | 155 | 98 | 118 | 57 | 37 |

THIS INDICATES A CONCERTED EFFORT ON THE PART OF JGS TO BRING UNITS UP TO EFFECTIVE FIGHTING STRENGTH AS RAPIDLY AS POSSIBLE.

B. DETAILED FIELD EVALUATIONS OF INFANTRY UNITS' PERFORMANCES DURING THE TET OFFENSIVE ARE NOT YET COMPLETE; HOWEVER OVERALL REPORTS INDICATE SATISFACTORY PERFORMANCE.

VC. THE AIRBORNE DIVISION HAS SUFFERED A SIGNIFICANT NUMBER OF CASUALTIES AMONG ITS OFFICERS AND NCO'S, BUT IS CONSIDERED TO BE COMBAT EFFECTIVE. STEPS ARE BEING TAKEN TO OVERCOME THE LEADERSHIP DEFICIENCY AS RAPIDLY AS POSSIBLE.

D. THE MARINE BRIGADE'S COMBAT EFFECTIVENESS IS CONSIDERED VERY GOOD.

IV. TRAINING BASE STATUS.

A. THE PRIMARY IMPACT OF THE TET OFFENSIVE ON THE RVNAF TRAINING BASE WAS THE CESSATION OF TRAINING FOR TWO WEEKS. ON 11 FEB CENTRAL TRAINING COMMAND/JOINT GENERAL STAFF (CTC/JGS) DIRECTED ALL TRAINING ACTIVITY RESUME IMMEDIATELY UNLESS PREVENTED BY TACTICAL CONSIDERATION.

B. OF THE NINE CTC CONTROLLED TRAINING CENTERS, SEVEN HAVE RESUMED TRAINING. ONE WAS DAMAGED SEVERELY AND IS SCHEDULED TO RESUME TRAINING ON 4 MAR 68 WITH A SMALLER CAPACITY.

C. SEVENTEEN OF 24 SCHOOLS HAVE RESUMED FULL OR PART-TIME TRAINING. THE REMAINING SEVEN WILL RESUME TRAINING UPON RECEIPT OF PERSONNEL AND REDUCTION OF SECURITY MISSIONS.

D. THREE OF TEN DIVISION TRAINING CENTERS (DTC'S) ARE TRAINING. A NEW MISSION TO TRAIN RECRUITS HAS BEEN GIVEN THE DTC'S, AND ALL ARE SCHEDULED TO BE TRAINING THEM BY 18 MAR 68.

E. EIGHT OF 37 POPULAR FORCE TRAINING CENTERS (PFTC) HAVE RESUMED TRAINING. ONE PFTC WAS DESTROYED AND THE REMAINING 28 WILL RESUME TRAINING UPON RECEIPT OF INDIVIDUALS/UNITS.

F. AIRBORNE TRAINING IS CONDUCTED IN A COMBINATION OF CTC CONTROLLED TRAINING CENTERS AND THE AIRBORNE DIVISION JUMP SCHOOL. THESE ACTIVITIES HAVE RETURNED TO NORMAL.

G. THE AIR FORCE AND MARINES EACH HAVE ONE TRAINING CENTER AND THEY HAVE RESUMED NORMAL OPERATION.

H. NAVAL TRAINING IS CONDUCTED IN THREE TRAINING CENTERS; TWO ARE IN OPERATION AND THE THIRD WILL RESUME TRAINING ON 4 MAR 68.

I. CIVILIAN IRREGULAR DEFENSE GROUP (CIDG) TRAINING IS CONDUCTED IN FIVE CENTERS AND ALL ARE CONDUCTING NORMAL TRAINING.

J. MODIFICATIONS TO TRAINING PROGRAMS HAVE BEEN MADE AND EXPEDIENT METHODS EMPLOYED TO INSURE A CONTINUOUS FLOW OF TRAINED PERSONNEL. ASSUMING NO INCREASE IN ENEMY ACTIVITY, THE RVNAF TRAINING BASE CAN ACCOMPLISH THE TRAINING PROGRAMMED FOR CY68.

V. LOGISTICS STATUS.

A. DURING THE TET OFFENSIVE THE RVNAF LOGISTICS SYSTEM OPERATED SATISFACTORILY. THE MAJOR ITEMS OF RVNAF EQUIPMENT REPORTED AS DESTROYED OR SEVERELY DAMAGED ARE AS SHOWN BELOW. THESE FIGURES (AS OF 28 FEB 68) DO NOT INCLUDE EQUIPMENT LOSSES SUSTAINED IN THE HUE AREA.

| ITEM | DESTROYED | SEVERELY DAMAGED (X) |
|--------------------------------|-----------|----------------------|
| M113 ARMORED PERSONNEL CARRIER | 32 | 32 |
| V100 COMMANDO CAR | 5 | 3 |
| M41 TANK | 14 | 10 |
| 1/4 TON TRUCK, UTILITY | 32 | 29 |
| 1 TON TRUCK, CARGO | 30 | 29 |
| 2 1/2 TON TRUCK, CARGO | 52 | 108 |
| M101A1 105MM HOWITZER | 3 | 0 |
| M114A1 155MM HOWITZER | 3 | 0 |
| MORTAR, 60MM | 63 | 0 |
| RECOILLESS RIFLE, 57MM | 8 | 0 |
| H34 HELICOPTER | 5 | 1 |
| B1 AIRCRAFT | 4 | 0 |
| A1 AIRCRAFT | 8 | 0 |
| C47 AIRCRAFT | 1 | 1 |
| C119 AIRCRAFT | 1 | 1 |
| U17 AIRCRAFT | 1 | 0 |

(X) 50 PERCENT ESTIMATED REPAIRABLE.

B. THE ON-HAND STATUS OF INDIVIDUAL AND CREW-SERVED WEAPONS (EXCEPT AS NOTED ABOVE) INDICATES NO SERIOUS LOSSES.

VI. COMMUNICATIONS-ELECTRONICS.

A. ARVN LONG DISTANCE FIXED AREA RADIO COMMUNICATIONS WERE VIRTUALLY UNAFFECTED BY THE RECENT TET OFFENSIVE. LOCAL CABLE AND WIRE COMMUNICATIONS SUFFERED MOST HEAVILY. SEVERAL COURSES OF ACTION HAVE BEEN INITIATED TO MINIMIZE FUTURE DAMAGE OF THIS NATURE. COMMUNICATIONS OF IMMEDIATE INTEREST TO DIVISION AND LOWER TACTICAL COMMANDERS SUFFERED LESS THAN FIVE PERCENT OVERALL COUNTRY-WIDE LOSSES. THESE LOSSES ARE NOT UNIFORMLY DISTRIBUTED THROUGHOUT RVN, BUT ARE CONCENTRATED IN UNITS MOST HEAVILY ENGAGED, SUCH AS THE 1ST ARVN DIV, WHERE SIGNIFICANT LOSSES IN PORTABLE RADIOS WERE INFLECTED.

B. THE VNN C-E CAPABILITY TO CONDUCT SUSTAINED OPERATIONS WAS NOT AFFECTED BY THE TET OFFENSIVE OR THE POST-TET ATTACKS.

C. THE VNAF C-E OPERATIONAL CAPABILITIES REMAINED INTACT THROUGHOUT THE TET OFFENSIVE. THE EFFECT OF THE DESTRUCTION OF THE VNAF C-E STORAGE FACILITY AT BIEN HOA HAS NOT YET BEEN EVALUATED.

WARM REGARDS.

~~SECRET~~

DTG: 041241Z MAR 68

XEROX FROM QUICK COPY

74

Pre file
SENT
SATURDAY

68 MAR 2 AM 9:27

1968 MAR 2 14 21

~~CONFIDENTIAL~~

WMZ 086

OO WTE 15
DE WTE 939

FROM: WALT ROSTOW
TO : THE PRESIDENT
CITE: CAP80628

~~CONFIDENTIAL~~

MARCH 2, 1968

ON PRESENT PLANS BOB KOMER LEAVES ON THURSDAY MORNING.

HE WOULD LIKE TO SEE YOU BRIEFLY, IF IT IS CONVENIENT
AND YOU WISH TO SEE HIM.

HE IS AVAILABLE ON MONDAY AND WEDNESDAY. TUESDAY HE WILL
VISIT FAMILY IN ST. LOUIS.

WILL SEE KOMER MONDAY

WEDNESDAY

NO

CALL ME

DTG: 02/1359Z MAR 68

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By ig, NARA, Date 3-2-92

~~CONFIDENTIAL~~

75

~~SECRET~~

VWZ 005
OO WTE 15
DE WTE 938

1968 MAR 2 14 12

FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAP80627

~~SECRET~~

MARCH 2, 1968

YOU SHOULD KNOW: THERE IS CONSIDERABLE INTELLIGENCE THAT MAJOR ENEMY ATTACKS MAY BEGIN ON THE MORNING OF MARCH 3 (THIS AFTERNOON OUR TIME), THE ANNIVERSARY OF THE FOUNDING OF THE VIETNAMESE COMMUNIST PARTY.

THE WESTERN HIGHLANDS IS THE MOST LIKELY (DAK TO, KONTUM, PLEIKU); BUT KHE SANH AND OTHER AREAS COULD BE INVOLVED.

DTG: 021358Z MAR 68

~~SECRET~~

Profile
SECRET
SATURDAY
68 MAR 2 AM 9:17

DECLASSIFIED

Authority OSD 10-6-78, NSC 8-14-80
By JK/12, NARA, Date 3-3-92

~~SECRET~~

1968 MAR 2 22 42

MAR 2 PM 5:49
SATURDAY
Pres file

VZCZCWWZ003
 OO WTE16 RAMEY AFB PUERTO RICO
 DE WTE 949

FROM WALT ROSTOW
 TO THE PRESIDENT
 CITE CAP83634

~~SECRET~~

MARCH 2, 1968.

HEREWITH AN AMBASSADOR THANKS YOU -- A RARE EVENT.

"YOU HAVE DEALT ME GOOD HAND. I PROMISE TO PLAY
 IT WELL. GOD BLESS. OEHLERT."

~~SECRET~~

TG: 022228Z MAR 68

DECLASSIFIED
 E.O. 12958, Sec. 3.6
 NLJ 96-250
 By cb, NARA Date 11-3-97

ACTION

77

**Saturday, March 2, 1968
9:30 a.m.**

Pres file

Mr. President:

**Herewith Sec. Rusk suggests
that you address and attend the
reception for the National Foreign
Policy Conference for Editors and
Broadcasters, April 15-16.**

W. W. Rostow

WWRostow:rla

THE SECRETARY OF STATE
WASHINGTON

836
77a

March 1, 1968

MEMORANDUM FOR THE PRESIDENT

Subject: Conference and Reception for Editors and
Broadcasters, April 15-16, 1968

Recommendation

That you address our National Foreign Policy Conference for Editors and Broadcasters in the Department at a time convenient to you, either Monday, April 15 or Tuesday morning, April 16, and attend my reception for these media executives on April 15, 5:30 - 7:00 p.m.

Will _____ Unable _____ address conference

Preferred time _____ Date _____

Will _____ Unable _____ attend reception

Background

One of our regular public affairs activities each spring is a National Foreign Policy Conference for editors and broadcasters from the fifty states and Puerto Rico. Many New York and Washington newsmen attend, and it is especially popular with broadcasters and the daily and periodical press outside of these metropolitan centers. Many of them have told us that this opportunity to discuss foreign policy directly with the responsible Washington officials adds new and valuable perspective to their reporting.

I hope very much that you will participate this April. The time of your appearance on the program can

-2-

of course be arranged to suit your convenience.
You may want to consider the closing address at
11:30 a.m. April 16.

I also hope you will attend a reception I
am holding on the eighth floor for these guests
of the Department on Monday evening.

Dean Rusk

Dean Rusk

APR 16 1964

RECEIVED
APR 16 1964

THE SECRETARY OF STATE
WASHINGTON

77b

March 1, 1968

You are cordially invited to attend the Department of State Foreign Policy Conference for Editors and Broadcasters to be held on Monday and Tuesday, April 15 and 16.

The conference will deal with current issues and perspectives of U.S. foreign policy. Our guests will have an opportunity to discuss these matters in some detail with senior Department officers during plenary and round table sessions. The program will open the morning of April 15 and conclude at about noon on April 16. I hope you will also join us for a reception on our eighth floor Monday evening, April 15.

Enclosed are the provisional program and conference registration form. Should you need any further information, our Office of Public Services will be glad to assist you. You can write or phone (area code 202 - DU 3-5765). If you cannot be with us in April you may wish to designate someone in your organization to take your place.

I hope we have the pleasure of seeing you at the conference.

Sincerely yours,



Dean Rusk

Enclosures:

1. Provisional program
2. Registration card

VZCZCHWZ002
CO NTE1
DE NTE 925

FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAP80618

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-272
By *ing*, NARA, Date *12-2-94*

78

~~CONFIDENTIAL~~

1968 MAR 1 21 23

~~CONFIDENTIAL~~

MARCH 1, 1968

Pres file

MEMORANDUM FOR THE PRESIDENT:

SUBJECT: BILL BOVDLER'S SHORT REPORT ON COVEY
OLIVER'S TRIP TO VENEZUELA, BOLIVIA, PERU
AND COLOMBIA

THE TRIP WAS A HIGHLY SUCCESSFUL VENTURE FROM THE STANDPOINT OF PUBLIC RELATIONS AND PERSONAL CONTACTS. ON THE SUBSTANTIVE SIDE, COVEY ACHIEVED A CONSIDERABLE MEASURE OF UNDERSTANDING OF THE NEED FOR COOPERATIVE ACTION TO MEET A CRISIS SITUATION IN HAITI AND FOR A NEW MECHANISM FOR DISCUSSING AND DEFINING LATIN AMERICA'S MILITARY ROLE AND EQUIPMENT NEEDS. COVEY WAS UNABLE, HOWEVER, TO GET PRESIDENT BELAUNDE TO REDUCE MILITARY EXPENDITURES BY ANY MEANINGFUL AMOUNT OR TO POSTPONE PURCHASE OF UNNECESSARY MILITARY EQUIPMENT. COVEY WILL BE SENDING YOU A FULL REPORT. HERE ARE THE HIGHLIGHTS:

68 MAR 1 PM 4:27

SENT
FRIDAY

THE TRIP WAS A HIGHLY SUCCESSFUL VENTURE FROM THE STANDPOINT OF PUBLIC RELATIONS AND PERSONAL CONTACTS. ON THE SUBSTANTIVE SIDE, COVEY ACHIEVED A CONSIDERABLE MEASURE OF UNDERSTANDING OF THE NEED FOR COOPERATIVE ACTION TO MEET A CRISIS SITUATION IN HAITI AND FOR A NEW MECHANISM FOR DISCUSSING AND DEFINING LATIN AMERICA'S MILITARY ROLE AND EQUIPMENT NEEDS. COVEY WAS UNABLE, HOWEVER, TO GET PRESIDENT BELAUNDE TO REDUCE MILITARY EXPENDITURES BY ANY MEANINGFUL AMOUNT OR TO POSTPONE PURCHASE OF UNNECESSARY MILITARY EQUIPMENT. COVEY WILL BE SENDING YOU A FULL REPORT. HERE ARE THE HIGHLIGHTS:

INTER-AMERICAN CULTURAL CONFERENCE.

THE MEETING APPROVED PROGRAMS TO CARRY OUT THE SUMMIT DIRECTIVES IN EDUCATION, SCIENCE AND TECHNOLOGY. THE LATIN AMERICANS PLEDGED SUFFICIENT FUNDS TO FINANCE, WITH OUR MATCHING CONTRIBUTION, A \$15-MILLION EFFORT THE FIRST YEAR.

VENEZUELA

PRESIDENT LEONI WOULD LIKE TO VISIT WASHINGTON, BUT IT SEEMS DOUBTFUL THAT HE CAN DO SO THIS YEAR.

THE SECURITY FORCES HAVE MADE GREAT STRIDES IN THE PAST FOUR YEARS WITH OUR HELP. I VISITED THE POLICE CENTRAL COMMAND CENTER AND THE ARMED FORCES JOINT OPERATIONS CENTER AND WAS IMPRESSED BY THEIR ORGANIZATION AND SKILL. THE TEN VENEZUELAN RANGER BATTALIONS, FOR WHICH YOU AUTHORIZED FAST DELIVERY OF EQUIPMENT, ARE ALL IN THE FIELD. INSURGENCY HAS NOT BEEN ELIMINATED BUT IS AT ONE OF ITS LOWEST POINTS IN YEARS.

BOLIVIA

THE VISIT GAVE PRESIDENT BARRIENTOS A BOOST AND US THE OPPORTUNITY TO EXAMINE BOLIVIA'S ECONOMIC SITUATION AT FIRST HAND. THE ECONOMIC OUTLOOK IS GENERALLY GOOD, BUT BARRIENTOS FACES A TEMPORARY BUDGET PROBLEM RESULTING LARGELY FROM INCREASED EXPENDITURES FROM THE COUNTER-GUERRILLA EFFORT AND THE DROP IN TIN PRICES. HE IS PREPARED TO TRIM HIS BUDGET AND IMPOSE NEW REVENUE MEASURES BUT STILL NEEDS MODEST ASSISTANCE FROM US.

LIQUIDATION OF THE GUEVARA GUERRILLAS HAS GIVEN THE BOLIVIANS PRIDE AND MUCH NEEDED SELF-CONFIDENCE. THE SECURITY SITUATION LOOKS REASONABLY GOOD. I WAS IMPRESSED BY DEDICATION AND QUALITY OF OUR COUNTRY TEAM IN LA PAZ. THE AID MISSION IS PARTICULARLY IMPRESSIVE.

PERU

COVEY DID NOT GET VERY FAR WITH PRESIDENT BELAUNDE ON REDUCING THE SHARE OF THE BUDGET FOR MILITARY EXPENDITURES OR POSTPONING THE ACQUISITION OF ADDITIONAL MILITARY EQUIPMENT. BELAUNDE IS THE PRISONER OF A STRONG-MINDED MILITARY, AN OPPOSITION-CONTROLLED CONGRESS BENT ON CARRYING THE MILITARY'S FAVOR AND HIS OWN WEAKNESS AS A POLITICAL LEADER. PERU IS ONE CASE WHERE SYMINGTON-CONTE-LONG AMENDMENTS CLEARLY APPLY. BUT THIS WOULD PROBABLY PROVOKE A CRISIS OF CONFIDENCE IN PERU WHICH WOULD END UP WITH THE MILITARY OUSTING BELAUNDE. RATHER THAN MAKE A FORMAL FINDING OF APPLICABILITY, IT IS BETTER TO TURN THE FAUCET ON BILATERAL ASSISTANCE TO A TRICKLE.

DESPITE OUR PROBLEMS ON AID, IT IS EVIDENT THAT THERE IS VITALITY IN THE PERUVIAN ECONOMY. CONTROL OF INSURGENCY IS GOOD. THESE FACTORS MAKE PERUVIANS PASS OFF OUR CURTAILMENT OF AID WITH A SHRUG OF THE SHOULDERS.

COLOMBIA

PRESIDENT LLERAS WAS PLEASED TO GET YOUR INVITATION TO MAKE A VISIT. HE ACCEPTS, LEAVING THE DATES TO BE WORKED OUT. FROM HIS CONVERSATION WITH COVEY OLIVER AND WHAT WE KNOW OF LLERAS' PERFORMANCE DURING THE PAST 18 MONTHS, IT IS CLEAR THAT LLERAS IS A RARE COMBINATION--FOR LATIN AMERICA--OF GOOD EXECUTIVE, SMART POLITICIAN, KNOWLEDGABLE ECONOMIST, AND STATESMAN WITH A BROAD GRASP OF HEMISPHERIC AND WORLD PROBLEMS. HE IS GETTING THE COLOMBIAN ECONOMY BACK ON ITS FEET. WITH A SMART MIX OF FORCE AND ECONOMIC ASSISTANCE HE IS MAKING STEADY HEADWAY IN CURBING INSURGENCY.

WILLIAM G. BOWDLER

DTG: 012012Z MAR 68

~~CONFIDENTIAL~~

79

Pres. file

INFORMATION

~~CONFIDENTIAL~~

Friday, March 1, 1968 - 3:10 pm

Mr. President:

Herewith Bill Bowdler's short
report on Covey Oliver's trip to Latin
America -- key passages marked.

W. W. Rostow

~~CONFIDENTIAL~~

WWRostow:rlm

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By ag, NARA, Date 3-2-92

79:

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-272

~~CONFIDENTIAL~~

By , NARA, Date 12-2-94 March 1, 1968

MEMORANDUM FOR THE PRESIDENT:

SUBJECT: Covey Oliver's Trip to Venezuela, Bolivia, Peru and Colombia

The trip was a highly successful venture from the standpoint of public relations and personal contacts. On the substantive side, Covey achieved a considerable measure of understanding of the need for cooperative action to meet a crisis situation in Haiti and for a new mechanism for discussing and defining Latin America's military role and equipment needs. Covey was unable, however, to get President Belaunde to reduce military expenditures by any meaningful amount or to postpone purchase of unnecessary military equipment. Covey will be sending you a full report. Here are the highlights:

Inter-American Cultural Conference.

The meeting approved programs to carry out the Summit directives in education, science and technology. The Latin Americans pledged sufficient funds to finance, with our matching contribution, a \$16- million effort the first year.

Venezuela

President Leoni would like to visit Washington, but it seems doubtful that he can do so this year.

The security forces have made great strides in the past four years with our help. I visited the police Central Command Center and the Armed Forces Joint Operations Center and was impressed by their organization and skill. The ten Venezuelan Ranger Battalions, for which you authorized fast delivery of equipment, are all in the field. Insurgency has not been eliminated but is at one of its lowest points in years.

Bolivia

The visit gave President Barrientos a boost and us the opportunity to examine Bolivia's economic situation at first hand. The economic outlook is generally good, but Barrientos faces a temporary budget problem resulting largely from increased expenditures from the counter-guerrilla effort and the drop in tin prices. He is prepared to trim his

~~CONFIDENTIAL~~

~~CONFIDENTIAL~~

- 2 -

budget and impose new revenue measures but still needs modest assistance from us.

Liquidation of the Guevara guerrillas has given the Bolivians pride and much needed self-confidence. The security situation looks reasonably good. I was impressed by dedication and quality of our country team in La Paz. The AID Mission is particularly impressive.

Peru

Covey did not get very far with President Belaunde on reducing the share of the budget for military expenditures or postponing the acquisition of additional military equipment. Belaunde is the prisoner of a strong-minded military, an opposition-controlled Congress bent on currying the military's favor and his own weakness as a political leader. Peru is one case where the Symington-Conte-Long amendments clearly apply. But this would probably provoke a crisis of confidence in Peru which would end up with the military ousting Belaunde. Rather than make a formal finding of applicability, it is better to turn the faucet on bilateral assistance to a trickle.

Despite our problems on aid, it is evident that there is vitality in the Peruvian economy. Control of insurgency is good. These factors make Peruvians pass off our curtailment of aid with a shrug of the shoulders.

Colombia

President Lleras was pleased to get your invitation to make a visit. He accepts, leaving the dates to be worked out. From his conversation with Covey Oliver and what we know of Lleras' performance during the past 18 months, it is clear that Lleras is a rare combination -- for Latin America -- of good executive, smart politician, knowledgeable economist, and statesman with a broad grasp of hemispheric and world problems. He is getting the Colombian economy back on its feet. With a smart mix of force and economic assistance he is making steady headway in curbing insurgency.

William G. Bowdler

~~CONFIDENTIAL~~

80

INFORMATION

~~TOP SECRET~~

Friday, March 1, 1968 - 10:15am

Mr. President:

Pres file

Herewith Gen. Wheeler requests that we let Gen. Westmoreland report by telephone once a week, unless the "situation heats up."

The substantive news indicates progress on Route 1 and (attachment) that artillery fire out of Khe Sanh is having some considerable attritional effect on the enemy.

Gen Wheeler's recommendation okay____
No____
See me____

W. W. Rostow

~~TOP SECRET~~

CM-3066-68
1 March 1968

DECLASSIFIED

Authority 77286-146

By isp/ry, NARA, Date 3-3-92



~~TOP SECRET~~

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

800

CM-3066-68
1 March 1968

DECLASSIFIED

Authority *77L9 86-148*
By *cap/ig*, NARA, Date *3-3-9*

MEMORANDUM FOR THE PRESIDENT

SUBJ: Telephone Conversation with General Westmoreland

1. You have already received General Westmoreland's 26th report on the Khe Sanh/DMZ area. Also I call your attention to the Presidential operational/intelligence brief of this date which contains the latest information received from Headquarters MACV.

2. I talked to General Westmoreland on the secure telephone at 0810 hours this morning. He had only two items of significance beyond the reports contained in the operational/intelligence brief. These were:

a. Yesterday two truck convoys made the journey from Da Nang to Phu Bai; one convoy returned to Da Nang. Also, Highway 1 is open for traffic from Phu Bai to Dong Ha. In other words, Highway 1 is now open all the way from Da Nang to Dong Ha. Pertinent to trafficability is the fact that truck traffic across the Perfume River at Hue passes over a one-way flooring on the railroad bridge.

b. Among the crew of two junks loaded with ammunition which were captured on the Cua Viet River were six North Vietnamese. These men stated under questioning that they had been pressed into service in order to move ammunition to the DMZ area.

3. A review of telephone conversations with General Westmoreland and the reports now being received by the NMCC lead me to the belief that the telephone conversations are redundant at this time. Therefore, I recommend that these daily contacts with General Westmoreland be suspended for the time being. Of course, if the situation heats up again I will resume at once these daily telephone contacts. I request your approval of the foregoing recommendation.

Earle G. Wheeler

EARLE G. WHEELER

Chairman

Joint Chiefs of Staff

P.S. See attached

memo for late item on Khe Sanh

~~TOP SECRET~~

cy 1 of copies

~~SECRET~~



THE JOINT STAFF

THE NATIONAL MILITARY COMMAND CENTER
WASHINGTON, D.C. 20301

806

1 March 1968
0855 EST

MEMORANDUM FOR THE RECORD

Subject: News Release Regarding an Attack by 500 NVA
on Khe Sanh (AP-45, 0628 EST 1 Mar 68)

1. The attack did take place about 291500 EST February (010400 March, SVN time) against the 37th ARVN Ranger Battalion at Khe Sanh. The number of enemy conducting the attack is unknown. The enemy made several probes with platoon-size forces.
2. Seven NVN soldiers were killed on the wire. A search of the battle area immediately to the front of the ARVN Ranger Battalion position revealed 60 enemy dead in fighting holes where they had been killed by friendly artillery. There were no friendly casualties reported.
3. MACV continues to refine this information.

Marshall B. Garth
MARSHALL B. GARTH
Brigadier General, USA
Deputy Director for
Operations (NMCC)

Distribution:

WHITE HOUSE SIT RM

SEC STATE

SECDEF

DEP SECDEF

OSD/ISA

OSD/PA

OSD/IL

CJCS (3)

DJS (3)

SAMAA

SASM

SACSA

J-30

J-31

J-32

J-33

JRC

J-4

J-5 (2)

J-6

AWR

NFP

AFCP

NCCC

DDO

ADDO

CCOC

PAC DIV

PAC DESK

DIA REP

CIA REP

NSA REP

STATE REP

PA REP

SECRET

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Authority 72-9-86-748
By reply, NARA, Date 3-3-92

INFORMATION

~~SECRET~~*Pres file*

Friday, March 1, 1968 -- 9:30 a.m.

Mr. President:

Good weather at Khe Sanh permitted:

- excellent bombing;
- 2565 friendly rounds of artillery and mortar fire, well targeted;
- 303 tons of re-supply.

Weather prospects remain pretty good for the next few days.

W. W. Rostow

Text of cable from Gen Westmoreland
26 on situation in Khe Sanh/DMZ

WWRostow:rlm

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DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By lg, NARA, Date 3-26-92

DECLASSIFIED
E.O. 12356, Sec. 3.3
DA Memo. Jan. 5, 1988
By lg, NARA, Date 3-26-92

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Friday, March 1, 1968, 8:55 AM

TEXT OF CABLE FROM GENERAL WESTMORELAND

This is report number twenty-six on the situation in the Khe Sanh/DMZ area and covers the 24-hour period of February 29, 1968.

For the third consecutive day, optimum weather conditions existed in Khe Sanh. Mild south-easterly winds, scattered cloud conditions and daytime visibility recorded up to 10 miles provided excellent flying conditions for fixed and rotary wing aircraft. Resupply aircraft landed, offloaded slightly over 300 tons of supplies and equipment, and left under sporadic small arms fire. Neither damage to aircraft nor injuries to personnel were reported.

Much of the significant activity yesterday involved air observers, as controlled fixed wing strikes accounted for several secondary explosions, and five enemy weapons positions destroyed or damaged. Successful air strikes against the North Vietnamese Army in the open claimed additional enemy killed. Accurate target information made it possible for supporting arms to expend 2565 rounds of mixed artillery and mortar on enemy positions with excellent results. Good weather conditions facilitated observation of missions.

Specifically during the reporting period, enemy activity was reduced in the area as 195 rounds of mixed artillery, rocket and mortar rounds impacted in the area of Khe Sanh. During the shelling 14 Marines were wounded, three of whom required medical evacuation.

There were several small unit skirmishes throughout the day. In a report at 3:25 AM, Marines observed an active mortar position 2 1/2 kilometers southeast of Hill 881. An artillery mission was fired with excellent target coverage, causing two secondary explosions. At 9:30 AM an mortar mission was fired on five to seven North Vietnamese Army 1800 meters north of Khe Sanh with undetermined results. An early morning Air Observer debrief indicated that an active rocket and mortar position 2000 meters northeast of Khe Sanh was hit by an air strike. Preliminary reports indicate that the 10 North Vietnamese Army manning the position were killed. At 9:30 AM an air

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E.O. 12356, Sec. 3.3
DA Memo, Jan. 5, 1988
By ng NARA, Date 3-26-92

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E.O. 12356, Sec. 3.3
AF Guide, SEA Records, 4/1/88
By ng NARA, Date 3-26-92

strike conducted on an enemy position south of Hill 881 (south) caused a secondary explosion. At 11:45 AM a fire mission on an active enemy machine gun site 2000 meters east northeast of Khe Sanh resulted in one North Vietnamese Army killed. Three fixed wing runs were conducted eight kilometers north of Khe Sanh destroying seven bunkers and killing two enemy. An air observer on station eight kilometers north northeast of Khe Sanh spotted approximately 75 North Vietnamese Army moving east northeast. Three fixed wing assaults were conducted with results unknown at this time. Consecutive air strikes conducted on active mortar positions six to seven kilometers northeast of Hill 881 resulted in four North Vietnamese army killed and the destruction of a mortar tube.

At 8:10 PM a perimeter defense outpost at Khe Sanh experienced a light enemy probe at their wire which resulted in six North Vietnamese Army killed while no friendly casualties were recorded. A similar probe took place at the east end of the runway at 9:45; probe was ended by the 37th ARVN Rangers as seven North Vietnamese Army were killed. Considerable movement was observed three kilometers east of Hill 881 (south) with indications of an enemy assembly area. An artillery mission was fired with undetermined results. At 1:50 AM another enemy probe was recorded at positions held by ARVN Rangers. All available support was rendered with results undetermined at this time.

Other than early morning fog recorded this morning in the Khe Sanh area, the 48 and 72 hour forecasts indicate continued good weather conditions will prevail indicating optimum flying conditions and accurate observed fire missions.

Elsewhere in northern Quang Tri Province, incoming artillery, rocket and mortar rounds comprised major enemy activity. Ten rounds of mortar fell at Camp Carroll wounding five Marines. Thirty-three artillery rounds fell at C-2. Two Marines were wounded at A-3 as 32 rounds of artillery fell during the day. Eight artillery rounds struck at Dong Ha. At Con Thien 37 mortar rounds fell during the reporting period. No materiel damages were recorded during the day resulting from the day's shelling.

Ground contacts in northern First Corps consisted primarily of minor unit contacts with one significant encounter reported. In an all day contact, the Marines at C-2 in coordination with ARVN elements, conducted sweeping operations within the air observer. Utilizing tanks, ONTOs and artillery and accounting for 34 North Vietnamese Army killed. Another Cua

Viet convoy was attacked yesterday as one landing craft received a direct hit resulting in one friendly killed and one wounded. Gunships reacted quickly and expended all rocket and ammunition aboard at enemy firing positions. Coastal surveillance craft captured one junk off mouth of Cua Viet with six Viet Cong aboard, along with arms and ammunition. Enemy activity spread seaward during the period as the USS Newport News had seven rounds of incoming hit 50 - 75 yards from the ship. There was no damage to the ship.

There were 26 rounds of COFRAM fired in three missions, resulting in 19 enemy killed.

During the period there were 363 tactical air sorties flown in support of Khe Sanh. Marine aircraft flew a full effort of 134 sorties, delivering 334 tons of ordnance. Bomb damage included six secondary explosions, six secondary fires, 10 bunkers destroyed; one mortar position and rocket position destroyed, and 15 North Vietnamese Army killed. The Air Force flew 131 sorties and the Navy flew 98 sorties, reporting 13 secondary explosions, 30 secondary fires, six trucks destroyed, six military structures destroyed, and 12 bunkers destroyed. Seven ARC LIGHT strikes (42 sorties) were flown in the Niagara area. Three preplanned targets were changed to close-in support (less than three kilometers) of the Khe Sanh Combat Base because of a threat to friendly forces. Results of these strikes are as yet undetermined.

As mentioned previously, air resupply to Khe Sanh for the period amounted to 303 short tons. In addition, 41 replacements were air-landed. Sorties totaled 39 on February 29. Fifteen C-130 aircraft completed ten air-drops and five completed delivery, one by air-drop, while six landed. Seventeen Marine helicopters delivered passengers and cargo.

For the next period 274 tactical air sorties are planned for the support of Khe Sanh. Six ARC LIGHT strikes (36 sorties) are planned for the Niagara area.

INFORMATION

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Friday, March 1, 1968
8:00 a.m.

Pres file

Mr. President:

Herewith Ayub reports:

- a good recovery;
- no travel abroad;
- his thanks to the President and Mrs. Johnson.

W. W. Rostow

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DECLASSIFIED
White House Guidelines, Feb. 24, 1983
By *Phg*, NARA, Date *6/25/96*

WWRostow:rln



Department of State

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TELEGRAM

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ACTION SS 30

INFO /030 W

R 291200Z FEB 68
FM AMCONSUL LAHORE
TO SEVSTATE WASHDC 4034
INFO AMEMBASSY RAWALPINDI 1297

~~SECRET~~ LAHORE 3807

EXDIS

FROM AMBASSADOR

REF: RAWALPINDI 3542

I HAVE RECEIVED FOLLOWING MESSAGE DATED FEBRUARY 27, FROM FIDA HASSAN, ADVISER TO PRESIDENT AYUB:
QUOTE MANY THANKS FOR YOUR LETTER DATED FEBRUARY 23 CONVEYING THE TRANSCRIPT OF A TELEGRAM FROM THE WHITE HOUSE IN REGARD TO THE PRESIDENT'S MEDICAL CHECK-UP IN USA.

~~PAGE 2 RUCYOM 3807 SECRET~~

THE PRESIDENT IS VERY GRATEFUL FOR THE KIND OFFER OF PRESIDENT JOHNSON FOR ANY FACILITIES THAT MAY BE REQUIRED HERE AND ALSO FOR HIS POSSIBLE MEDICAL CHECK-UP IN USA.

AS YOU MAY HAVE SEEN THE LATEST BULLETIN, THE PRESIDENT HAS MADE GOOD RECOVERY AND IS NOW CONVALESCING VERY SATISFACTORILY. IN THESE CIRCUMSTANCES, WHILE VERY MUCH APPRECIATING THE KINDNESS OF PRESIDENT JOHNSON, THE PRESIDENT FEELS THAT HE WOULD GET VERY BUSY AFTER HE RESUMES HIS NORMAL DUTIES AND MAY NOT HAVE THE TIME TO GO ABROAD FOR A MEDICAL CHECK-UP FOR THE PRESENT.

I WOULD REQUEST YOU TO KINDLY CONVEY THE PRESIDENT'S GRATEFUL THANKS TO PRESIDENT JOHNSON FOR HIS KIND MESSAGE AND ALSO FOR HIS GOOD WISHES AND THAT OF MRS. JOHNSON.

THE PRESIDENT WOULD BE VERY GLAD IF YOU KINDLY CONVEY HIS WARMEST PERSONAL REGARDS TO PRESIDENT JOHNSON AND MRS. JOHNSON.
UNQUOTE ADAMS

~~SECRET~~

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