

INFORMATION

~~TOP SECRET~~

Wednesday, March 27, 1968
4:35 p.m.

Pres file

Mr. President:

Herewith Amb. Lodge clarifies
and submits the text of his views on
Vietnam.

W. W. Rostow

~~TOP SECRET~~

WWRostow:rla

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E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By rg, NARA, Date 4-19-82



DEPARTMENT OF STATE
WASHINGTON

March 27, 1968

~~TOP SECRET - NODIS~~

Dear Mr. President:

In the hope that it will be helpful, I enclose a copy of the statement which I made in the Cabinet room yesterday afternoon.

I am as strongly opposed to "disengagement" as I have ever been -- and this is total. But, as the paper tries to indicate, I favor a different emphasis in the use of U. S. power with less stress on the "war of attrition" and more stress on organizing South Vietnamese society so that it becomes truly competitive with North Viet-Nam society.

I do not even, as was alleged by Bob Murphy, favor abandonment of "search and destroy" raids since there may be occasions when such raids will be advisable in order to protect the population which we will be seeking to organize.

It is organization of the population (with ferreting out of the hard core terrorists as its prime feature) and not ~~of~~ the "war of attrition" which, under the terms of my proposal, would be the main effort.

I hope you feel, as I do, that real progress was made yesterday in bringing our strategy up to date with all the latest realities. It is something which must be done in all wars.

With warm and respectful regard,

Faithfully yours,


Henry Cabot Lodge

The President of the United States
The White House

~~TOP SECRET - NODIS~~

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Authority State Ex 5/7/79

By isphg, NARA, Date 4-3-92

~~TOP SECRET~~

PROPOSAL BY H. C. LODGE
March 26, 1968

DECLASSIFIED

Authority State ltr 5/7/79
By isp/18, NARA, Date 4-3-92

I believe that urgent consideration be given to a shift of emphasis away from "search and destroy" and the "war of attrition," in which a purely military victory appears to be, I believe, the unattainable goal, towards a strategy of using military power as a shield behind which South Vietnamese society would be organized as effectively as North Vietnamese society is organized. This last would be done by intensive and repeated scourings--that is "comb-out" by police-type methods, precinct by precinct, block by block, house by house and farm by farm, much as was done by General Massu in Algiers and which is set forth in David Galula's book "Counter Insurgency Warfare."

Less stress on "search and destroy" would mean fewer casualties (U.S. and Vietnamese), less destruction, fewer refugees, less ill will, and more public support at home.

More stress on organization of South Vietnamese society would make South Vietnamese truly competitive with Communism--not just on the conventional battlefield, but in every aspect of life. For a precinct to be thus thoroughly organized would be a durable accomplishment, however limited in scope. It would end the "safe haven" for the infiltrator in that precinct. It would be putting first things first--putting the egg in the cake before putting on the frosting.

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Such a goal in effect admits that a quick solution is not to be expected.

If we had focused our past effort on population organization rather than on search and destroy, we would, I believe, undoubtedly have been less badly hurt by the Tet raids.

U.S. force increases, therefore, should be in numbers sufficient only to enable us to keep faith with our troops in exposed position, as in Khe Sanh, and not to continue the past emphasis on "search and destroy."

~~TOP SECRET~~

INFORMATION

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Wednesday, March 27, 1968
4:30 p. m.

Pres file

Mr. President:

You may be interested in this evaluation of the effects of the Tet offensive, done by Dr. Dan, a distinguished Vietnamese political figure and a man quite independent of the government.

I am querying Saigon to see if we cannot get it released for the Congressional Record; meanwhile, using it on a background basis.

W. W. Rostow

A-473

WWRostow:rla

AIRGRAM

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A-473
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HANDLING INDICATOR

TO : Department of State

INFO : Amembassies BANGKOK, VIENTIANE; Amconsulate, DANANG; CINCPAC

ALOR 17

CINCPAC FOR POLAD

FROM : Amembassy SAIGON

SUBJECT : Dr. Phan Quang Dan Assesses Post-Tet Situation

REF :

RECEIVED
DEPARTMENT OF STATE
MAR 25 8 26 AM 1968

RS/AN
ANALYSIS BRANCH
DATE: March 21, 1968

Transmitted as an enclosure to this airgram is an assessment of the Viet Cong attacks and their aftermath, prepared by Dr. Phan Quang Dan. Dr. Dan gave his paper to Embassy Officers on March 14 for presentation to the Ambassador and Political Counselor. In an attached note, Dan expressed the view that, after having read a great many American reports on recent events, "you might be interested in glancing through the enclosed paper by a Vietnamese."

Dr. Dan gives a generally optimistic interpretation of the Tet offensive and the present situation. However, he faults the GVN for "lowering its guard" at Tet, understandable though that might be on the basis of past experience. Dan also expressed concern that the allied intelligence apparatus, operating without "popular participation" was unable to detect Communist planning. The absence of popular participation, mass organization, also made it difficult to dislodge Communist guerrillas after they had infiltrated population centers, "causing greater destruction than needed." However, despite severe losses inflicted by the Communists, it is "highly erroneous to conclude that the Communists have scored a major victory, that they are growing stronger, and that the fight for freedom in Viet-Nam is doomed to failure." The Tet offensive was in fact "the worst defeat the Communists have ever experienced," much worse than that suffered by the Viet Minh in their January 1951 push against French positions in the Red River Delta, when they lost only 6,000 dead. Dan notes with satisfaction the good performance of ARVN and National Police, and the absence of popular support for the Communists. In addition, "the political situation in South Viet-Nam remained surprisingly orderly and stable" in the wake of the Communist attacks; "the legality of the constitutionally elected government was contested by nobody," and "there was widespread realization that national unity should crystalize

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Drafted

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around the constitutional government."

Dan asserts that there is a "tremendous opportunity to turn a temporary military success into a decisive political victory if it is forcefully seized upon by the South Vietnamese government to move forward fast, reorganize the ARVN and the administration, wipe out corruption, carry out sweeping land reforms, mobilize active popular participation and achieve national unity."

Dan draws the following conclusions from the Tet offensive:

1) The Viet Cong are growing weaker, and played only a secondary role in the offensive.

2) North Vietnamese forces "have been moving steadfastly into the center of the stage to replace the VC," they are invading South Viet-Nam, while allied forces continue to respect the boundaries. "Opinions might differ on the propriety of such a policy. The good will and restraint of Washington and Saigon cannot, however, be doubted."

3) The nature of the war has changed to a more conventional form. Communists realize they cannot fight a protracted war because of "economic ruin in North Viet-Nam and the political bankruptcy of the Viet Cong in South Viet-Nam."

4) The allied response to Tet attacks, borne primarily by GVN and US forces but with effective help from other allies as well, was reassuring. Proven effectiveness of this alliance constitutes "a major diplomatic achievement."


5) "South Viet-Nam, with all its weaknesses, is emerging from the Lunar New Year storm as a definitely viable state with a basically loyal army and police and a population firmly committed to freedom."

Finally,

6) People of South Viet-Nam want peace, but are determined to resist Communist enslavement.

In aftermath of Tet offensive they are skeptical of "hints at peace casually made at cocktail parties and echoed by their minor diplomats, which are no more than "soap bubbles, while overt (Communist) aggression weighed like rocks." Dan hopes that "after a few more unsuccessful military ventures, Hanoi will realize that aggression no longer pays and will consent to sit down to the conference table to discuss future relationships between the two Viet-Nams."

BUNKER 

Enclosure: "Assessing Viet Cong Attacks",
by Dr. Phan Quang Dan 

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Gia Dinh, March 9, 1968

ASSESSING VIET CONG ATTACKS

By Phan Quang Dan

The Communist general offensive on the Lunar New Year truce devastated 36 population centers throughout South Vietnam. 6,000 civilians were killed, another 11,000 wounded. Over 60,000 houses and many hospitals and schools were damaged, 20% of them beyond repair. Relief centers overflowed with 560,000 refugees. These were the latest official figures. While the number of civilian casualties must be higher, the Communists practicing wholesale murders sparing neither women nor children, the number of refugees will decrease greatly because many families who rushed to the refugee centers for security reasons will soon return to their homes untouched by the fight, order being gradually restored.

The task of recovery is at any rate enormous and imposes new burdens on South Vietnam. It is also feared that while the South Vietnamese government is devoting all its time and energies to the rebuilding of the cities, the Communists driven back to the countryside might regain control of the villages from which they had been ousted over the past two years. Rural pacification already impaired by the Communist massacre of a yet undetermined number of civil servants and cadres would then suffer a major setback.

Several basic weaknesses on the allied side allowed the Communists to stage their murderous assault.

The undeniable military and political successes achieved since 1966 had generated a marked euphoria among the higher ranks of the South Vietnamese administration. Consequently the temptation was strong to relax and enjoy spring as the Lunar New Year approached. The week preceding this New Year of the Monkey was celebrated in an unprecedented orgy of firecrackers. In that rejoicing atmosphere the South Vietnamese army and police lowered their guard; over half were on home leaves; those on duty joined the general merrymaking. They were not to blame, Tet being to the Vietnamese what Christmas is to the Americans, and the Tet truce having been respected by all sides concerned even in the worst days of the war against France and

the Communists having themselves proposed this time an unusually long seven-day truce. However, the South Vietnamese government should have been more vigilant and realized from past experiences that Communist promises and offers are not to be taken at face value. Their over-confidence and unguarded good faith opened the door to Communist massive infiltration into the cities.

Months before the Communist onslaught there were rumors that the cities might soon be invaded. At the same time the Communists, who had failed to score modest victories by attacking isolated posts such as Dakto in the Highlands and were losing control of the countryside, showed signs that they were groping for a new strategy. They started to launch commando attacks on minor district capitals in provinces as wide apart as Thua Thien on the Perfume River and Bien Hoa on the Dong Nai River. There were plenty of straws in the wind presaging that some unusual event was in the making. Yet the South Vietnamese and their allies were not informed on the scope and timing of the Communist plot. No arm caches were discovered, no Communist conspirators arrested, no important documents captured which would have unveiled the enemy's designs. The South Vietnamese and allied intelligence services were well organized and resourceful. There was however a conspicuous absence of popular participation, and professional agents, no matter how well trained, operating without that important political factor, can be compared to diligent ants which might circle assiduously a coconut in all directions and yet will have the most serious difficulties to learn what goes inside.

This absence of mass organization to support the allied troops was the major weakness of an otherwise powerful war machine. The Communists were thus free to plot in great secrecy and attack at the time and place of their choosing.

This absence of popular participation made it also difficult to dislodge Communist guerrillas after they succeeded to infiltrate population centers. The allies not knowing with accuracy the enemy's strength and whereabouts had to resort to heavy shelling and bombing over large areas in order to wipe out even small units of Communist invaders, causing greater destruction than needed.

The South Vietnamese people were stunned by the Communist blow. It was however easy to anticipate that not unlike ripples in a lake hit by a stone, which widen and sharpen with distance, the emotional shock in the United States may be stronger. A similar though reverse situation happened when American war protesters staged street demonstrations from

coast to coast culminating last October in a spectacular march on the Pentagon. Reaction in Vietnam was out of proportion with what took place in the United States. While Vietnamese Nationalists grew worried Communists and fellow-travellers exuberated, convinced that impassioned deprecations in New York streets got the upper hand over responsible debate in the Capitol, that the American people had lost their will to resist aggression and that any further war escalation by Hanoi and the National Liberation Front would force the Americans out of Vietnam and of Southeast Asia in a matter of months. Such estimates based on newspapers' sensational headlines and oversimplified facts were of course far wide of the mark.

It is true that the Communist offensive has inflicted severe human and material losses on South Vietnam and that the new Republic is afflicted with serious weaknesses. It would be, however, highly erroneous to conclude that the Communists have scored a major victory, that they are growing stronger and that the fight for freedom in Vietnam is doomed to failure.

The allied troops rapidly regained control of all cities in a matter of days or hours, except for Hue, the old imperial capital, which was invaded by large units of the North Vietnamese Army and was liberated in late February after infinite precautions were taken to safeguard to the maximum its historic monuments and cultural treasures.

It was officially estimated that 51,000 Communists died in the attacks and that another 7,000 were made prisoners. Allowing for inevitable inflation since it was not altogether easy to tell Communists, especially when unarmed, from ordinary civilians, those figures drastically reduced down to half would still represent terrific losses from which it would be hard for the enemy to recover. The price paid by the Communists was much higher than bare figures suggested, the losses including many of their best experienced and most intrepid fighters decimated to the last man in suicidal missions like the attacks on the Independence Palace, the American Embassy or Saigon Radio Station.

By contrast, allied casualties were 6,000 dead, 2/3 of them South Vietnamese, 1/3 Americans along with other allied soldiers. It was the worst defeat the Communists have ever experienced, much worse than the heaviest defeat they suffered in the 1946-1954 Indochina War, in Vinh Yen at the northern tip of the Red River Delta in January 1951 when Vo Nguyen Giap launched Operation Hoang Hoa Tham against De Lattre De Tassigny's troops and lost 6,000 dead and 500 captured.

As more detailed reports were received from the provinces, the overall picture of the Tet battle emerged more clearly. All the 36 population centers attacked were provincial capitals. 8 of them were lightly shelled without being invaded. Most of the others were partly seized for a few days. In the northernmost province of Quang Tri which had been submitted to previous Communist sporadic attacks the South Vietnamese army and police were on the alert and repelled the North Vietnamese invaders in no time. Only Hue and Kien Hoa fell under complete Communist control. It took one week to recapture Kien Hoa and three weeks to recapture Hue. But Kien Hoa has been a strong center of Communist agitation since 1940 and Hue, close to the Demilitarized Zone, has been consistently hostile to the Saigon administration ever since the Buddhist revolt of 1963.

No district capital was attacked. The countryside was quiet. And during the first week of Communist assault highways were unusually free throughout South Vietnam. The Communist general offensive amounted to a flurry of simultaneous raids on provincial cities. The districts and villages were left unruffled, sketching out the limits of Communist strength and capabilities.

There was also overwhelming evidence that a large percentage of the invaders were North Vietnamese recently infiltrated into South Vietnam through Laos and Cambodia, some of them not knowing the names of the cities where they were operating. The native Viet Cong were mostly teen-agers, often under 15. North Vietnamese and Viet Cong attackers all came from outside the cities. They were told by their leaders that little fighting would have to be done, that it would be a triumphal march with the South Vietnamese army joining them spontaneously and the population acclaiming them as liberators in a nationwide popular uprising. The Saigon government would flee away and the Americans would have no alternative left but to pack and go.

Communist certitude of victory was so absolute that no precautions anywhere were taken for an eventual retreat. It was also noteworthy that Hanoi had celebrated the Lunar New Year one day ahead of the traditional calendar and that the Viet Cong delegate in Moscow had announced by the end of January that a Communist led coalition government would soon be set up in Saigon.

The Communist wild speculations were not without a basis. In recent past, popular uprisings overthrew the dictatorial regime of Ngo Dinh Diem in November 1963 and later on brought the downfall of three other governments. The present Saigon regime was bitterly

criticized both at home and abroad for inefficiency and corruption. Influential Vietnamese and American politicians persistently voiced pessimism regarding its viability. It all added up to the impression that South Vietnam was a rotten fruit about to fall. The Communists by throwing 60,000 invaders into a surprise assault on the most vital population centers would create more turmoil than needed to wreck such a shaky regime.

Facts, however, offered the most brutal denial to Communist predictions. The South Vietnamese army and police fought back bravely and well and in many instances they fought alone without American assistance. There was not a single unit surrendering or going over to the enemy, even when overwhelmed in numbers and fire power. Rumors repeatedly echoed in the international press that the South Vietnamese army and police were badly Communist infiltrated were thus proved to be grossly exaggerated.

Small groups of sympathizers in Hue and Dalat gave assistance to the raiders by feeding and guiding them. But there was no popular uprising, no peasant revolt in the villages, no city worker revolt in the factories. No Communist flags were raised by the population. The few red flags flying over Hue were hoisted by the invaders themselves. People either locked themselves indoors or fled away from the attackers; there were even instances of their fighting the Communists with knives and sticks.

In the wake of the Communist offensive the political situation in South Vietnam remained surprisingly orderly and stable. In the past 25 years, under comparable dramatic circumstances, whether after the Japanese coup in March 1945, the signature of the Geneva Agreements in July 1954 or the overthrow of Ngo Dinh Diem in November 1963, the country was plunged into a chaotic situation with political groups mushrooming by the hundreds and bitterly contending for power. This time the legality of the constitutionally elected government was contested by nobody. There was instead widespread realization that national unity should crystallize around the constitutional government. There was an upsurge of popular good will. Relief centers were organized spontaneously to receive war refugees and the government swiftly moved in to assist. Blood donors crowded hospitals to save the wounded. The Army of the Republic of Vietnam, the ARVN, took a praiseworthy part in those social activities and even helped collect garbage and clean Saigon streets.

Efforts were made to organize a political front of national unity. The quiet and perseverant endeavors in the past three years to give South Vietnam a constitutional base were paying off handsomely.

Five weeks after their general onslaught the Communists are continuing sporadic attacks on the cities, mostly by mortars and rockets. These are but small waves after the tempest. Life everywhere is fast getting back to normalcy. Markets are again busy; there is no food shortage; chickens, fish and vegetables are again coming from the villages and many products are selling at even lower prices than before Tet. People showing a great resiliency are resuming their everyday work and rebuilding their houses from rubble. Determination to resist Communist aggression is stronger than ever before. For the first time the city dwellers themselves realize that this war is theirs. There are less draft dodgers. Young people are joining the armed forces with greater conviction and with the encouragement of their families. The organization of civil defense services, of a nation-wide home guard has now its best chance of succeeding.

This tremendous opportunity may turn a temporary military success into a decisive political victory if it is forcefully seized upon by the South Vietnamese government to move forward fast, reorganize the ARVN and the administration, wipe out corruption, carry out sweeping land reforms, mobilize active popular participation and achieve national unity. It is anyway safe to draw from recent events the following conclusions:

1.- The National Liberation Front or Viet Cong has been weakening and continues to do so. Since 1966 they have lost every single battle waged against the allies whether in the Highlands or in the Mekong River delta. The daily average of ambushes and acts of sabotage they were able to stage decreased steadily. Their indiscriminate terrorism and heavy taxation alienated the peasants who had previously given them support because of agrarian reforms. The living and fighting conditions of the guerrilla became increasingly intolerable. "No food when alive, no coffin after death" was the popular saying to depict the fate of the Communist fighter. Consequently, it became increasingly difficult for the Viet Cong to recruit soldiers. They had to enlist by force youngsters often in their early teens to compensate for severe losses on the battlefields.

The Viet Cong gradually lost control of the countryside. By the end of 1967 they controlled less than 20% of the total population in South Vietnam. Hard as they tried they did not succeed to prevent the nationwide elections organized by South Vietnam to elect a Constituent Assembly

in September 1966, a President, a Vice President and a Senate in September and a House of Representatives in October last year.

In the Lunar New Year offensive the Viet Cong played but a secondary role.

2.- The North Vietnamese Communists have been moving steadfastly unto the center of the stage to replace the Viet Cong. They initiated, planned and led the recent attacks on South Vietnam's cities. In the First Corps Area, especially in Hue and Quang Tri they did all the fighting. Deeper South they also played the leading role.

There are no Viet Cong around the Demilitarized Zone and Khe Sanh is being encircled by only North Vietnamese troops.

The North Vietnamese soldiers have better weapons but they will command even less popular support than the Viet Cong who at least enjoy the advantage of being native people and knowing their villages well.

There is no longer any demarcation line, any demilitarized zone. The North Vietnamese are infiltrating Laos and Cambodia and they are invading South Vietnam by whole divisions. By contrast the South Vietnamese and the Americans continue to respect the boundaries and look upon North Vietnam as a forbidden sanctuary, determined to confine the war within its present limits of a legitimate self defense against aggression. Opinions might differ on the propriety of such a policy. The good will and restraint of Washington and Saigon cannot, however, be doubted.

3.- The rules of the war used to be Hit and Run on the Communist side, Search and Destroy on the allied side. These are drastically changed, at least for the time being. The Communists blindly attacked the cities and they have been massing troops to besiege Con Tien, Dong Ha, Khe Sanh, Quang Tri and Hue. The economic ruin in North Vietnam and the political bankruptcy of the Viet Cong in South Vietnam have very likely brought home to Hanoi that its pretense of sustaining a protracted war of 5, 10, 15 or 20 more years no longer sounds very realistic. A switch in strategy, no matter how hazardous, is therefore self imposing. There is reasonable confidence that the allies will meet this challenge of Communist stepped up aggressiveness with determination and imagination.

4.- The allied instantaneous and well coordinated reaction to the Communist Tet offensive gave a reassuring idea of the capabilities of a good working military alliance. The South Vietnamese and American

troops, the most important by their size, bore the brunt of the fight. But all the other allies, Thais, Filipinos, New Zealanders, Australians and South Koreans also played their part. The South Koreans did marvels in the Second Corps area. The Australians helped regain control of Ba Ria and Phuoc Tuy with the least damage to the civilian population.

The success of this military alliance underlines a major diplomatic achievement. Of all the pacts initiated by the United States after World War II for the sake of collective security of the Free World, the SEATO pact was the first to go into effect. It pledged to protect its members against both aggression and subversion and extended its umbrella over the three States of Indochina. South Vietnam, victim initially of subversion and then of aggression, has been benefitting from its protection but has been also contributing the lion's share in terms of material damage and human losses. The two Southeast Asian members of the pact, the Philippines and Thailand, honored their commitments. Furthermore Australia and New Zealand, members of the ANZUS pact, also joined the fight. South Korea, member of neither pact, contributed 40,000 soldiers.

The most remarkable fact about the going into effect of the SEATO and ANZUS pacts is that they went into effect without a cataclysmic disaster of the size of Pearl Harbor taking place. Because Communist aggression is being resisted in Vietnam, the world will be spared the holocaust of a nuclear world war.

5.- South Vietnam, with all its weaknesses, is emerging from the Lunar New Year storm as a definitely viable state with a basically loyal army and police and a population firmly committed to freedom.

6.- The South Vietnamese people, suffering the heaviest losses from this war waged on their land, want peace more than any other people. They are, however, determined not to let themselves be enslaved by Communism. On the other hand after the Communist treacherous Tet offensive it will take more than mere words to convince them of Hanoi's good intentions. The North Vietnamese' hints at peace casually made at cocktail parties and echoed by their minor diplomats were no more than soap bubbles, while their overt aggression weighed like rocks. Any peace proposal pointing to the soap bubbles while overlooking the rocks would not be practical.

It is hoped, however, that after a few more unsuccessful military ventures Hanoi will realize that aggression no longer pays and will consent to sit down to the conference table to discuss future relationships between the two Vietnams.

Phan Quang Dan
15 Hong Bang Square
Gia Dinh, Vietnam

INFORMATION

**Wednesday, March 27, 1968
4:25 p.m.**

Pres file

Mr. President:

Herewith a well balanced on-the-record interview between Bob Komer and Spencer Davis and Lew Gulick of AP.

W. W. Rostow

WWRostow:rla

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Interview with Ambassador Robert W. Komer

Deputy to COMUSMACV for Pacification

Question 1: "How does 'The Other War' stand since the Tet offensive, both in psychological and physical terms?"

Answer: "By and large, the 'Other War' impact of the Tet offensive now appears to have been more psychological than physical. Despite the tragic losses -- some 650,000 Tet evacuees at the high point, about 7,500 civilians killed and 15,500 wounded, around 95,000 homes destroyed or damaged, and extensive damage to business facilities and transport nets -- South Vietnam has displayed considerable recuperative power. Evacuees have now declined to under 400,000, extensive urban rebuilding and resettlement is underway for the homeless, medical facilities have been largely restored, and ample food is available. Prices are back down near pre-Tet levels, most key roads and waterways have been reopened, and traffic on them is slowly increasing.

"However, economic recovery in general has been sluggish as business confidence is only slowly returning. Insecurity and fear of further VC/NVA attacks remain key problems in many cities and even more so in the countryside.

"In pacification, too, the more serious damage seems psychological rather than physical. While rural pacification unquestionably received a substantial setback, especially in the IV Corps Delta area where over half our losses were suffered, the loss of hamlets and resources has proven much less than earlier feared. Now that enough time has elapsed to assess these losses carefully, it appears for example that less than 480 small outposts and watchtowers out of about 5,000 were abandoned or overrun -- chiefly in the Delta. Out of some 8,500 hamlets with some degree of government presence, only about 200 seem to have reverted to VC control, though many more have been downgraded from relatively secure to contested status. Of the local security forces, about 6,600 RF/PF, 460 police and 160 RD cadre were killed or captured through the end of February. Desertions were also surprisingly low.

"In fact, the great bulk of the GVN's pacification forces are already mostly back at their posts. More than 90 per cent of

the 4,000-odd PF platoon and 900 RF companies are back performing pre-Tet missions. As of late March, 464 of the 595 black pajama RD teams are back in the hamlets -- about 77 per cent. This is encouraging.

"In Southern I Corps, II Corps and III Corps, the pacification program is already moving forward again. Recovery is slower in IV Corps and Northern I Corps. Our biggest concern in all areas lies in the greater fear and apathy among the rural population, some loss of confidence in GVN ability to protect them, and a greater defensive-mindedness among GVN security forces worried over renewed VC attacks. These intangible factors are difficult to measure, but we think they are already changing for the better."

Question 2: "What lessons from the Tet assault have been learned which can help against the next general offensive which the Communists say they plan for this summer and fall?"

Answer: "The most obvious lesson is always to expect the unexpected. I doubt the GVN really expected such blatant violation of the Tet truce. In my judgment, the initial success of the enemy's Tet offensive sprang largely from a combination of optimum surprise and meticulous pre-planning. He gained local surprise both by attacking during Vietnam's biggest holiday when the GVN was most off guard and by attacking cities rather than the hamlets.

"But another key lesson from the Tet offensive is that despite surprise, the enemy lacked the capability to sustain his initial success in penetrating many towns. He did not get the RVNAF collapse or popular response he expected. If he was actually so much stronger than previously estimated, why couldn't he hang on longer or exploit more fully? So I see a second lesson of the Tet offensive in the enemy's lack of sufficient strength to exploit his initial advantage.

"We have also learned that we must devote more attention to protecting the cities, although it is doubtful whether the VC could duplicate the special conditions of Tet 1968. In fact, while Hanoi propaganda keeps skillfully talking up a "second

wave," it hasn't gotten off the ground for almost two months. The enemy may well try another "general offensive," but if his losses next time are anything like his losses last time it will further impair his remaining capability for protracted war."

Question 3: "In view of the step-up in military activity, is the pacification program as important as before in determining the outcome of the war? Why?"

Answer: "The relative contribution pacification can make to "the outcome of the war" will vary with its length. Pacification is essential to achieving a viable South Vietnam with full support in its own countryside, but it is a relative slow, undramatic, painstaking process requiring a period of years. Thus its relative contribution in relation to other factors necessarily depends partly on how long the Vietnam war lasts. If, as many believe, Hanoi will continue pressing a greatly stepped-up military effort in an attempt to gain an early decisive advantage and then perhaps seek a political solution, then large scale military action will naturally remain on center stage. However, whether the war ends soon or lasts in one form or another for several years, the GVN must still secure the countryside and gain the willing support of the rural population before it can establish a viable nation."

Question 4: "Will the main burden of pacification continue to rest with the Government of South Vietnam and if so, what should it do to meet the post-Tet situation?"

Answer: "President Thieu intends to push ahead actively with pacification. While we are planning to lend full support, the US role should remain one of technical advice and logistic help. Pacification should continue to be primarily GVN business. The Vietnamese are best equipped to provide local security, re-establish local self government, and meet the needs and aspirations of the farmer.

"To meet post-Tet needs, I believe that the GVN plans to place greater emphasis on those efforts which counter the enemy in the countryside, such as resecuring key roads and waterways, upgrading and strengthening the territorial security forces,

pressing the attack on the VC infrastructure, reviving economic growth -- especially in agriculture; and expanding the GVN presence in rural areas. 1968 provincial pacification plans are being modified promptly in those areas where needed."

Question 5: "What should the US Government do?"

Answer: "On pacification, we should lend every effort to helping the GVN regain the pacification momentum which was developing during 1966-67. I believe that this gradual improvement, which offered promise in 1968, was one of the reasons leading the enemy to launch the Tet offensive. At the same time, we must help the GVN contend with the new problem of recovery in the cities. We must assist the remaining 400,000 evacuees caused by the Tet offensive; we must help rebuild 95,000 destroyed or damaged homes; and we must help the many small businessmen and farmers who were affected.

"In sum, pacification is still alive and kicking, despite the early tendency of many to pronounce it dead. It now seems clear that those who counted out pacification in the immediate aftermath of the Tet offensive were over-reacting and speaking prematurely before the returns were in. We unquestionably suffered a real setback -- especially tragic in terms of innocent civilian losses -- but the enemy suffered grievous losses, too. The real question is whether we can recover and forge ahead more quickly than he. I believe that we are and can, given perseverance and will."

Pres file

Wednesday, March 27, 1968
2:45 p. m.

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MR. PRESIDENT:

SUBJECT: 4:00 p. m. briefing

Phil Habib is scheduled to speak to 1200 people in Dayton, Ohio, this evening on Vietnam.

If he were to undertake the 4:00 p. m. briefing for you he would either:

- have to cancel the speaking engagement in Dayton; or
- be provided with a White House aircraft to get him to Ohio.

Nick Katzenbach assumes that you would prefer to let him go ahead to Dayton.

W. W. Rostow

Let him go _____

Have him stay and cancel Dayton engagement _____

Have him stay and get a Jet Star via Marv and Jim Cress _____

Call me _____

55

INFORMATION

~~SECRET~~

Wednesday, March 27, 1968
9:45 a.m.

Mr. President:

At Khe Sanh-DMZ-A Shau:

- 42 rounds enemy incoming;
- 339 tactical support sorties plus 47 B-52's;
- 1,548 rounds friendly;
- 152 tons resupply, hampered by low ceilings;
- weather expected to improve.

W. W. Restow

~~SECRET~~

rla

DECLASSIFIED
E.O. 12356, Sec. 3.3
DA Memo, Jan. 5, 1988
By kg, NARA, Date 4/17/92

DECLASSIFIED
White House Guidelines, Feb. 24, 1983
By kg, NARA, Date 4/17/92

~~SECRET~~

55a

Wednesday, March 27, 1968, 9:04 a.m.

TEXT OF CABLE FROM GENERAL WESTMORELAND

This is report number fifty-two on the situation in the Khe Sanh/DMZ/A Shau Valley area for the 24-hour period of March 26, 1968.

For the second day, Khe Sanh weather was marginal with low ceilings hampering aerial resupply. A total of 152 short tons was delivered by air drop using eleven C-130 and two C-123 aircraft.

Weather conditions are expected to improve with visibility forecast to increase to five miles this afternoon.

The enemy indirect fire increased slightly over yesterday with a total of 42 rounds received at Khe Sanh; 25 artillery, 15 mortar and two rocket. The incoming rounds wounded six Marines (three evacuated).

In other action two squads from 1st Battalion, 9th Marines engaged an estimated enemy company while moving to establish a listening/observation post northeast of the combat base. The enemy employed mortars and small arms fire. The Marines returned fire and withdrew to the perimeter under cover of friendly mortar fire. In the contact 26 enemy were killed, and one individual and one crew served weapon was captured. Three men were killed and 11 wounded (five evacuated).

Artillery fire support for Khe Sanh consisted of 91 missions expending 1,548 rounds. Twenty-nine of the missions were observed. No COFRAM ammunition was fired.

Along the DMZ and elsewhere in Quang Tri Province, contact was light with no significant action reported. Light, sporadic enemy shelling at scattered points south of the DMZ during the period wounded one Marine.

Three hundred thirty nine tactical air sorties were flown in the Niagara area. Six secondary explosions, two secondary fires, 11 road cuts, and destruction of seven trucks and one bunker was credited to tactical air. Bomb damage assessment was hampered by poor weather conditions.

DECLASSIFIED
E.O. 12356, Sec. 3.3
AF Guide, SEA Records, 4/1/88
By 118 NARA, Date 4-17-92

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.3
DA Memo, Jan. 5, 1988
By 118 NARA, Date 4-17-92

SECRET

- 2 -

There were eight ARC LIGHT strikes, of 47 sorties. Four of the targets were close in. One B-52 was diverted to a secondary target. Six missions are planned for March 27.

Aerial surveillance of A Shau consisted of three air radar missions which provided early evening coverage. There were eight tactical air strike sorties flown but no bomb damage assessment was possible.

SECRET

~~SECRET~~



THE JOINT STAFF

THE NATIONAL MILITARY COMMAND CENTER
WASHINGTON, D.C. 20301

27 March 1968
4:30 AM EST

MEMORANDUM FOR THE WHITE HOUSE SITUATION ROOM

Subject: Supply Status at Khe Sanh as of 8:00 PM EST
26 March (9:00 AM 27 March, SVN time)

1. The Khe Sanh Dump and Ammunition Supply Point (ASP)
status as of the above time is as follows:

<u>DAYS SUPPLY</u> <u>ON HAND</u>	<u>8:00 PM 26 Mar EST</u> <u>(9:00 AM 27 Mar SVN)</u>
--------------------------------------	--

CLASS I (Rations)

Meal, Combat, Individual	22	22 days
B Rations	6	6 days

CLASS II (Fuel)

Aviation Gas (AVGAS)	3	3 days
JP-4 Fuel (Jet Fuel)	10.6	10.6 days
Motor Gasoline (MOGAS)	14.6	14.7 days
Diesel	12.6	12 days

CLASS V (Ammunition)

a. High Explosive

60-mm mortar	55	55 days
81-mm mortar	35	36 days
90-mm (Tank)	133	133 days
4.2" mortar	28	29 days
105-mm howitzer	21	21 days
155-mm howitzer	28	27 days

b. Antitank

ROUNDS ON HAND

90-mm AP-T	284
90-mm HEAT	1,059
66-mm rocket (LAW)	2,199
Antitank mines (M-15)	349
Antitank mines (M-19)	469
Antitank mines (M-21)	48
106-mm HEAT	1,540
106-mm recoilless rifle (HEP-T)	2,093
3.5" rocket	1,830

~~SECRET~~

DECLASSIFIED
E.O. 12356, Sec. 3.3
DA Memo. Jan. 5, 1988
By rf NARA Date 4-7-92

SECRET

8:00 PM 26 Mar EST
(9:00 AM 27 Mar SVN)

c. Antipersonnel

ROUNDS ON HAND

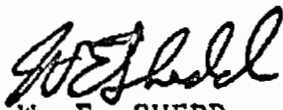
90-mm BEEHIVE	546
105-mm BEEHIVE	1,150
106-mm BEEHIVE	1,689
90-mm CANNISTER	323

CLASS V (COFRAM)

105-mm howitzer	1,684
155-mm howitzer	990
40-mm grenade launcher	6,729
Hand Grenades	2,945

2. On 26 March, Khe Sanh was resupplied with 152 short tons as follows:

CLASS I	11 tons
CLASS II	5 tons
CLASS III	None
CLASS IV	15.5 tons
CLASS V	120.5 tons
MISCELLANEOUS	None


W. E. SHEDD
Brigadier General, USA
Deputy Director for
Operations (NMCC)

Distribution:

SECDEF
DEP SECDEF
CJCS (3)
DJS (3)
J-30
J-31
J-32
J-33
J-34
J-4
AWR
MCCC
AFCP
NFP
DDO
ADDO
CCOC
PAC DIV
PAC DESK

SECRET

INFORMATION

~~SECRET~~

Wednesday, March 27, 1968
8:00 a.m.

Mr. President:

Herewith Bob Kemer's account of
background and motives of Roche and
how he handled situation.

W. W. Rostow

~~SECRET~~

[REDACTED]

1.5(e)
3.4(b)(1)

WWRostow:rln

SAINTED
Authority NLS 019-031-3-1
By Q, Date 1/15/02

RECEIVED
WHCA

1968 MAR 27 12 27

56a

DLAS26
PP YEKADS
DE YEKADL 0228 0871218
P 281216Z
FM SA IGON
TO WHITE HOUSE
ZEM

~~SECRET~~ EYES ONLY 271125Z MAR 68 VIA CAS CHANNELS

FM AMB KOMER 543

TO THE WHITE HOUSE, EYES ONLY WALT ROSTOW

1. REF YOUR CAP 80716, AM TOLD ROCHE (WHOM I'VE NEVER MET) IS A FRUSTRATED PUBLICITY SEEKER OF STRONG RIGHTWING SENTIMENTS, WHOSE PUBLIC RELATIONS TIMING IS FAR BETTER THAN VARES HE HAS TO SELL.
2. AS ARMY LTC HE WAS ACTION OFFICER IN MACV J5 PLANS DIVISION JANUARY 64 TO FEBRUARY 65. AFTER RETIREMENT AS PROBABLY OVERAGED LT. COL, AID SENT HIM BACK HERE AS FSR-4 IN DECEMBER 66, HE SERVED AS NEW LIFE DEVELOPMENT CHIEF IN III CORPS AND THEN AS III CORPS NLD LIAISON OFFICER IN MACCORDS SAIGON UNTIL HIS RESIGNATION OF 19 MARCH.
3. THUS HE WAS AN INDIAN FOR TWO YEARS OUT HERE--NOT A CHIEF INVOLVED IN POLICY FORMULATION AS NYT ARTICLE WOULD IMPLY. HIS WORK FOR CORDS WAS MOSTLY COORDINATING MOVEMENT OF CEMENT, ROOFING, AND OTHER CIVIL AID SUPPLIES, WHICH GAVE HIM LITTLE OR NO WINDOW ON MOST MATTERS CITED IN HIS RESIGNATION LETTER.
4. THOSE WHO KNOW HIM REGARD ROCHE AS EMOTIONAL, OPINIONATED, ARROGANT. AFTER LENGTHY DISCUSSION WITH HIM AT TIME HE SUBMITTED RESIGNATION, LATHRAM CONCLUDED ROCHE UNINTERESTED IN ANY FACTS CONTRARY TO HIS FIXED OPINION. LATHRAM'S IMPRESSION IS ROCHE INTENDED GET MOST SENSATIONAL PUBLIC MILEAGE FROM HIS RESIGNATION ON BASIS OF DISAGREEMENT WITH US POLICY IN VN. LATER, ROCHE HINTED HE EXPECTS WORK ACTIVELY ON NIXON CANDIDACY AFTER RETURN TO U.S.
5. ALTHOUGH ROCHE CONTENTS RESIGNATION BASED ON DISSATISFACTION WITH CONDUCT VN WAR, I'D GUESS HE SEEKS ATTRACT MAXIMUM PUBLIC NOTICE TO HIMSELF. SO WE HAVE PURPOSELY PLAYED OUR RESPONSE IN LOW KEY.
6. HOWEVER, WHEN ROCHE GAVE TV INTERVIEW TO CBS ON 26 MARCH, I ACCEPTED CBS INVITE TO REBUT ALONG LINES THAT WHEN OVER HALF MILLION AMERICANS SERVING IN THIS FRUSTRATING WAR, FRUSTRATIONS BOUND TO GET THE BETTER OF A FEW. I DEFENDED ROCHE'S RIGHT TO CRITICIZE BUT CAUTIONED THAT

HIS CRITICISM NEITHER SUPPORTED BY FACTS NOR BASED ON ACCESS. I SUGGEST WE DROP IT AT THAT AND LET ME TAKE ANY BLAME.

SECRET EYES ONLY VIA CAS CHANNELS

GP-1

83

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-267
By Cb, NARA Date 11-3-97

NNNN

PRESERVATION COPY

~~SECRET~~ EYES ONLY

INFORMATION~~CONFIDENTIAL~~

Wednesday - March 27, 1968

MEMORANDUM FOR THE PRESIDENT

Pres file

SUBJECT: Panama Situation

There has been no significant change in the situation since my report of last night.

During the past 24 hours there have been scattered minor disturbances, but nothing approximating a snow-balling public movement in support of "President" Del Valle and Arnulfo Arias. Their call for a general strike has been ignored. Isolated efforts to whip up anti-US sentiment based on past support for the National Guard have not prospered. The Communists and their allies continue their plague-on-both-houses attitude.

The principals in the controversy have remained in the background, probably calculating their next moves. The National Guard continues to be the arbiter -- in favor of the Robles camp.

Ambassador Adair was to have talked to National Guard Commander Vallarino this afternoon to find out his intentions. We do not have a report as yet.

W. W. Rostow

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-269
By 128, NARA Date 2-19-97

Wednesday, March 27, 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Fourth United States-Japan Conference on Cultural and Educational Interchange

The fourth in a series of bilateral cultural conferences between the United States and Japan will take place in Washington and Warrenton, Virginia, April 3-8, 1968. Prime Minister Ikeda met with delegates to the first conference in Japan in 1962. President Kennedy received delegates to the second one in 1963. Sato received delegates to the third conference in 1966. Presidential messages were conveyed to each of the three previous conferences. An opportunity for the delegates to meet briefly with you would contribute significantly to our efforts to broaden cultural and educational cooperation with Japan. It would be particularly helpful this year since the Government of Japan is actively considering an annual cost-sharing contribution to the educational exchange program between our countries, which is now entirely financed by us.

I recommend that you receive briefly at the White House, during the period April 3-8, the 20 American and Japanese delegates to the Fourth United States-Japan Conference on Cultural and Educational Interchange.

Approve _____ Disapprove _____ Call me _____

I recommend that you authorize use of the attached suggested message at the opening of the conference on April 3 at the Department of State.

Approve _____ Disapprove _____ Call me _____

W. W. Rostow

Attachment

AJ:mm

cc: Mr. Jorden

58a

DRAFT TEXT OF MESSAGE BY PRESIDENT JOHNSON
TO THE
FOURTH UNITED STATES-JAPAN CONFERENCE ON CULTURAL
AND EDUCATIONAL INTERCHANGE

Washington - Warrenton, Virginia
April 3-8, 1968

I am pleased to send greetings to the distinguished delegates to the Fourth United States-Japanese Conference on Cultural and Educational Interchange.

The outstanding delegations represented at your deliberations are in themselves strong evidence of the importance both our countries attach to continuing cooperation in this vital area.

The problems you are discussing are of immediate and pressing concern to our peoples. The future of our countries depends not only on the excellence of the education received by our children but also in its relevance to the requirements of our fast changing societies.

Japan and the United States share many of the same problems. We both have experienced a rapid influx of persons into our great metropolitan areas. We both have large numbers of citizens who have not been successfully integrated into modern urban life.

The economic and technological growth of our countries has been so spectacular that much of our educational effort has not kept pace. This is true not just for buildings, equipment and the availability of trained teachers but for the development of new curricula to meet altered needs.

If we are to properly equip our peoples for the demands of life in highly developed societies, we must decide which of our traditional educational techniques are still useful and which are outmoded; which retain their value and which should be discarded. And for those which we discard, we must find valid substitutes.

We look to you for guidance in these matters. I hope that your discussions will help to lead not only the United States and Japan but other nations toward the development of educational institutions and concepts suitable to the demands of the exciting time in which we live.

You have my sincere wishes for a most fruitful and productive meeting.

Pres file~~SECRET~~

March 27, 1968

Mr. President:

You may remember that the State Department advised you yesterday that a Soviet water tanker which services their fishing fleet was entering Philadelphia to take on water. Philadelphia is an open port for Soviet ships, and the inter-agency Port Security Committee approved the entry.

Today, an American longshoreman named Kane tried to get a writ of attachment on the vessel. Apparently, Kane had been injured working on a Soviet ship in 1949, got a U. S. court judgment in 1960, and has been trying to collect \$50,000 damages ever since.

The U. S. judge has refused to order the writ served. Apparently, sovereign immunity protects the vessel, and the Legal Adviser's office in State is confident that the judge will stand firm - although a trifle nervous about Kane's very enterprising lawyer.

Kane's move has not yet hit the press - but may well.

W. W Rostow

~~SECRET~~

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-269
By sig, NARA Date 2-19-97

60
Wednesday, March 27, 1968

MEMORANDUM FOR THE PRESIDENT

In view of Mrs. Holt's imminent arrival, we asked the Government of Australia for their reaction to the two proposals of naming the Communications Center in the Northwest Cape and of naming a U. S. Naval vessel in Harold Holt's honor. We have just learned Prime Minister Gorton enthusiastically welcomes both suggestions.

You may wish to discuss these proposals with Mrs. Holt. She or her companion, Mrs. John Busst, may raise the issue of naming National Parks in Australia as a memorial to her late husband (memo attached). I suggest you express your personal approval, but point out the difficulty of giving unsolicited advice to the Government of Australia on a matter of this kind.

If you approve, we will proceed with the arrangements to name both the Communications Center and the vessel in Harold Holt's honor.

W. W. Rostow

Approve _____

Call me _____

Thursday
March 21, 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Proposal for a series of National Parks in Australia as a
Memorial to Harold Holt

Attached is a letter to you from an Australian named John Büsst, a friend of Harold Holt. He proposes that the Australian Government set aside 14 areas as National Parks and National Marine Parks as memorials to Holt. The areas would be selected in order to conserve a comprehensive range of Australia's animal and plant life.

Mr. Büsst asked your support "at the top level" for this proposal.

Our Embassy in Canberra is aware of this proposal which is supported by a number of prominent Australians. The Embassy points out, however, that there is no tradition in Australia of memorials for deceased heads of government, and that Prime Minister Gorton is personally opposed to this project. The Embassy believes it "highly unlikely" that the Australian Government will approve and assist the project.

We have already in the works the renaming of the Northwest Cape Communications Center for Prime Minister Holt and are considering as well naming a US naval vessel after him. I sense that Prime Minister Gorton has reached the resistance point on further tributes to his predecessor. Moreover it is not clear to me where the President of the United States has much of a role to play in urging upon the Australian Government a conservation measure on so large a scale as that proposed by Mr. Büsst. I think it is best to stay out of this one.

There is an added complication of which you should be aware.

Zara Holt is now scheduled to be a White House guest on April 22-26. Mrs. Büsst has been traveling with Mrs. Holt for the past several months and will probably come to Washington with her. Both ladies are aware of and approve the memorial park idea. They may seek your support for it.

2.

If so, I suggest you express your warm personal approval but point to the difficulty of giving unsolicited advice to the Australian Government on a matter of this kind.

I do not feel any reply to Mr. Blust's letter is necessary, particularly in view of the upcoming visit of Mrs. Holt.

W. W. Rostow

Att

MWright:wpt

Personal

14th. February, 1968.

606

Lyndon B. Johnson,
President,
United States of America,
White House,
WASHINGTON, D.C.
U.S.A.

Dear Mr. President,

re Harold Holt Memorial Scheme

I am writing to you privately re the above, as I feel you may be interested. Also, as Mrs. Holt and my wife are scheduled to be your personal guests shortly, you may like to discuss the matter referred to with Mrs. Holt.

The scheme briefly is this:-

1. That the Australian Government shall declare the Point Nepean, Portsea area as the Harold Holt National Memorial Park, with an offshore area to be designated as Australia's first National Marine Park. That a memorial be erected at Cheviot Bay (where the late Prime Minister met his tragic death), to designs submitted competitively by Australian sculptors.
2. That similar National Parks and National Marine Parks, fronting on each other where possible, be declared in each of the six States of the Commonwealth of Australia.
3. That public subscriptions be sought, both in Australia

and overseas, particularly from those countries represented at the Memorial service in St. Paul's Cathedral, Melbourne.

4. That with the subscriptions, Conservation scholarships be established at a University in each State, with reciprocal travel arrangements for visiting overseas scientists.
5. Unique wilderness areas. This was an idea expressed by the late Prime Minister only a week before his death, to Mr. John Chapman, Trans Australia Airlines. That the Federal Government set aside large selected areas in each of the six States, each area representative of a different facet of our unique flora and fauna. That there be established in these areas, Federal Government sponsored hotel/motels. These areas to be National Parks, fronted by Marine National Parks, in this latter instance with particular emphasis on the Great Barrier Reef area (the late Prime Minister's number one choice for spear fishing, complete relaxation, and sheer beauty. This area is already threatened by commercial and mining interests). Tours of all these areas to be offered as an unusual package deal to visiting scientists and to tourists, offering them a comprehensive range of all Australia's quite unique flora and fauna.

Further information if necessary would be obtainable from the Governor General of Australia, Lord Casey or Sir Garfield Barwick, Chief Justice of Australia and President of the Australian Conservation Foundation Inc. who have expressed their

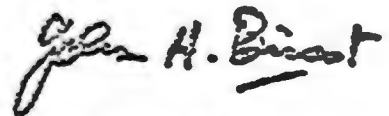
- 3 -

complete approval of the scheme.

I may add, Mr. President, that when Zara was presented with the scheme in outline, she described it as a magnificent conception, of which Harold would have completely approved.

I am writing this at a personal level, as a close personal friend of Harold, for the past forty-seven years. I know that you share the same opinion of him - that he was a warm, affectionate, extremely able and loveable human being, who accomplished more in his three short years as Prime Minister than others were able to achieve in thirty, and that this memorial would be a fitting tribute to a man who spent his life in personal dedicated service to his country. Any support you can express immediately, at top level, for this proposal would, I am certain, ensure its success.

Sincerely yours,



John H. Bust.

Presfile ⁶¹

ACTION

Wednesday - March 27, 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Full Power for the Vice President to Sign Protocol II
of the Latin American Nuclear Free Zone Treaty

Herewith for your signature is a full power authorizing the Vice President to sign Protocol II to the Treaty for the prohibition of nuclear weapons in Latin America, with an appropriate statement.

I recommend you sign the full power.

W. W. Rostow

Attachments

Tab A - Full Power for Vice President.

Tab B - Accompanying statement.

ACTION

12

Tuesday
March 26, 1968 - 8:15 pm

MEMORANDUM FOR THE PRESIDENT

Pres file

SUBJECT: Visit by Australian Prime Minister

Australian Ambassador Waller informs us that Prime Minister John Gorton hopes to visit the United States. He is thinking of being in Washington from May 20 to 25. The Ambassador wonders if these dates would be satisfactory to you. No other foreign visitors are scheduled that week.

We assume the Prime Minister has in mind the kind of unofficial, working visit that Harold Holt paid.

If the week of the 20th is satisfactory, we shall go forward with the Australians in laying out more specific arrangements.

W. W. Rostow

May 20-25 period is O. K. ✓

Disapproved _____

Call me _____

*anytime ok with me.
make it big dinner
if you desire
L.*

2. Pres file~~SECRET~~

Tuesday, March 26, 1968 - 8:10 pm

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Signing Jordan Arms Package

After weeks of negotiation, the Jordan Arms package is ready for signing. Nick Katzenbach would like to authorize Ambassador Symmes to sign tomorrow but does not want to go ahead without our OK. The plan is to do this without publicity for the moment.

As you know, this negotiation has gone on for some weeks. It just happens that all the details are now wrapped up. It may not be the best time in view of continuing terrorist attacks and last week's Israeli raid. However, there may not be any good time, and the main purpose of this exercise is to bolster Hussein. The equipment involved in this deal will not arrive in Jordan for some time.

For balance, Luke Battle has rescheduled the signing of the Israeli PL-480 agreement for this Friday morning. That will get some publicity.

My own feeling is that our public, especially the Jewish community, has accepted the resumption of military sales to Jordan. I doubt that the simple act of signing will cause much additional reaction, even if it leaks out. The press already writes as if the deal has long since been wrapped up.

Therefore, I recommend that we tell State to go ahead. But I do not wish to do so without informing you.

W. W. Rostow

Approve _____

NS _____

Call me _____

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-269
By *isp*, NARA Date 2-19-97

~~SECRET~~

Mr. Rostow 14

*transp
2. P. in file
-8:05pm*

LIMITED OFFICIAL USE

Tuesday, March 26, 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Message to the President of Israel

President Shazar has been re-elected to another five-year term. The President of Israel is elected by the Parliament, and Shazar was unopposed. Nevertheless, a short message like the following seems in order:

"We extend our congratulations and good wishes on the occasion of your re-election as President of Israel. Mrs. Johnson and I have warm memories of your last visit to our country and take this opportunity to express to you and Mrs. Shazar our best personal regards."

We would not normally propose releasing this message here, but there is no harm in doing so as soon as it is delivered. It is a small gesture which probably won't get much attention here, but I at least want to make clear your choice between a White House release and simply letting the Israeli Government handle the message any way it wishes.

W. W. Rostow

Approve text _____

Disapprove _____

Make a White House release _____

Let it go normally _____

LIMITED OFFICIAL USE

~~SECRET~~

Tuesday - March 26, 1968 - 8:00 pm

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Panama Situation

Pres file

There is a marked deterioration in the situation in Panama in the wake of the National Assembly's impeachment of Robles on Sunday and the increasingly repressive actions taken by the National Guard against the rival government of "President" Del Valle and Opposition Candidate Arias.

National Guard Commander Vallarino has not formally abandoned his neutral stance of maintaining law and order until the Supreme Court rules on the Assembly action. But under this guise, he has ransacked the headquarters of opposition candidate Arias and condoned off the National Assembly Building -- the seat of the Del Valle Government.

There was a showdown at 5:00 p.m. today when "President" Del Valle, his Cabinet and the majority of the National Assembly members tried to enter the Assembly Building. Ambassador Adair has just reported the National Guard drove them off with barrages of tear gas.

So far, we have not been dragged into the dispute. But the danger signals are up. The heavy-handed action by the National Guard against the Arias-Del Valle group could bring a sharp public reaction. This reaction could be turned against us out of frustration or hostility by playing on the fact that the tear gas (being used rather indiscriminately) is from the US and we have heavily subsidized increases in the strength of the National Guard during the past two years. References to this are beginning to appear in the anti-Robles propaganda.

So far, the general public -- and even the students -- have been apathetic and aloof from the political maneuvering. Even the communists and their allies have not taken sides. Whether the action by the Guard this evening will bring the people into the streets in support of Arias and Del Valle remains to be seen.

Ambassador Adair continues to monitor the situation closely. He believes there is little we can do to influence events in this domestic squabble which would not drag us into the middle.

W. W. Rostow

ACTION

le 6

March 26, 1968 *- 8:00 pm*

MEMORANDUM FOR THE PRESIDENT

SUBJECT: General William W. Momyer

Run file

General Spike Momyer, Air Commander in Vietnam, will be in Washington this coming Sunday and Monday, March 30-31, prior to attending the annual Air Force Association convention in Atlanta to receive a distinguished award.

You may wish to see him.

W. W. Rostow

Tuesday, March 26, 1968
5:25pm

6.7

12:00 PM
D.P.

Mr. President:

Attached for your approval and signature is a brief draft letter replying to Prime Minister Pearson's letter to you expressing his great satisfaction with Canada's exemption from our balance of payments program and his hope for close cooperation between us on the border tax issue.

W. W. Rostow

If you approve, we will need your signature on the attached letter.

Disapprove _____

Call me _____

MWG:mm
3/26/68

672

March 27, 1968

Dear Mr. Prime Minister:

Thank you for your letter of March 12 on the cooperative arrangements worked out by Secretary Fowler and Minister Sharp under which Canada was exempted from our measures controlling capital flows abroad. I share your view that the exemption, together with the measures Canada is taking, will benefit both our countries and is a fine example of constructive cooperation between friends.

As you know, the GATT Council is meeting this week to consider the creation of a working party to study the question of GATT rules on border tax adjustments. We are looking forward to cooperating with Canada in seeking an equitable solution of this important issue.

Sincerely,

LBS

The Right Honorable
Lester B. Pearson, O.B.E., M.P.
Prime Minister of Canada
Ottawa

LBJ:MWG:mm
3/25/68

DECLASSIFIED
Authority NLS 96-84 (29)
By jc/cb NARA Date 12-18-09



CONFIDENTIAL

676

PRIME MINISTER · PREMIER MINISTRE

Ottawa, March 12, 1968.

My dear President,

I wanted to let you know how pleased I am with the arrangements concluded between Secretary Fowler and our Minister of Finance, Mr. Sharp, on March 7 and which you approved as President. I am convinced that the exemption for Canada from your balance of payments programme, combined with the new measures we shall be taking, make good sense in terms of the close relationship between our two economies and will be of benefit to both countries. It has been a fine example of constructive co-operation between friends to their mutual benefit.

I understand that Mr. Sharp had an opportunity on March 1 of discussing with Secretary Fowler the development of your thinking on the border tax problem. As you know, we would be glad to join with you and others in an international discussion of the issues involved and we have prepared some suggestions for an initiative on this subject. I hope that we shall be able

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

DECLASSIFIED

Authority NW 96-84 (211)

By jc/ics NARA. Date 12-18-09

to pursue these ideas and together contribute
to a resolution of the serious difficulties which
have arisen.

Yours sincerely,

W. J. Harrison

68

Tuesday, March 26, 1968
4:55pm

Mr. President:

Attached for your approval is a
warm birthday message from
you to Chancellor Kiesinger.
He will be 64 on April 6.

Pres file

W. W. Rostow

Approve ☒ 3/27/68

Disapprove ☐

Call me ☐

MWG:mm
4/26/68

692

LIMITED OFFICIAL USE

Suggested Message

Dear Mr. Chancellor:

Mrs. Johnson and I join all Americans in sending you our congratulations and warm best wishes on your birthday. You have our hopes for a happy and prosperous future.

Sincerely,

Lyndon B. Johnson

MWG:mm
3/26/68

LIMITED OFFICIAL USE

69

Tuesday, March 26, 1968
4:45 p. m.

~~CONFIDENTIAL~~

MR. PRESIDENT:

Clark Clifford talked to Bob McNamara.

He had a good, cordial, friendly talk.

Bob agrees that this is the best deal that could be made.

Clark said: "If you felt differently, I'm sure the President would wish to know before he decides."

Bob said: "No. I agree."

W. W. Rostow

~~CONFIDENTIAL~~ attachment (log 1082)

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-274
By rip, NARA Date 2-10-97

~~WAK~~ 70
Pres file

Pres file

~~CONFIDENTIAL~~

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Your Meeting with President Tubman of Liberia
(Wednesday, March 27 -- 12 Noon)

Schedule:

11:30 AM Arrival at diplomatic entrance (arrival statements and full military honors)

12 Noon Alone (advisors standing by in Cabinet Room)

8:00 PM White House Dinner

Papers:

At Tab A is Katzenbach's briefing memo.

At Tab B are State's Talking Points.

At Tab C is biographic information on Tubman.

Setting:

Liberia is the oldest state in Black Africa (founded by freed slaves from the U.S. in 1847). Its conservative, pro-Western policies were out of vogue when most other Africans were in the flush of newly-won independence. But as the talkers gave way to the builders, Tubman's quiet, steady work for African unity -- he was a moving spirit behind the OAU -- brought him into the fold. Tubman still runs a relatively backward one-man show in Liberia. He is staunchly anti-communist, but he stays on good terms with leaders from all parts of the political spectrum. He is probably firmly in the saddle in Liberia for life (he's 72).

There are no major problems in U.S. - Liberian relations. Tubman is strongly pro-U.S. and supports our Vietnam policy just as he backed us in the Cuban missile crisis and World War II. Liberia has always encouraged American investment. Firestone, Republic and Bethlehem Steel, and several other companies and banks have sizeable interests there. We have supplied \$280 million in aid to Liberia since 1948. Our aid now runs about \$6 million per year.

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Tubman is here mainly to reaffirm Liberia's historic ties with the U. S. and to build his prestige at home. (He is the grandson of Georgia slaves.) His only specific concern is our aid cut-back in Africa. Our line is that we'll do as much as Liberia's economic performance justifies and Congress permits. (As a matter of economics, Liberia can't do much with more aid until Tubman changes his fiscal policies and administration to curtail waste.)

Talking Points

1. U. S. - Liberian Friendship -- You might open by telling Tubman how much we value the special historical relationship between our two countries:

-- We are deeply grateful for his support of our efforts in Vietnam. We will stay the course in this fight against aggression just as he saw us stay the course in the Cuban crisis and World War II.

2. Aid -- Tubman is likely to make a pitch for more help from us. (Our FY 1968 help is \$6 million plus 307 Peace Corps volunteers.) Earlier this month he sent us a shopping list including new AID development loans, an exemption for Liberia from the new restriction on overseas investment, and help in propping up rubber export prices. Nick Katzenbach's talking points (Tab B) give suggested replies to each of these requests.

If you wish to skip the details, you might tell Tubman that:

-- We are looking carefully at his recent proposals for more aid.

-- But the Congress is making it tough-sledding for the whole aid program.

-- Liberia, like every other aid recipient, can help most by cutting non-essential spending and showing it means business with self-help measures.

-- We haven't lost interest in Liberia or any other developing nation. We want to do more, not less. Congress willing, we shall.

-- Meanwhile, we welcome Tubman's efforts to encourage regional cooperation in Africa (he hosts a 14-nation summit conference on economic cooperation this April). Regional projects make the same good sense to the Congress as they do for the Africans themselves.

W. W. Rostow

EKH&RPM/vmr

~~CONFIDENTIAL~~

THE UNDER SECRETARY OF STATE
WASHINGTON

706

~~CONFIDENTIAL~~

MEMORANDUM FOR THE PRESIDENT

Subject: Your Meeting with President William
V. S. Tubman of Liberia, March 27,
12:00 p.m.

President Tubman

Tubman, 72, began his sixth term as President of Liberia on January 1. He has always looked to us for assistance, not only because of our historical special relationship, but because he believes that small nations need powerful friends. He is a conservative, staunchly anti-communist and a consistent supporter of US foreign policies (including Viet-Nam).

Tubman has consciously strengthened ties to the U.S. by encouraging investment in Liberia's iron ore and plantation resources, and by allowing the U.S. Government to place important communications facilities in Liberia (the VOA's largest overseas transmitter, and a State Department diplomatic relay station).

Tubman visited here at the invitation of Presidents Roosevelt, Eisenhower and Kennedy.

What Tubman Wants

President Tubman wants to show his own people, as well as the rest of Africa, that our historical special relationship continues. He believes that the security of his administration and support for his economic reforms need to be reinforced by concrete demonstrations of U.S. support in the form of some additional assistance.

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E.O. 12958, Sec. 3.6

~~CONFIDENTIAL~~

NLI 96-267
By Cb, NARA Date 11-3-97

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-2-

Tubman is concerned that we are losing interest in Liberia, largely because we have reduced our aid programs. He would like some firm commitments for increased U.S. help. In a March 9 memorandum to you he asked for:

- Infrastructure loans to develop 1) his home town port of Harper; 2) a "regional" hydroelectric project on the Cavalla River (the border with the Ivory Coast); and 3) road links with Sierra Leone.
- Exemption of Liberia from our new overseas investment restrictions.
- Assistance in international commodity price supports (presumably rubber).

We can't do much to satisfy these requests. I suggest you take the same line with Tubman that you used with Egal (my staff will review the proposals, but we are having serious problems on the Hill).

What We Want

This is largely a hand-holding operation for us. We want to reassure Tubman that we value our special ties to Liberia, and show him that we appreciate his public support over the years for our international policies--particularly in Viet-Nam and Cuba.

We also want to encourage him in his efforts at regional cooperation in Africa (he will host a 14-nation West African Summit Conference on economic cooperation in April).

But we can't do much about his hopes for significant additional economic assistance. Liberia, like the United States, will have to tighten its belt, reduce non-essential expenditures, and adopt strong self-help measures for the next few years.

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-3-

Assistant Secretary Palmer and Ambassador Brown will be available at the White House during the meeting.


Nicholas deB. Katzenbach

Enclosures:

Tab A - Talking Points

Tab B - Description of Liberia

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VISIT OF PRESIDENT TUBMAN
OF LIBERIA
MARCH 27-28, 1968

TALKING POINTS

Presidential Opening

- Our two nations have always had a special historical relationship. We deeply appreciate your role in strengthening these ties over the years.
- We are grateful for your steadfast support for our efforts in Vietnam. We particularly appreciate your expression of concern and sympathy to Ambassador Brown following the Tet offensive.
- The Vice President has told me of the warm and hospitable welcome you gave him when he represented me at your inauguration on January 1.
- We in the U.S. admire your regional approach to Africa's economic problems. Your leadership in organizing the upcoming Monrovia "summit" conference on West African economic questions has our full support.

Points Tubman May Raise

Assistance

In his memorandum to you of March 9 President Tubman made several specific requests for assistance.

You May Wish to Respond

- I will have my experts study these requests carefully.
- Our response will have to be conditioned by what Congress authorizes, and Congress has demonstrated it will give our aid proposals a tough going-over.

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-267
By C6, NARA Date 11-3-97

~~CONFIDENTIAL~~
GROUP 3

Downgraded at 12 year intervals;
not automatically declassified.

~~CONFIDENTIAL~~

-2-

-- (Should you want to respond to Tubman's proposals in greater detail, you may wish to refer to the following paragraphs.)

-- Tubman may ask for the exemption of Liberia from the new restrictions on overseas investment.

You May Wish to Respond

-- I know how important U.S. investment has been and will continue to be in Liberia's development.

-- Any U.S. firm which finds that it must seek an exception under the new regulations in order to invest in Liberia will receive sympathetic consideration from this government.

-- Tubman may refer to his hope for infrastructure development loans for the port of Harper, his home town.

You May Wish to Respond

-- As you have noted in your memorandum, surveys of the costs and benefits of a \$10-20 million major port improvement have not been encouraging.

-- There is little possibility of additional U.S. assistance on this scale.

-- Tubman may introduce his desire for a feasibility study of a hydroelectric project with the Ivory Coast on the Cavalla River (which fits into the regional cooperation concept), as well as for road links to Sierra Leone.

You May Wish to Respond

-- Our staffs should consider these proposals further.

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-3-

- Tubman may refer to economic assistance in a general vein.

You May Wish to Respond

- We are prepared to consider some new assistance for agricultural and rural development and are particularly interested in the problem of increased rice production.
- Tubman may refer to his request for commodity price support, especially rubber.

You May Wish to Respond

- Any plan must be multilaterally agreed to. Because of the competitive position of synthetic rubber, prospects for stabilizing natural rubber prices are not encouraging.
- Tubman may seek your support vis-a-vis Liberia's creditors--especially the Export-Import Bank--for a stretch-out of Liberia's debt (starting next year) to avert serious financial distress in Liberia.

You May Wish to Respond

- I am keenly aware of Liberia's financial problem and the role of its heavy debt repayment schedule, beginning in 1969.
- Approaches to this problem should include a reduction of non-essential expenditures as well as seeking more revenues. We are sympathetic with a rescheduling and are prepared to look at a proposal.
- We don't expect President Tubman to ask for additional military assistance. He might, however,

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-4-

during his visit ask for heavy equipment.

You May Wish to Respond

- Our Congress has become extremely critical of military assistance programs. New legislative injunctions concerning military assistance have jeopardized the continuation of economic assistance programs.
- Our experts believe that the needs of the Liberian National Guard lie in emphasis on training and organizational changes rather than in sophisticated equipment.

~~CONFIDENTIAL~~

21

ACTION

Tuesday
March 26, 1968 -- 3:00 p.m.

Pres file

MEMORANDUM FOR THE PRESIDENT

THRU: Mr. George Christian

SUBJECT: Speaking Requests

I have three outstanding requests to speak. If you think it would be useful for me to accept, I shall do so.

1. The Student Senate of Miami University is sponsoring a series of lectures on Vietnam. This is Miami University, Oxford, Ohio.

Accept _____

Regret _____

2. North American Rockwell (Aerospace and Systems Group) is sponsoring an International Symposium in Washington, D. C. on 10 April. Purpose: to acquaint senior management with international activities of various Government agencies and to exchange views on need for U. S. business participation overseas. No press will be present; all discussions to be in closed session.

Accept _____

Regret _____

3. The Economic Club of Detroit has invited me to appear on May 13, 1968. (I appeared before this group back in 1962.) The topic would be of my choosing.

Accept _____

Regret _____

W. W. Rostow

rla

FROM

CHARLES ROBERTS

71a
Newsweek

MEMO TO WALT ROSTOW:

Dear Walt: One of the ~~them~~ signers of this letter, Jim Roberts, is a nephew of mine--and he insisted on asking me to ask you to speak at Miami University.

It looks like an honest effort on their part to hear all sides on Vietnam.

They would be tickled to get an acceptance from you on any of the many dates they offer.

Could you drop me a line through the house mail or call me at Newsweek?

Chuck Roberts

Student Senate
Warfield Hall
Miami University
Oxford, Ohio 45056

Mr. Charles Roberts
Newsweek Magazine
Pennsylvania Avenue
Washington, D.C.

Dear Mr. Roberts:

The Student Senate of Miami University (with administration sanction) is sponsoring a series of lectures on Vietnam during February and March of 1968. The series includes, we believe, the most eminent group ever to appear on a college campus in connection with such an event. Because of its unprecedented nature and the gravity of the subject matter, we thought this would be an excellent opportunity for the Johnson Administration to have its views represented.

These speakers have agreed to speak on the following dates:

- Feb. 18 - Walter Judd, former Congressman and expert on Southeast Asian affairs, 7 P.M.
- Feb. 25 - Gen. Maxwell Taylor, former chairman of the Joint Chiefs of Staff, 2 P.M.
Roger Hilsman, Assistant Secretary of State for Southeast Asian affairs under President Kennedy, 7 P.M.
- March 3 - Harrison Salisbury, Pulitzer Prize winning writer for the New York Times, and Dr. Robert Scalapino, professor of international affairs at the University of California at Berkeley, in a debate, 2 P.M.
- Mar. 10 - Tran Van Dinh, former Vietnamese ambassador to the U.S., 2 P.M.
George Kahin, head of the Southeast Asian Program of Cornell University, 7 P.M.
- Mar. 11 - Rowland Evans and Robert Novak, syndicated columnists, 7 P.M.
- Mar. 12 - William A. Williams, historian and author of The Tragedy of American Diplomacy, 7 P.M.
- Mar. 17 - David Halberstam, Pulitzer Prize winner and author of One Very Hot Day, 7 P.M.
- Mar. 19 - T.C. Schelling, head of Harvard's International Studies Department, 7 P.M.
- Mar. 22 - Senator Strom Thurmond, of the Senate's Armed Services Committee, 7 P.M.

Also within the period February 18 to March 22, we have commitments from Senators Stephen Young of Ohio, Ernest Gruening of Alaska, Gale McGee of Wyoming, and Frank Moss of Utah.

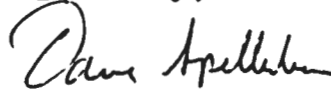
The following is a list of available dates:

February 19, 20, 22, 23.

March 13, 14, 18, 20, 25, 26, 27, 28, 29.

If none of these dates are available for Mr. Rostow, please indicate what day would be convenient for him. We look forward to hearing from you in this regard.

Sincerely,



Dave Spellerberg
Vice President, Student Senate



Jim Roberts
National Publicity

71c

The Economic Club of Detroit

920 FREE PRESS BLDG., 321 W. LAFAYETTE

DETROIT, MICHIGAN 48226

PHONE 963-8547

OFFICE OF THE PRESIDENT
PHONE 963-8564

February 28, 1968

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

Dear Walt:

You have become so "Inside the White House" busy that I seldom hear of what you are doing. With your energy, initiative and remarkable grasp of things, we should hear from you and, at the same time, get you briefly away from Washington to an area where you can talk to and hear what the outside citizenry are thinking. That's a novel approach.

I noted in your letter to me of November 23, 1962 your sincere appreciation of the opportunity to talk with respected fellow citizens and friends concerning our problems. Wouldn't you like to try it again here?

In accordance with our mutual understanding that you would like to appear again before The Economic Club of Detroit and, because of the planned termination of my duties with this organization on June 30, 1968, I do hope that you will be able to arrange your schedule to be with us on 13 May, 1968. (Monday) The luncheon would be in your honor; the topic would be yours to select, and I'll probably ask someone like Phil Hart to preside for you.

Because I'm sure you left your files at the State Department, I'll attach these herewith:-

- a. Enclosure 1 - our last year's Progress Report
- b. Enclosure 2 - our Board of Directors' pamphlet
- c. Enclosure 3 - speaker's normal schedule, in which you will note that we hope you will bring your wife along, join us on Sunday evening for dinner and a chat with a number of our members, etc.
- d. Enclosure 4 - a luncheon time schedule.
- e. Enclosure 5 - several recent announcements.

Because of your "honorarium" situation, I'll send two round trip air tickets for you; meet you at the airport on your arrival with a car and driver for you, take you and Mrs. Rostow to your lovely complimentary suite at the Sheraton-Cadillac and try to arrange to have your visit a most memorable one. A Greenfield Village pamphlet is enclosed for Mrs. Rostow as my Betty will plan to take her over there for a special tour and lunch on Monday.

not received

We have a tremendous outreach via TV, radio and our press (when not on strike). We also print our speeches for complimentary distribution to members, colleges and libraries throughout the world. As Enclosure 6 is Bus Wheeler's report.

I recall with much pleasure your former visit and do truly hope that you will recognize that Walt Rostow should visit Detroit again and find out at first hand what people outside of Washington are thinking. I find that most of our businessmen (all, I believe) go to Washington to listen and only speak frankly when they are back here. Thus, you may recognize that it would be of great benefit to us, the people and to you to return here. I'll make it a "Yale" day too.

With warmest regards,

Sincerely,

Larry Bork

B:F
Encl.

L. S. Bork
President

71d

THE ECONOMIC CLUB OF DETROIT

SPEAKER'S SCHEDULE

1. Arrive in Detroit mid-afternoon Sunday, _____.
2. You will be met on arrival at Detroit by me. You will be taken to the Sheraton-Cadillac Hotel where a complimentary suite will be reserved for you.
3. A buffet dinner party will be held in your honor that evening at the Detroit Athletic Club to permit you to meet and chat with some of our leading citizens and their wives.
4. At 10:25 a.m. Monday you will be taken to the Veterans Memorial Building (or Cobo Hall, as the case may be), for one-half hour of scheduled television interviews, if you so approve.
5. At an 11:00 a.m. reception you will meet approximately 30 young men from Junior Achievement and from the Colleges and Universities of Michigan. Please refer to our enclosed Annual Progress Report under the heading "COOPERATION WITH YOUTH AND EDUCATORS," for the details of this activity.
6. A reception will be held at 11:30 a.m. so that the distinguished guests who will be seated at the Speaker's Table may meet and greet you and your Presiding Officer.

(We shall be pleased to receive a list of any friends or others whom you would like to have us invite to the luncheon, to the 11:30 reception, and to be seated with us at the Speaker's Table.)
7. Luncheon will be from 12:00 noon to 12:40 p.m., followed by pertinent announcements, your introduction by the Presiding Officer, and your talk.
8. You will be the only speaker. Your talk will start by 1:00 p.m. and should last from 30 to 35 minutes, followed by a 10 to 15-minute Question and Answer Period.
9. The meeting will terminate promptly at 1:45 p.m.

THE ECONOMIC CLUB OF DETROITMinute Schedule for Speakers

- 10:25 a.m. - Departure from Sheraton-Cadillac Hotel
- 10:30 - 11:00 - Scheduled television interviews or open news conference, if desired by the Speaker.
- 11:00 - 11:30 - Reception with students from Colleges and Universities, and from Junior Achievement. (October-May) Speaker discusses his forte with the students, who ask oral questions.
- *11:30 - Speaker's Table Reception for the Speaker and the Presiding Officer. A receiving line will be formed.
- 12:00 noon - Luncheon served in the Ballroom.
- 12:00 - Speaker's Table group moves into the Ballroom.
- 12:40 - Luncheon terminates and waitresses move out of the room.
- 12:45 - 12:47 - Invocation.
- 12:47 - 12:50 - Introduction of notable guests (out-of-state visitors only).
- 12:50 - 12:55 - President's announcements and introduction of the Presiding Officer.
- *12:55 - 12:59 - Introduction of Speaker by Presiding Officer (3 to 5 minutes).
- 1:00 - 1:35 - Address by guest Speaker.
- * 1:35 - 1:45 - Question and Answer Period, conducted by the Presiding Officer. Questions will be received from the floor in writing, monitored by the President, and passed on to the Presiding Officer, who decides which questions to ask and the order of same. At approximately 1:42, the Presiding Officer will ask the final question (which should be brief), and will take his seat. When the Speaker has completed his response, the President will move to the microphone, which is the signal for the Speaker to take his seat.
- 1:45 - President thanks the Speaker and the Presiding Officer, announces the radio and TV schedules of the meeting**, and adjourns the sessions.

* Presiding Officers' Scheduled Duties.

** Our talks are customarily broadcast in accordance with the radio schedule appearing on page 3 of our enclosed Annual Progress Report. I am sure this will meet with your approval.

71F

NORTH AMERICAN ROCKWELL CORPORATION
AEROSPACE AND SYSTEMS GROUP

WASHINGTON OFFICE
1629 K STREET, N.W. • WASHINGTON, D.C. 20006 • (202) 296-6900

21 February 1968

Ref: 68IR-86

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

Dear Mr. Rostow:

North American Rockwell, which was recently formed through the merger of North American Aviation and Rockwell Standard, is planning to conduct an International Symposium in Washington, D. C., on 10 April. *← wed.* The purpose is to acquaint senior management with international activities of the various Government agencies and to exchange views on the need for U. S. business participation overseas. Company attendance will be limited to the Corporate Executive Staff and Presidents of the operating divisions. We are inviting as guest speakers key officials from the Department of State, Department of Commerce, Office of the Secretary of Defense/International Security Affairs, International Logistics Negotiations, and Department of Transportation. Presentations will be informal to present the opportunity for free exchange of ideas. No press will be invited nor will there be a public announcement. All discussions will be in closed session.

With your wide background in world problems and international security, you are uniquely qualified to discuss international areas of interest to U. S. industry and their involvement in international affairs.

North American has for many years been closely associated with the U. S. Government and deeply involved in international security problems, even though primarily in the military and space fields. With the recent merger complete, we plan to broaden our approach toward increased participation in foreign markets. We would be extremely honored to have you appear as the Keynote Speaker at the luncheon in connection with the

symposium. If you could be with us on April 10, I will send full details including the agenda, time and place.

Attached is a copy of our 1967 Annual Report which will provide a reference concerning our current activities and markets.

Sincerely,

A handwritten signature in dark ink, appearing to read 'A. A. Grasselli', with a stylized flourish at the end.

A. A. Grasselli
Vice President
North American Aviation
International, Inc.

AAG:csr

Enclosure: 1967 Annual Report

Pres file
72

Tuesday, March 26, 1968
12:55 p. m.

~~SECRET~~

MR. PRESIDENT:

You may wish to have the meeting proceed as follows:

1. Just as a tidbit and to cheer them up a little, you might read the marked passages from this latest Bunker cable, attached.

2. You might ask Gen. Abrams to comment on two matters:

-- the performance and prospects for the ARVN, including their present strengths in the field including the Regional and Popular Forces. In this connection, ask him at some point: How bad is it in the countryside?

-- what are the prospects for the battle against the main North Vietnamese units in the western highlands and especially in I Corps? In his judgment, what is the timing of that battle?

3. I would then ask Mac Bundy to summarize the views presented this morning.

4. You may then wish to go around the table and ask for brief supplementary statements from the individuals.

W. W. Rostow

~~SECRET~~ attachment

DECLASSIFIED
E.O. 12356, Sec. 3.4(b)
White House Guidelines, Feb. 24, 1983
By 29, NARA, Date 4-1-92

Tuesday, March 26, 1968

FOR THE PRESIDENT FROM AMBASSADOR BUNKER (Saigon 23069)

I took Ambassador Berger to call on President Thieu this morning and we had about an hour with him. Following are the highlights of the conversation.

I recalled to the President that I had already discussed with him and separately with the Prime Minister the question of adequate procedures to assure the deferment of essential civilian personnel from the current mobilization effort. I added that I had the impression that this was being handled quite well in terms of the central government and the Saigon area, but in the provinces there were reports of some essential civilian personnel already being drafted. I emphasized that it was important to get a uniform policy established; otherwise the government and the economy in the provinces could be seriously affected. Thieu said he planned to discuss this question further today with Ministers Vy and Vien and General Cao Van Vien. I reiterated the suggestion that the mobilization directorate be moved up to the Prime Minister's or President's office in order to assure coordination of all the Ministries.

Thieu then said that he was announcing today the appointment of five new Province Chiefs for the provinces of Bien Hoa, Go Cong, Kien Hoa, Phong Dinh, and Vinh Binh. He expected to make a few more appointments within the next day or two, including Gia Dinh, where he stressed that he wanted to get the best man for the job.

With respect to increased tax measures, Thieu said he was sending a draft law to the National Assembly, proposing a surtax for reconstruction and solidarity which he hoped would bring in about 3 billion piasters; on March 30, he plans to issue an Executive Order increasing taxes on luxury and imported goods. He stated that Assembly action was not required and he anticipated about 4 billion piasters from this measure. Thieu added that with respect to petroleum products taxes, he planned to move in two stages since these products were so widely used in the economy and affected all the main means of transportation, especially since Tet. He did not wish too drastic an impact and therefore as a first step, would raise the tax per liter from 9 piasters to 13. He thought that in one or two months he could raise it again to 17 piasters. This measure should bring in an additional 2 billion piasters, for a total of 9 billion.

In connection with these measures, Thieu made a plea for our authorities to work closely with his own to tighten up on supplies from American sources getting into illegal channels of trade. He noted that non-taxable gasoline will obviously become more attractive and said that he would talk with General Westmoreland about this and the related question of PX supplies getting into the economy. He claimed that

DECLASSIFIED

Authority NLS/CBS 10~~SECRET/EXDIS~~By is, NARS, Date 11-28-83

large sales of cosmetics and other ladies' items had posed serious competition for the local merchants which he hoped could be controlled effectively. I asked Thieu about his measures to limit the black market trade in all these items. He said that he had instructed the mayor to keep up the pressure on the illegal street traders, and added that he planned to check this activity himself.

In connection with this discussion Thieu said he would like to have a detailed exchange of views with us on the pacification policy, on how we should proceed and how the pacification program should be tied into other military policy. I said I thought this a very good idea and that I thought it also might be useful to have periodic meetings of two or three top leaders on both the U. S. and Government of Vietnam side to discuss these problems and others. Thieu agreed.

I then asked Thieu how his plans for the organization of civil defense were developing. He reiterated that he had asked the Vice President to take hold of this subject and come back to him with recommendations for a comprehensive plan which would apply throughout the country. Thieu agreed that veterans could be a useful focal point for this organization. He said one must first develop and help the cadre in the countryside and that financial support was important to this effort.

I asked Thieu how he thought things were going in the Fourth Corps. He said one of the main problems was getting the cadre out into the villages and hamlets and talking to the people there. The Viet Cong were very active in the villages with their propaganda and the Government of Vietnam was very much in need of highly qualified cadre to put over the Government's objectives and programs in a meaningful way to the people. I told Thieu that General Westmoreland was very pleased with the way Generals Thang and Lan were taking hold of their new positions. Thieu agreed that things seemed to be going well in both the Second and Fourth Corps and enemy activity was on a reduced scale. He thought the enemy was reinforcing and preparing for the next offensive, which he still anticipated would be some time during the period from May or June to October.

I referred to our earlier conversation about the Vice President's duties and asked Thieu whether he was moving ahead with the draft legislation on the councils and other bodies. Thieu said that he had sent draft laws on the Inspectorate, the Supreme Court, the Special Court, and on political parties to the Assembly on March 22. He plans to send the laws governing the three Councils which the Vice President will head to the Assembly on March 26, and on March 28 he will submit a draft law to govern the press. In about a week he expected to submit drafts governing the National Security Council and the Armed Forces Council. He is planning to address the Lower House when it convenes about April 1 in order to explain these legislative drafts.

I said that I had heard reports of the setting up of a Council of Spiritual Advisors and I wondered how his efforts to appoint advisors was coming along. Thieu said that so far 18 individuals had agreed to serve and he is planning to talk to three or four others before making any announcement. As he described it, these advisors would be both spiritual and temporal. He said Phan Quang Dan and Ha Thuc Ky had

both agreed to serve. Tran Van Huong had agreed to serve privately as an advisor at any time that the President wanted to see him but did not wish to be officially listed as such. They had all agreed that it was best not to try and meet formally in a large group since this would not lend itself to frank and constructive discussion in all cases. He had therefore decided that meetings with these advisors would normally be in small select groups, or individually.

I referred to our earlier conversation about Tran Van An's appointment as Information Minister and said I had heard that Nguyen Ngoc Linh had decided not to serve as Vice Minister. Thieu confirmed this and said Linh had preferred to remain as head of Vietnam press. I remarked that Thieu really needed a good press relations man in the Presidency. Thieu thought that Linh could act as government spokesman in his position as head of Vietnam press. I mentioned one or two other names such as Dang Duc Khoi, Ton That Thien, and Nguyen Thai. Thieu showed an interest in Thien.

I suggested to Thieu that it might be useful to consider a further relaxation in the curfew hours, particularly from the viewpoint of the morale of the population. Thieu said that as a matter of fact he planned to review this question with the Recovery Committee when he meets with them on March 27. Thieu also noted that he had spent several hours yesterday with Bui Diem, who had explained the atmosphere in Washington in detail. We did not go into this conversation further but I am reporting separately a subsequent talk which I have had with Bui Diem.

INFORMATION

73

~~SECRET~~

Tuesday, March 26, 1968 - 12:45 PM

Mr. President:

Pres file

At Khe Sanh-DMZ-A Shau:

- 25 rounds enemy incoming;
- 252 tactical support sorties
plus 47 B-52's;
- 150.5 tons resupply, hampered
by low ceilings and high winds;
- heavy contact east of Quang Tri
City;
- weather poor.

W. W. Rostow

DECLASSIFIED

Authority OSD 10-18-78

By up/ry, NARA, Date 4-3-92

rla

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73a

Tuesday, March 26, 1968, 9:15 a. m.

TEXT OF CABLE FROM GENERAL WESTMORELAND

This is report number fifty-one on the situation in the Khe Sanh/DMZ/A Shau Valley area for the 24-hour period of March 25, 1968.

Resupply was hampered by low ceilings and high winds, which prevented aircraft from landing. Input consisted of ten air drops by C-130 aircraft totaling 150.5 short tons. Supplies remain at a satisfactory level with 28 days of rations and 21 or more days of large caliber ammunition on hand.

Low clouds and poor visibility are predicted for the remainder of today and the morning of March 27.

For the second day, enemy incoming fire decreased as a total of 25 rounds were received at Khe Sanh; 12 artillery, 10 mortar and three rocket. There was no ground action in the vicinity. The incoming rounds wounded 17 Marines; 13 were evacuated.

South of the DMZ, seven kilometers southeast of Cam Lo, a third Marine Division Reconnaissance Team observed approximately 250 North Vietnamese Army. Artillery was employed, killing 25 of the enemy.

Early in the morning of March 25, the 1st Air Cavalry Division established heavy contact six kilometers east of Quang Tri City. The enemy force was later identified by a detainee as elements of the K14 Battalion, 5th North Vietnamese Regiment. Gunships supported and the contact was broken at 7:00 p. m. Fifty-two of the enemy were killed. U. S. losses were 10 killed and 26 wounded.

Two hundred forty two tactical air sorties were flown in the Niagara area. Seven enemy were killed. Seven secondary explosions, 14 secondary fires, nine bunkers and one mortar position destroyed, and 20 road cuts and two ford cuts were credited to tactical air. Tactical air sorties planned for tomorrow total 314.

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Authority OSD 66113179

By ep/ly, NARA, Date 4-3-92

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- 2 -

Eight ARC LIGHT strikes, of 47 sorties, were scheduled. One aircraft was diverted to a secondary target. Nine missions are planned for March 26.

One wire tap mission near Route 547 in A Shau was unsuccessful due to heavy enemy contact. Two Reconnaissance Teams remain in the valley. One Team called in tactical air to destroy an enemy artillery cache of approximately 150 rounds. No unusual returns were reported from one photo and two armed reconnaissance missions.

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THE JOINT STAFF

THE NATIONAL MILITARY COMMAND CENTER
WASHINGTON, D.C. 20301

73b

26 March 1968
4:30 AM EST

MEMORANDUM FOR THE WHITE HOUSE SITUATION ROOM

Subject: Supply Status at Khe Sanh as of 8:00 PM EST
25 March (9:00 AM 26 March, SVN time)

1. The Khe Sanh Dump and Ammunition Supply Point (ASP)
status as of the above time is as follows:

	<u>DAYS SUPPLY</u> <u>ON HAND</u>	<u>8:00 PM 25 Mar EST</u> <u>(9:00 AM 26 Mar SVN)</u>
<u>CLASS I (Rations)</u>		
Meal, Combat, Individual	22	23 days
B Rations	6	6 days
<u>CLASS II (Fuel)</u>		
Aviation Gas (AVGAS)	3	3 days
JP-4 Fuel (Jet Fuel)	10.6	10.6 days
Motor Gasoline (MOGAS)	14.7	15.6 days
Diesel	12	9.0 days
<u>CLASS V (Ammunition)</u>		
a. High Explosive		
60-mm mortar	55	55 days
81-mm mortar	36	36 days
90-mm (Tank)	133	133 days
4.2" mortar	29	30 days
105-mm howitzer	21	21 days
155-mm howitzer	27	27 days
b. Antitank		
		<u>ROUNDS ON HAND</u>
90-mm AP-T		284
90-mm HEAT		1,059
66-mm rocket (LAW)		2,222
Antitank mines (M-15)		349
Antitank mines (M-19)		469
Antitank mines (M-21)		48
106-mm HEAT		1,480
106-mm recoilless rifle (HEP-T)		2,093
3.5" rocket		1,206

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E.O. 12356, Sec. 3.3

DA Memo, Jan. 5, 1988

By 19 NARA Date 4-3-92

SECRET

8:00 PM 25 Mar EST
(9:00 AM 26 Mar SVN)

c. Antipersonnel

ROUNDS ON HAND

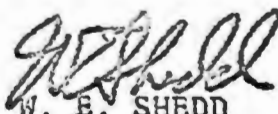
90-mm BEEHIVE	546
105-mm BEEHIVE	1,150
106-mm BEEHIVE	1,689
90-mm CANNISTER	323

CLASS V (COFRAM)

105-mm howitzer	1,684
155-mm howitzer	990
40-mm grenade launcher	6,729
Hand Grenades	2,945

2. On 24 March, Khe Sanh was resupplied with 150.5 short tons as follows:

CLASS I	16.5 tons
CLASS II	None
CLASS III	18 tons
CLASS IV	27.5 tons
CLASS V	88.5 tons
MISCELLANEOUS	None



W. E. SHEDD
Brigadier General, USA
Deputy Director for
Operations (NMCC)

Distribution:

SECDEF
DEP SECDEF
CJCS (3)
DJS (3)
J-30
J-31
J-32
J-33
J-34
J-4
AWR
MCCC
AFCP
NFP
DDO
ADDO
CCOC
PAC DIV
PAC DESK

SECRET

114

Tuesday
Monday
March 26, 1968

Pres file

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Some support in the House of
Representatives

Congressman Bryan Dorn of South Carolina has gotten a one-hour special order for Wednesday. He will use it to defend the Vietnam policy and to attack its critics. Dorn has asked Marshall Wright of my staff for help and we are providing it.

Dorn has also talked with Carl Albert and State's Congressional people about organizing a bloc of Congressmen to voice consistent support for your Vietnam policy. State is furnishing him the names of some of our friends.

W. W. Rostow

MW:wpt

~~Secret~~

75

Tuesday, March 26, 1968

MR. PRESIDENT:

Attached for your approval is a draft message from you to Chancellor Kiesinger.

The main point of the message is to stress the importance we attach to completing arrangements for the IMF Special Drawing Rights Plan at the Stockholm meeting on Friday.

The message also thanks Kiesinger for Germany's cooperation in the Washington decisions of the Gold Pool central bankers and for Germany's initiative in trying to get the Common Market to make its Kennedy Round tariff cuts ahead of schedule.

The message has been approved by Gene Rostow and John Ledy at State and by Fred Deming at Treasury.

We would like to get it out this evening so that it could be delivered to Kiesinger on Wednesday - before their Finance Minister leaves for Stockholm.

W. W. Rostow

Approve ✓

Disapprove

Call me

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-269
By ing, NARA Date 2-19-97

ERF:mm

~~Secret~~

~~Secret~~

75a

Dear Mr. Chancellor:

Thank you for your letter of March 17. Looking back over these last days the return to order in financial markets demonstrates that the decisions the central bankers took in Washington were in the right direction. You know the important role Dr. Blessing played in those decisions. I value highly your support at a time when the going was dangerous for us all.

The decisions in Washington - fundamental as they are - were largely about things we will not do. We will not change the official price of gold. We will not let private demand and private supply influence the disposition of public reserves of monetary gold. And we will not rely on uncertain and inadequate supplies of gold for the needed increase in monetary reserves. In fact, we agreed that the existing stock of monetary gold is sufficient in view of the prospective establishment of the Special Drawing Rights facility.

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E.O. 12958, Sec. 3.6
NLJ 96-269
By sig, NARA Date 2-19-97

~~Secret~~

~~Secret~~

- 2 -

We now have before us at Stockholm this weekend the positive decisions - the decisions on what we will do together to create and manage international monetary reserves. As you say, these are properly matters to be discussed and decided upon by all governments. Indeed the plan for Special Drawing Rights now before us was formed in more than four years of discussion in the IMF and the Group of Ten.

The basic decisions on this plan were taken in London last August and unanimously confirmed in Rio in September. What now remains is for the ministers - in accordance with the agreement made at Rio - to execute their decisions in legal form. I gather that some few questions are still to be settled, but none that should not yield to practical compromise.

Clearly we can reach a final accord on the Special Drawing Rights Plan at Stockholm. I believe there is wide agreement that we must do

~~Secret~~

~~Secret~~

- 3 -

so. Any delay - in view of the agreements at London and Rio and the decisions of the central bankers in Washington - would needlessly risk new and profound disorder in the financial markets and the monetary system. Completion of the plan this weekend, on the other hand, would be a stabilizing factor and a source of strength for an international economy devoted to high levels of trade and economic growth.

I should like to say, Mr. Chancellor, that I appreciate your Government's initiative in proposing non-symmetric acceleration of Kennedy Round tariff cuts as a contribution to ending the payments imbalance between Europe and America. I am encouraged by the favorable response this proposal is receiving.

Let me say finally that I recognize the role fiscal and monetary restraint in the United States must play in restoring international equilibrium and financial order. The Federal Reserve has moved to tighten credit.

And I believe our Congress and the public have come to recognize the need for a responsible fiscal policy, although a consensus on how best to achieve it has not yet been reached.

~~Secret~~

~~Secret~~

- 4 -

Effective cooperation between Europe and the United States has achieved great progress during the year - in trade, in finance, and in security. I take particular satisfaction in the contribution the exchanges between us have made to these accomplishments. I am certain that by keeping to the course of cooperation we have nothing to fear for the future.

~~Secret~~

Mr. Rostow

76

Pur file

SECRET

Monday, March 25, 1968

6:20 pm

MEMORANDUM FOR THE PRESIDENT

SUBJECT: PL 480 Program for Morocco

The attached memo from Charlie Zwick outlines the economic justification for a Gaud-Freeman recommendation that you approve this year's \$16.2 million PL 480 agreement for Morocco.

You may recall that King Hassan, when he was here a year ago, described to you the emphasis he is putting on increasing agricultural production. We have been concentrating on helping him, and AID will shortly propose an \$8 million loan to help this effort. The self-help provisions in both are complementary.

Maintaining the momentum of our economic programs is all the more desirable since the Conte-Long amendment is making it hard for us to meet Hassan's military needs. It's another small step in keeping a hand out to a moderate Arab friend.

I recommend you approve. State and Treasury are aboard.

W. W. Rostow

Approve ✓

3/26/68

Disapprove _____

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

White House Guidelines, Feb. 24, 1983

By rg, NARA, Date 4-1-92

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

76a

MAR 16 1968

MEMORANDUM FOR THE PRESIDENT

Subject: Proposed P. L. 480 Agreement with Morocco

In the attached memorandum, Orville Freeman and Bill Gaud request your authorization to negotiate a \$16.2 million P. L. 480 agreement with Morocco for 100,000 tons of wheat and 40,000 tons of soybean oil. Except for an increase in the dollar interest rate, repayment would be on the same terms as the last several agreements - half local currency, half twenty-year dollar credit.

Self-help. The self-help conditions in this agreement will be the same provisions set forth in last year's agreements that totaled \$37 million.

An \$8 million agricultural sector loan for Morocco is now pending. The sector loan, however, is likely to take at least a month. Joint negotiation of the P. L. 480 and sector loan agreements would probably not affect acceptance of the self-help provisions that are to be specified in the sector loan. We advised Morocco in January that they could count on the P. L. 480 wheat and oil in exchange for their commitment to defer purchase of Spanish wheat and Soviet Bloc oil, and to purchase an additional 40,000 tons of wheat and 10,000 tons of oil in the U. S. In view of this commitment, we see no bargaining advantage in putting the two programs into a package.

Symington Amendment. The attached State/AID analysis indicates that Morocco does not divert U. S. dollar assistance or P. L. 480 funds to military expenditures, nor does it divert its own resources to unnecessary military expenditures to an extent which hinders development. Moroccan military expenditures have declined from a high of 12% of total government expenditures in 1964 to an estimated 9% in 1967. In several weeks you will be requested to waive the application of the Conte/Long amendment as it applies to the MAP and AID programs in connection

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NLJ 96-269
By isp, NARA Date 2-19-97

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with a proposed credit sale of F-5 aircraft. However, this issue does not involve P. L. 480 sales.

Recommendation. I recommend that you authorize P. L. 480 negotiations with Morocco.

(signed) Charles J. Zwick
Charles J. Zwick
Director

Attachments

Approve _____

Disapprove _____

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766

~~CONFIDENTIAL~~

FEB 29 1968

To: The President

Subject: Public Law 480 Sales Program with Morocco

We recommend that you authorize us to negotiate with the Government of the Kingdom of Morocco a \$16.2 million PL 480 sales agreement split between dollar credit (50%) and local currency (50%) financing. The proposed sale would include 100,000 tons of wheat and 40,000 tons of soybean oil.

Except for an increase in the dollar credit interest rate, the credit terms are the same as the last agreement; 20 years' credit, two-years' grace, interest two percent during the grace period and two and one-half percent thereafter; under local currency terms, 70 percent of local currency proceeds are intended for development loans, 20 percent for U.S. uses and 10 percent for Cooley loans. The Departments of State and Treasury have endorsed this proposal.

In our previous memoranda, (attached) the latest of which was approved by you September 18, 1967, we outlined Morocco's requirements for wheat, the U.S. interest in Morocco, and self-help efforts to improve that country's agriculture. In 1966, the last full year reported, Morocco imported about 65,000 tons of edible vegetable oil with the greater quantity coming from Communist nations. The edible vegetable oil included in this program could possibly replace further Moroccan imports from Communist countries either in whole or in part.

Military Expenditures Review

Attached is a review of Morocco's expenditures for military purposes in keeping with Section 620 (s) of the Foreign Assistance Act as amended.

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E.O. 12958, Sec. 3.6

NLJ 96-275/AID Guidelines

By cb, NARA Date 6-30-99

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Recommendation

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

JAN 30 1968

William F. Bond

Administrator

Agency for International Development

Quill of Freeman

Secretary

Department of Agriculture

Approve: _____

Disapprove: _____

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76c

SEP 12 1967

To: The President

Subject: Public Law 480 Sales Program with Morocco

We recommend that you authorize us to negotiate with the Government of the Kingdom of Morocco a \$23.4 million increase in the \$11.3 million PL 480 dollar credit and local currency sale approved by you early in February and a \$2.1 million increase approved by you in mid-April. The proposed increase would add 300,000 tons of wheat and 30,400 bales of cotton to the 167,000 tons of wheat and 12,000 tons of tallow already approved. The same credit terms will apply; that is, under the dollar credit terms, 20 years credit, two-year grace, interest at one percent during the grace period and two and one-half percent thereafter; and under the local currency terms, 70 percent of local currency proceeds are intended for development loans, 20 percent for U.S. uses and 10 percent for Cooley loans. The Department of State has endorsed this proposal.

In our memoranda of February 2, 1967 and April 18, 1967 (attached), in which we recommended the current PL 480 sale, we outlined Morocco's requirements for agricultural commodities, the U.S. interest in Morocco, and self-help efforts to improve that country's agriculture.

It is necessary that you consider with this memorandum, a new Findley-Delcher finding which will be forthcoming from the Secretary of State.

Recommendation: That you authorize us to negotiate with Morocco the sale of 300,000 tons of wheat and 30,400 bales of cotton of which the current market value is \$23.4 million.

September 11 1967

/s/ William S. Gaud

Administrator

Agency for International Development

Orville L. Freeman

Secretary

Department of Agriculture

SEP 18 1967

Approve: _____

Disapprove: _____

APR 18 1967

To : The President

762

Subject: P. L. 480 sales Program with Morocco


We recommend that you authorize us to negotiate with the Government of the Kingdom of Morocco a \$2.1 million increase in the \$11.3 million P.L. 480 dollar credit and local currency sale approved by you early in February. The proposed increase would add 12,000 metric tons of inedible tallow to the 167,000 metric tons of wheat already approved. The same credit terms will apply, that is; under the dollar credit terms, 20 years credit, two-year grace, interest at 1 percent during the grace period and 2½ percent thereafter; and under the local currency terms, 70 percent of local currency proceeds are intended for development loans, 20 percent for U.S. uses and 10 percent for Cooley loans. The Department of State has endorsed this proposal.

In our memorandum of February 2, 1967 (attached), in which we recommended the current P.L. 480 sale, we outlined Morocco's requirements for agricultural commodities, the U.S. interest in Morocco, and self-help efforts to improve that country's agriculture.

Recommendation: That you authorize us to negotiate with Morocco the sale of 12,000 metric tons of tallow of which the current market value is \$2.1 million.



Administrator
Agency for International Development



Secretary
Department of Agriculture

Approve: JUL 19 1967

Disapprove: _____

~~CONFIDENTIAL~~

76e

FEB 2 1967

The President

Public Law 400 Wheat for Morocco

We recommend that you authorize us to negotiate with Morocco a PL 400 sale of 167,000 tons of wheat for \$11.3 million split 50-50 between local currency and dollar credit financing. The local currency would be earmarked for US uses (20%), Cooley loans (10%) and economic development loans (70%). The credit would be payable over 20 years with interest at 1% during the two-year grace period and 2 1/2% thereafter. The new provision of PL 400 requiring payment in hard currency of 5% of the commodity value upon delivery whenever practicable would apply. The State Department concurs in this recommendation.

Negotiation of the agreement cannot begin until you determine it in the US interest under the "Flaxley amendment" to PL 400. The Secretary of State is sending you a separate memorandum on that question.

US Interest in Morocco. The US wants Morocco to continue to support US positions in the UN and OAU, to moderate Middle East issues and work toward Maghrebian cooperation, and to permit US use of the Kenitra Naval Base and communications facilities, full access and transit rights for US civil aviation, and use of the Voice of America broadcasting facility at Tangier.

Morocco's Grain Situation. As a result of the serious drought last winter, Morocco's wheat production was 30% below the previous year. Corn production was down by 45% and barley by 57%. Yields of oats, rye, sorghum, other cereals and pulses were severely reduced. The 1965-67 cereal deficit will reach about 1.4 million tons compared to last year's imports of 350,000 tons. The 1967 wheat deficit is estimated to exceed 500,000 tons. About two-thirds of the deficit or some 640,000 tons have been met by commercial purchase from the US and other countries and earlier PL 400 sales and donations.

Self-Help. An unfavorable trend in the balance of payments was reversed for the first time since 1950 by an austerity program of credit and import restrictions which reduced imports by \$53 million in 1965. Reserves continued to increase until recent months when foreign exchange has been used to buy grains. Following IMF and IERD

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E.O. 12958, Sec. 3.6

NLJ 96-275

By CB, NARA Date 6-30-99

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advice, Morocco has controlled inflationary financing and held down prices. The original Five Year Plan was replaced by a more realistic Three Year Plan incorporating IMMD recommendations. Confronted by a 3.2% population growth rate which outstrips GNP growth, the Moroccans have started a birth control program. A High Commission of Population and local commissions coordinate and implement assistance to 20,000 families.

Morocco allocates approximately 30% of the national budget to agriculture. Despite this substantial investment, food production has not kept pace with the population increase. Barley and wheat are Morocco's basic food crops. Barley production has not increased during the past decade and wheat production has increased only slightly. As things now stand, the prospects of Morocco becoming self-sufficient in food production in the short run are not good. However, with political stability and appropriate self-help measures, long-run prospects are favorable. Some specific self-help measures in agriculture are discussed below.

King Hassan recently launched a program to increase cereal yields on 500,000 acres by 30% by providing farmers with fertilizer and improved seed on easy credit and with training in their use. The program could produce 150,000 more tons of wheat yearly, nearly half of Morocco's normal wheat deficit.

Considerable progress has been made in reforestation and control of grazing in the reforested areas. Using US food-for-work assistance this program employs 1 1/4 million man-days yearly.

An artificial insemination program has begun and with US cooperation will be expanded in succeeding years. Farmers are being trained to upgrade foundation herds.

Progress has been made in establishing land reform policies and programs. This work is just beginning, however, compared to total country needs.

The sales agreement will state the following self-help measures which Morocco will undertake:

1. Continue efforts to increase grain and livestock production and to improve range management and other land improvement activities;
2. Increase and improve crop and livestock research emphasizing major grain crops in both dryland and irrigated areas;

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- 3 -

3. Improve erosion control measures in upper watersheds adjoining irrigation development projects;
4. Increase agricultural training at the secondary school level;
5. Streamline and stabilize Government institutions responsible for those activities.

Recommendation: That, contingent upon a finding under the Findley amendment, you authorize us to proceed with the PL 480 agreement as described above.

Approve: _____

Disapprove: _____

/s/ William S. Gaud
Administrator
Agency for International Development

/s/ John A. Schmittler
Acting Secretary
Department of Agriculture

Drafter: LDeBlaker: AFR/NA
2/1/67

Clearances: FCorrell: AFR/DP (draft)
WDavis: AA/PC (draft)
APost: STATE: AFN (draft)
TArnold: STATE: E/OR (draft)
MWhisler: MR/FFP (draft)

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76f

REVIEW OF MILITARY EXPENDITURES FOR MOROCCO

Problem: Morocco is currently on the CYB amber light list for the Symington Amendment. The need for decision is urgent since we are ready and anxious to move ahead with the proposed \$16.2 million P.L. 480 sale to Morocco, and it is in the U.S. national interest to do so. Therefore, we are requesting your concurrence to our conclusion that we are not required to apply the Amendment to Morocco.

I. BASIC MILITARY EXPENDITURE TREND DATA

	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u> Esti- mate	<u>1968</u> Projec- tion	<u>1969</u> Projec- tion
1. Defense expenditures of central government (millions of dirhams)	574	523	520	553	562	562
2. Estimated expenditures for police and other civil security forces	233	228	259	256	250	250
3. Military expenditures (millions of dollars)	67	58	52	59	62	62
4. Military expenditures (millions of dirhams)	341	295	261	297	312	312
5. Total central government expenditures (millions of dirhams)	2,915	2,991	3,203	3,150	3,475	3,673
6. Percent of military to total central government expenditures	12	10	8	9	9	8
7. Total public expenditures	Same as central government expenditures (line 5 above).					
8. Percent of military to total public expenditures	Same as line 6 above.					
9. Estimated foreign exchange expenditures on current account (U.S. dollars) Gross	438 $\frac{1}{2}$	575	618	500 $\frac{1}{2}$	515 $\frac{1}{2}$	525 $\frac{1}{2}$

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E.O. 12958, Sec. 3.6

NLJ 96-275

By CB, NARA Date 6-30-99

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	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u> Esti- mate	<u>1968</u> Projec- tion	<u>1969</u> Projec- tion
10. Gross National Product (millions of dirhams)	12,580	13,180	12,930	13,131	13,789	14,340
11. Percent of military expenditures to GNP	3	2	2	2	2	2
12. Estimated foreign exchange expended for military equipment (millions of dollars)	6.1	10.1	1.1			
13. Percent of foreign exchange for military to total foreign exchange expenditures	0.9	1.6	0.2			

1/ Imports only.

We believe these data to be essentially reliable. The basic figures are derived from official GOM sources, and have been evaluated for consistency and comprehensiveness by our Mission in Morocco and PPC/FRB/SRD in AID/W. They correspond with data prepared by the IBRD for its 1967 economic report on Morocco. Morocco's Ministry of Finance which is responsible for compilation of these figures is led by well qualified officials with several years experience and generally training in France. There are also French experts working at various offices in the Ministry. While this capable top layer is thin, its expertise has certainly been applied to the summary budget figures used in this analysis.

Total central government expenditures include essentially all public expenditures; since specific local programs are financed from the budgets of the central government Ministries, e.g. Interior, Public Works, Education, Agriculture, etc. carrying them out. The central government budget data have been adjusted to exclude government debt repayments and intragovernmental transfers. Autonomous organization budgets have been included, such as the Promotion Nationale regional development projects, the lottery, government enterprises, etc.

Estimated foreign exchange expenditures on current account include imports, and in 1965 and 1966 gross expenditures on services, e. g. freight and insurance, other transportation, travel, investment income, wage payments, and government expenditures not included elsewhere. Some additional services and royalties and fees have been included on a net balance basis, since gross expenditure data are not available; these net balances amounted to \$8 million in 1965 and \$6 million in 1966. Gross expenditures for services for other years are not available.

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To our knowledge, this data is the best available on these trends for Morocco, and is reliable and therefore useable for the purposes of this analysis.

II. Interpretation of Basic Military Expenditures Trend Data

a. Military expenditures declined sharply in 1966 from the 1964 level, but figures from 1966 and projected through 1969 show a slight upward trend. In 1964 military expenditures were relatively high as an aftermath of the brief border war with Algeria in 1963. They declined in 1965 and 1966 but rose slightly in 1967. In that year the GOM's budgetary decisions were influenced by the threat of Algeria's heavy armament and the Middle East War; despite the rise, defense expenditures were still 13 percent below the 1964 level, however. Expenditures are expected to rise slightly in 1968 and 1969, but still remain about 10 percent below the 1964 level.

The Moroccans view military expenditures at these levels as necessary to protect themselves, given their continued suspicion of Algeria's intentions, their long and exposed border with Algeria, and the Algerian military build-up. Morocco's military expenditures support armed forces of about 49,000 men as against about 61,000 for Algeria. According to available information Algeria's armed forces, bolstered by an estimated \$200 million of Soviet equipment, have gained substantial materiel superiority in major items, including about 162 military jet aircraft and 867 tanks, assault guns and armored personnel carriers as against 11 military jet aircraft, and about 98 tanks, assault guns, and armored personnel carriers for Morocco. Such relative force and materiel levels, as well as Morocco's present modest acquisition plans, indicate Morocco is not trying to gain military parity with Algeria, but only to maintain a credible defense capability.

Morocco's role during and since the Arab-Israeli War of 1967 indicates its need for sufficient military strength to prevent intimidation by its Arab neighbors. Algeria fully supported the UAR, and Arab nationalists within Morocco vehemently opposed Morocco's moderate international policy and clamored for repressive action against the Jewish community within Morocco. While Morocco paid full lip service to the Arab cause, its troops never got beyond Benghazi, and Morocco continued close relations with the U.S. and Western Europe. Internally, the police acted promptly and effectively to prevent anti-Jewish violence and demonstrations. Since then Morocco has played a leading role as an Arab moderate in trying to establish stability in the Middle East.

b. Military expenditures as a percent of central government expenditures declined from 1964 through 1966, rose slightly in 1967, and are expected to decline further in 1968 and 1969.

c. Military expenditures as a percent of total public expenditures follow the same trend as (b) above, since central government and total expenditures are the same.

d. Foreign exchange expenditures for military expenditures have varied considerably over recent years. They dropped from \$10.1 million

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-4-

in 1965 to \$1.1 million in 1966 and \$2.4 million in 1967. For the last two years they have accounted for less than 0.5 percent of total foreign exchange expenditures. Current military equipment purchases include aircraft spare parts, communication equipment, and F-5 ammunition. U.S. military assistance to Morocco has included the following program: In 1960 the U.S. arranged for military equipment sales amounting to \$20 million repayable in local currency. Twelve F-5's were provided in 1966-67 under a grant-credit sales agreement made in 1965.

e. The trend of military expenditures as a percent of GNP is down from 1964 to 1965 and has remained level since then.

III. Basic Economic Performance Data

	<u>1964</u>	<u>1965</u>	<u>1966</u>	<u>1967</u>	<u>1968</u>	<u>1969</u>
1. Wholesale price index (1958 = 100)	131	137	141	142	141	145
2. Exports (millions of dollars)	440	436	428	425	435	450
3. Central government revenues as percent of GNP	15	17	19	17	17	18
4. Direct taxes as a percent of total central government revenues	19	23	23	22	21	22
5. National savings as percent of GNP	10	10	19	12	11	12
6. Annual rate of change of GNP		1.53%	- 2.2%	4.3%	5.0%	4.0%
7. Annual rate of change of GNP per capita		-.8%	- 5.0%	1.16%	1.67%	.83%

IV. Interpretation of Basic Economic Performance Data

Following a period of large foreign exchange expenditures and domestic credit expansion, Morocco was obliged to seek a standby loan of \$35 million from the IMF in late 1964. Since then the GOM has followed the IMF guidelines conscientiously. Assisted by unusually large foreign aid receipts in 1965, Morocco's financial situation improved considerably by mid-1966. The credit controls slowed investment, however, and the level of economic activity declined. This was greatly accentuated by a severe drought in

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- 5 -

1966, when Morocco's wheat crop fell by nearly 40 percent. As a consequence income and purchasing power in the agricultural sector declined. The repercussions of this drop spread to trade and manufacturing and in 1966 Morocco's per capita GNP actually declined by 5 percent. Due to political difficulties with France arising from the trial of Moroccan officials for complicity in the murder of Ben Barka, France discontinued balance of payments loans, which had provided over \$40 million of import financing in 1964 and 1965.

Since the beginning of 1967 the GOM had been working on a new five year development plan for 1968-1972. The IBRD presented a report at the first Moroccan CG meeting in April 1967, recommending as a development target an increase in the rate of growth of GNP of 4.5% by 1970. This level will require investment of 15% of the GNP in 1970. These goals were endorsed by the CG.

The outbreak of the Middle East war in June 1967 focused political and economic unrest, bringing home even more to the GOM the need for prompt and strong action to improve Morocco's economic performance. To implement this expanded economic effort, a new Prime Minister was appointed as well as a new Minister of Agriculture, Mohammed Bargach, one of the country's top economic planners. The GOM accepted the development targets proposed by the IBRD, and under the new plan the government plans investment in 1968 30% above the 1966 level. The new plan places first emphasis on agricultural development, continuing Moroccan policies in recent years. Increased emphasis on food production will raise expenditures in the agriculture sector by nearly 40% in 1970 as compared to 1965-1966. Expenditures for education and youth activities are also increasing, and in 1966 they were eight percent greater than in 1965. Under the new plan they will rise 41 percent more by 1970. Additional areas of emphasis are tourism and processing industries.

During recent months the GOM has taken other development steps: repeal of the 1939 law forbidding sale of contraceptives, thereby opening the way to expanded family planning action; formation of an Investment Promotion Center to assist prospective investors; request for a U.S. fiscal management expert to improve the operation of the Ministry of Finance. The GOM has also accepted the IBRD's proposed administrative changes in the Ministry of Agriculture, Office of Planning, and other Government offices with key responsibilities in the development program, and began to work out their implementation.

Where needed, Moroccan military resources have been used in support of economic programs. One example was the widespread use of army trucks to deliver fertilizer to rural areas in a special cereals production program in 1966 and 1967. Regional administrators of Morocco's Food for Work Program, which will provide 30 million man days of work for the unemployed in 1968, are in most cases army officers on detached duty.

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- 6 -

The basic economic performance data in Part III reflect Morocco's economic difficulties in recent years, and expectation for improvement under the new plan. Domestic price levels are expected to continue stable in line with IMF guidelines on credit expansion. Even though investment will be increasing, maintenance of price stability should be possible since many industries are now operating at only 60% of capacity and unemployment is high. The IBRD estimated unemployment at 400,000 in 1966, and this has been estimated to be as high as 700,000, one sixth the labor in supply - in summer, 1967, after the second successive year of drought.

Central Government revenues are increasing both as a percent of GNP and in absolute terms. Despite a decrease in agricultural tax receipts reflecting the drop in agricultural income, revenue from direct taxes rose by 10 percent in 1966, and by an estimated 2% in 1967, due to stricter controls on income declarations and an acceleration of tax collections. Receipts from indirect taxes, state monopolies and other sources also increased in 1966 (and are expected to be higher in 1967) owing to increased profit on sugar sales, and receipts from the National Export Office.

Although Morocco's balance of payments was in virtual equilibrium in 1966, estimates for 1967 show a deficit of about \$20 million. Export receipts declined by 1% and import payments increased by 13 % due mainly to large imports of cereals, as well as equipment related to new investment. Import liberalization measures taken last June also contributed to the deficit. This new system brings all countries (except the bilateral payments agreements partners) under the same importing regulations, and imports of many items are now subject only to usual commercial and banking procedures.

V. Country Classification

Morocco's friendly and cooperative relations with the U.S. are of particular importance because of its strategic position at the entrance to the Mediterranean. Furthermore, Morocco continues to make available its territory for U.S. communications facilities at Kenitra and the VOA relay station near Tangier.

U.S. dollar assistance is directed toward specifically agreed projects to finance technical services and training for those projects or for U.S. commodities and equipment needed to carry out programs related to U.S. aid objectives, particularly in agriculture. U.S. local currency loans under P.L. 480 are also for specific economic projects agreed upon with the GOM. In view of these agreements that prevent the diversion to unauthorized uses of U.S. economic assistance, we consider Morocco is not diverting U.S. economic aid resources to military uses.

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Although the economic trends for Morocco have been mixed in the last two years, the GOM in the last year has shown a reinforced determination to attack its economic problems and improve performance. The military expenditure trends are mixed to favorable. We do not believe that unnecessary military expenditures in Morocco are materially interfering with economic development.

Conclusion: We conclude, on the basis of available information that Morocco is not diverting U.S. aid to military expenditures and that Morocco is not diverting its resources to unnecessary military expenditures to an extent which materially interferes with its development. We have under review the application to Morocco of the Conte-Long Amendment. Preliminary indications are that even should Morocco's expenditures for military equipment raise the question of sophistication and therefore the possibility of the application of the Conte-Long Amendment, such an application would not be inconsistent with the present finding under the Symington Amendment.

ACTION

77

~~CONFIDENTIAL~~

Monday, March 25, 1968
6:10 p.m.

pres file

Mr. President:

Herewith Sec. Clifford negotiates
a treaty with Rep. Rivers, which,
hopefully, will end the guerrilla warfare
between his committee and the Pentagon.

The attached memorandum requires
your signature.

W. W. Rostow

~~CONFIDENTIAL~~

WWRostow:rlm

DECLASSIFIED

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

White House Guidelines, Feb. 24, 1983

By rg, NARA, Date 4-19-82

THE SECRETARY OF DEFENSE
WASHINGTON

25 MAR 1968

~~CONFIDENTIAL~~

DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 94-408

By sig, NARA, Date 11-1-95

MEMORANDUM FOR THE PRESIDENT

The Fiscal Year 1967 authorization bill, as reported by the House, contained a mandatory requirement that:

"The Secretary of Defense and the Secretary of the Navy shall proceed with the design, engineering, and construction of the two nuclear powered guided-missile frigates as soon as practicable."

The Department of Defense objected to this mandatory language and the conferees reported the bill, which was enacted, with a requirement that:

"The contract for the construction of the nuclear powered guided-missile frigate for which funds were authorized under Public Law 39-37, and for which funds are authorized to be appropriated during fiscal year 1967, shall be entered into as soon as practicable unless the President fully advised the Congress that its construction is not in the national interest."

Construction of this FY 1967 nuclear powered guided-missile frigate (DLGN-36) was approved and contracting actions are being undertaken.

By section 101 of Title I of Public Law 90-22, approved June 5, 1967, 31 Stat. 52, funds were authorized to be appropriated during the Fiscal Year 1968 for the construction of two additional nuclear powered guided-missile frigates (DLGN-37 and DLBN-33). That statute further provided that:

"...The contracts for the construction of the two nuclear powered guided-missile frigates shall be entered into as soon as practicable unless the President fully advises the Congress that their construction is not in the national interest."

Subsequent to Congressional action on the FY 1967 and FY 1968 budgets and, indeed, subsequent to your submission of the FY 1969 budget, the cost estimates for the nuclear frigates have risen, as shown in the following table:

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DLGN Cost Estimates

	<u>At Time of Congressional Action</u>	<u>Now^{1/}</u>	<u>Change</u>
DLGN-36	\$151 M	\$200 M	\$ + 49 M
DLGN-37	135	180	+ 45
DLGN-38	135	180	+ 45
Total	\$421 M	\$560 M	\$ +139 M

^{1/}Based on low bid received from contractors at ceiling price.

The current funding situation is shown in the following table:

	<u>DLGN-36</u>	<u>DLGN-37</u>	<u>DLGN-38^{1/}</u>	<u>Total</u>
<u>Congressional Appropriations</u>				
FY 1966	\$ 20 M	-	-	\$ 20 M
FY 1967	131	\$ 20 M	-	151
FY 1968	-	115	\$ 20 M	135
<u>Reprogramming</u>	26	-	-	26
Total Available Funding	\$177 M	\$135 M	\$ 20 M	\$332 M
Current Cost Estimates	\$200 M	\$180 M	\$180 M	\$560 M
Deficiency	\$ 23 M	\$ 45 M	\$160 M	\$228 M

^{1/}Thus far, the Congress has funded only long-lead-time components for DLGN-38.

Thus, even having reprogrammed \$26 million for DLGN-36, we need an additional \$23 million to fully fund the ship. If we also proceed with DLGN-37, we will need a total of \$68 million more than now appropriated. Should we also proceed with DLGN-38, the total additional funding would amount to \$228 million.

As you recall, the program which the Secretary of Defense recommended last December would provide six new nuclear escorts, the last being funded in FY 1971. These six ships, in combination with the three nuclear escorts we already have, would give us two all-nuclear attack carrier groups. He also recommended that options for further nuclear escort construction be obtained in the event that we should later decide to move to a total of four all-nuclear groups. Of the six new nuclear escorts, one would be DLGN-36, and

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million? the remaining five would be a new class tentatively called the DXGN. (The DXGN is smaller than the DLGN, has one missile system rather than two, and would cost \$40 - \$54 million less, depending on how many we built.) Under this plan, we would build neither DLGN-37 nor DLGN-38.

The Navy recommends an alternative under which we would build DLGN-36 and DLGN-37 (but not DLGN-38), and four DXGN's, also maintaining the option for further construction in the future. On balance, I believe that the Navy's proposal has merit. In the long run, building one more DLGN and one less DXGN would cost us roughly \$50 million more. On the other hand, it would give us the ship we need to round out our first all-nuclear attack carrier task group roughly 18 months sooner, since DLGN-37 is essentially ready for construction, while the DXGN design is not. Though some reprogramming would be required, the table above shows that \$332 million are available toward the \$380 million required for DLGN-36 and DLGN-37. The \$52 million already proposed in the FY 1969 budget for DXGN funding would more than cover the difference. Indeed, with an additional \$22 million of reprogramming of FY 1969 funds, we could provide \$26 million for long-lead-time components for the first DXGN, which would be fully funded in FY 1970.

The language of Public Law 90-22 makes it clear that the Congress intended that, in addition to DLGN-36, two more nuclear frigates be built. At the time that law was written, however, the estimated costs of building all three ships was, as shown above, \$139 million less than it is now. DLGN-38, the second of the two ships specified by the Congress in Public 90-22, is now estimated to cost \$180 million, rather than the \$135 million originally estimated. I believe that, rather than building that ship, we should build a fourth DXGN at a cost of about \$129 million.

The reasons that we expect the DXGN to be that much less expensive than the DLGN are that it will have a single missile system, rather than two; that it will be specifically designed for economical series production of identical ships; and that it will incorporate a modular design concept so that it can later be modernized with new weapons systems quickly and easily. In addition, by using modern techniques of automation and design for ease of maintenance, we believe we can significantly reduce the cost and number of men it will take to operate these ships.

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In addition, it is important to realize that the Navy studies which justified these nuclear escorts did so on the basis that their primary mission would be the escort of nuclear carriers. For that mission, the DXGN's single missile system is adequate, as shown by the Navy study. Had the higher cost DLGN's been assumed in that study, nuclear escorts would not have been competitive with conventional escorts. While it is true that some nuclear escorts would be needed and used from time to time for missions other than escorting nuclear carriers, where more than one missile system might be desirable, the Navy's recommended program will provide four such ships (DLGN-36, DLGN-37, and the existing DLGN-25, all with two missile systems, and CGN-9 with three missile systems; the existing DLGN-35 has a single missile system). Therefore, I believe that we do not need DLGN-38, and that we should complete two all-nuclear attack carrier task groups by building DLGN-36 and DLGN-37, followed by four DXGN's, the first two in FY 1970, and the last two in FY 1971.

In summary, I conclude that proceeding with the construction of the first of the two frigates (DLGN-37) authorized in Public Law 90-22 would be in the national interest, but that construction of the second (DLGN-38) would not. If you agree with that conclusion, I recommend that you sign the attached Memorandum of Determination. Compliance with the statute will be accomplished by notification to the President of the Senate and the Speaker of the House by me on your behalf.

Carl L. Sigmond

Att.

~~CONFIDENTIAL~~

MEMORANDUM FOR THE SECRETARY OF DEFENSE

For the reasons stated in the memorandum of the Secretary of Defense, dated 25 March 1968, I have determined that a program for the construction of one nuclear-powered guided missile frigate and four nuclear-powered guided missile destroyers will serve the needs of the national defense more effectively than a program for the construction of two nuclear-powered guided missile frigates and three nuclear-powered guided missile destroyers. Accordingly, I have determined that construction of the second of the two nuclear-powered guided missile frigates, appropriations for which were authorized by Public Law 90-22, approved June 5, 1967, is not in the national interest.

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78
Pres file
INFORMATION

Monday - March 25, 1968 - 6:00 pm

MEMORANDUM FOR THE PRESIDENT

SUBJECT - Latin America: (1) More Presidential Visits
(2) Additional Trips by Covey Oliver

Covey and I have examined the possibilities for more presidential visits and trips by Covey to Latin America. For planning purposes, we will be working on programs along these lines:

Presidential Visits

We have outstanding invitations to:

Frei - Chile.

He wants to come if his Senate will give permission. The authorization will depend in large part on the mood of the Senate following action on the controversial wage readjustment bill. I regard the chances as doubtful.

Leoni - Venezuela.

He does not think he can get away before late 1968 or early 1969.

Lleras - Colombia .

After agreeing to come on April 30, he has changed his mind because of the pressure of pending legislation and constitutional amendments.

Costa e Silva - Brazil.

He has not answered your invitation to come to Hemisfair and the Ranch. We gather from several sources that it is doubtful he will accept.

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-269
By ing, NARA Date 2-19-97

We will draw on these possibilities once we determine that the foregoing Presidents cannot come:

Williams - Trinidad and Tobago.

Trejos - Costa Rica.

Pacheco - Uruguay.

Balaguer - Dominican Republic.

Mendez Montenegro - Guatemala.

Covey Oliver has run into serious difficulties inside State on scheduling more visits because of the tight budget situation. He is going back to Under Secretary Rimestad with the clear instructions you gave him on Friday.

Travel by Covey Oliver

Covey in January covered all of Central America and Panama. He made a second tour in February to Venezuela, Bolivia, Peru and Colombia. In the coming months he will try to cover the remaining countries as follows:

Mexico

He will accompany the Vice President on his March 31-April 1 visit to sign the Latin American Nuclear Free Zone protocol.

Dominican Republic

He will accompany Nick Katzenbach for the loan signing ceremony for the Taveras Dam project, probably in mid-April.

Jamaica, Trinidad, Barbados

Oliver suggests that his deputy -- Bob Sayre -- visit these small islands in his place -- in May.

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-3-

Brazil and Guyana

These two countries could be covered in June; will try to have Chip Bohlen accompany him.

Uruguay, Paraguay, Argentina, Chile

The southern tier countries could be the trip for July.

From the first of August forward, Covey wants to be on hand here to help you in any way he can.

W. G. Bowdler

cc - Walt Rostow

Monday, March 25, 1968
3:10 p. m.

Mr. President:

I asked Mac Bundy about John McCloy's views:

-- With respect to the President, he believes that McCloy would be completely discreet but, unlike, say, Mac or Cy Vance, he would not necessarily go out and publicly advocate a position taken by the President, with which he might disagree;

-- With respect to Vietnam, Mac is not sure what his views are at the moment but recommends him.

-- I have just discovered that McCloy is in the State Department today. Harriman, assuming he was invited, referred to the Advisory Group meeting -- cautioning him to discretion when he found he knew nothing of it.

W. W. Rostow

Include McCloy _____

No _____

Call me _____

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INFORMATION

~~TOP SECRET~~

Pres file

Monday, March 25, 1968 -- 2:25 p.m.

Mr. President:

As you can see, Sec. Rusk was already rolling when Harry McPherson's suggestion arrived.

I had earlier this morning transmitted your desire for a positive proposal.

As background to this proposal, you should be aware that the enemy forces are maneuvering into position for simultaneous attacks in the western highlands, Hue, Quang Tri, as well as Khe Sanh. Moreover, there is very heavy movement of men and materiel on the infiltration trails.

If the offer came before they had launched their attacks, you would, in effect, be giving them a chance to draw back. If, as we suspect, they do not draw back, we would be in a position to fight the unfought battle against the major North Vietnamese units, flat out.

The next natural moment for initiative would come, as I have suggested, in May.

W. W. Rostow

WWRostow:rla

DECLASSIFIED

Authority NSC 66, 3-31-80

By cap/rs, NARA, Date 4/1/92

~~TOP SECRET~~

~~TOP SECRET~~

COMMENTS ON THE ATTACHED DRAFT

1. For the next month or so the weather in the Hanoi-Haiphong area would mean that the proposal would not make a major difference from a military point of view.

2. Full bombing would be resumed if there were a major attack on Khe Sanh or a second round of attacks on the cities.

3. We would not send Ambassadors rushing all over the world to convert the bombing action into negotiations but would simply sit back and wait for Hanoi to respond.

4. We should notify Prime Minister Wilson in advance in order that he can test the Soviet Union about the convening of the two Co-Chairmen (and perhaps the three members of the ICC) to be available to talk to any interested parties about the possibilities of a peaceful settlement.

5. It would shift away from theological debates about words and put the problem on the de facto level of action. If Hanoi took no corresponding military action, the bombing would be resumed.

6. It would be very important for us not to embroider the statement with all sorts of "conditions" or "assumptions." Just take the action and see whether anybody is able to make anything out of it.

7. The

~~TOP SECRET~~

~~TOP SECRET~~

- 2 -

7. The "areas which are integrally related to the battlefield" would presumably be at least as far north as Vinh. Bombing below that area should be intensive and without wraps.

S:DRusk:ml
3/25/68

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~~TOP SECRET~~

DRAFT

After consultation with our allies, I have directed that U. S. bombing attacks on North Viet-Nam be limited to those areas which are directly related to the support of their forces invading South Viet-Nam. No reasonable person could expect us to fail to provide maximum support to our men in combat. Whether this step I have taken can be a step toward peace is for Hanoi to determine. We shall watch the situation carefully.

S:DRusk:ml
3/25/68

~~TOP SECRET~~

THE SECRETARY OF STATE
WASHINGTON

80a

March 25, 1968

MEMORANDUM FOR THE PRESIDENT

My own mind is running very close to that of Harry McPherson about a possible peace move. The attached papers contain the essence of the suggestion I wanted to discuss with the "wise men." In detail, I have the following observations on Harry's very interesting suggestion:

1. Rather than our sending representatives to Geneva and Rangoon, I would prefer putting the monkey on the back of the two co-chairmen to get in touch with both sides to see what is possible.
2. A simple condition for stopping the bombing all together might be the withdrawal back into North Viet-Nam of all North Vietnamese forces in the two northernmost provinces of South Viet-Nam and the demilitarization of the DMZ.
3. Otherwise, the McPherson suggestion is a very constructive one. It would require careful coordination with Bunker who would need to get the South Vietnamese on board.

Dean Rusk

~~TOP SECRET~~

DECLASSIFIED

Authority State let 3/13/79

By up/y, NARA, Date 4/1/92

INFORMATION

81

Monday, March 25, 1968
2:20 p.m.

Mr. President:

This is a remarkable and heartening letter; and the writer may well be correct in sensing a wholly new mood in South Vietnam.

In any case, he has a right to his judgment, given his experience.

I attach a draft note to him, should you wish to send it.

W. W. Rostow

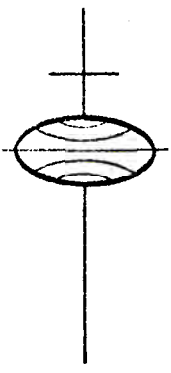
WWRostow:rla

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2. Per file

17

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8/a



WORLD VISION INTERNATIONAL

919 W. Huntington Drive, Monrovia, California
Telephone: (213) 357-1111 • CABLE: WORVIS

March 19, 1968

(Personal)

DR. BOB PIERCE
President

From the Office of
LARRY WARD
Executive Vice President

Hon. Lyndon B. Johnson
President, United States of America
White House
Washington, D.C.

Dear Mr. President:

For ten years I have traveled in and out of Vietnam.

During the past three years, I have spent at least part of 31 of the past 36 months in Vietnam-- traveling to every corner of the country in connection with our relief program there, and with the bulk of my contacts with the Vietnamese themselves.

I write you now (as I fly from Vietnam) because I am gripped with a tremendous and encouraging conviction.

On the basis of my observations of the Vietnamese themselves, from throughout the country and from every walk of life, I am convinced that:

- (1) The Viet Cong overplayed their hand.
- (2) The Tet offensive is providing a great rallying point for the South Vietnamese-- a sort of Pearl Harbor experience which unifies them and stiffens their determination.

Page 2

(3) The violation of Tet (not just the violation of the truce, but the very spirit of Tet itself) has aroused the Vietnamese. First they were shaken; now they are angry and determined.

I realize these statements may seem extreme and over-simplified, but I base them on:

(1) The amazingly quick reaction time as the Vietnamese themselves have moved to grapple with the problems of reconstruction and refugee rehabilitation.

(2) The new mood of confidence the people place in their own GVN troops. The Vietnamese know (with all due respect to the U.S. and other Free World forces) that the ARVN themselves saved Saigon. In the light of this, the typical Asian inferiority gives way to a new climate of self-confidence.

(3) The changed attitude of even the "Tu Do Street Cowboys"--the Honda boys who have so irritated the foreign press. (I do not have the statistics, but I am told that many of them have now moved to enlist as many of us did that fateful morning after Pearl Harbor. I can point to conversations of my own with some of the younger "cowboys," who for the first time now stand straight and tall with a spirit of "I'm ready to go if my country needs me.")

(4) The cooperative spirit of the disparate and historically opposed religious groups, especially the new involvement of the Protestant Church of Vietnam in meeting the human needs of the wounded and the homeless and the orphaned.

(5) Two lengthy conversations with President Thieu this past week. I have known him for two years. I see him now, particularly as he assumes personal charge of the refugee assistance program, moving with a new decisiveness and authority.

(And now, since I have left Saigon, I read in the papers of the new MNA-- March to the North Army. I do not know how you react to this, Sir, but I cite it as just another example of the determined mood I now sense and see.)

I suppose an obvious reaction to what I say here is: "What about the press? Why do their gloomy reports differ so from the optimism expressed here?"

I have endeavored honestly and objectively to analyze this. They seem to agree; does this mean they are right? Am I guilty of the attitude of "Everyone is out of step but me"?

Here's my answer to that. I am quick to praise my fellows in the press corps in Vietnam for their gutsy, graphic, spot coverage... but:

(1) They agree because their information stems from basically the same sources-- and essentially from American viewpoints.

(2) They lack direct involvement with the Vietnamese people.

(3) They write, obviously, from the viewpoint of a flesh-and-blood individual. They don't have direct contact with the Viet Cong, and so their normal irritations in the midst of war are often directed at the ARVN or the Vietnamese police.

(4) War at best is brutal; the brutality they see (and for which many of them are unprepared) is necessarily on the South Vietnamese and Free World sides.

(5) There has been a "fad" aspect in the criticism of the ARVN and the Government of Vietnam. Within the tiny confines of the press community, the echoes reverberate-- and we tend to believe the things repeated just because of the repetition.

Page 4

(6) The Tet offensive left many members of the press shaken. They expect to see the war when they fly to Pleiku or Hue-- but not when they step outside the Caravelle Hotel.

(7) The charges of government corruption grow out of measuring Asian situations by a North American standard. It just doesn't work. Vietnam in the midst of war is no worse than many other countries in other parts of the world, and the situation is rapidly improving. (I have recently been to another country which is much, much worse than Vietnam.)

I have written all this just to report what I see and feel as one who travels the world (especially Asia) ten to eleven months out of the year.

I have not planned or attempted to advise you. Everyone is doing that. But perhaps it would not be out of order or disrespectful to say: "Hang on, Mr. President."

God grant you wisdom and strength to make your decision not on the basis of temporal expediency but on the standard of His eternal truth.

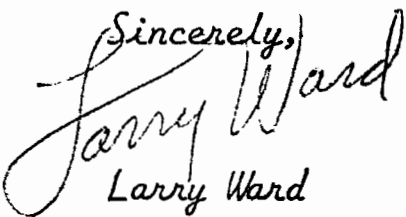
His is the vote which ultimately will out-weigh all the others.

It may be a long time, with a lot of histories written, before that vote is tallied... but it will be worth it.

And my deep personal conviction is that the course you have followed-- and which has drawn fire from the two extremes-- now begins to pay off in the form of an increasing stable

Page 5

government and a new military posture of confidence in South Vietnam. Watch what develops, Mr. President. I'm convinced it will.

Sincerely,
A handwritten signature in cursive script that reads "Larry Ward". The signature is fluid and stylized, with the first name "Larry" and last name "Ward" clearly distinguishable.

Larry Ward

Vice President-Overseas Director

LW/lf

816

March 25, 1968

Dear Mr. Ward:

I found your letter of March 19th interesting and heartening. Your long knowledge of Vietnam and the first-hand character of your impressions give your judgments weight.

Your words of encouragement and support gave me strength.

Sincerely,

LBJ

Mr. Larry Ward
Executive Vice President
World Vision International
919 W. Huntington Drive
Monrovia, California

LBJ:WWRostow:rlh

Pres. file

82

Monday, March 25, 1968
1:15 p. m.

~~Confidential~~

TO: Mr. Marvin Watson

Marv:

I got Gene with Bailey. At Bailey's suggestion, Gene called on Dick Lee. Emotionally, Lee is with RFK.

Lee hates the war in Vietnam, although he knows the critics have nothing to offer.

Lee wants us to shoot all Arabs, although he knows that makes no sense.

Gene got him to agree to be silent -- for a time, at least -- on foreign policy.

After further discussion with Bailey, Gene agreed to meet in private with Jewish leaders on foreign policy and try to straighten them out.

Bailey will arrange this.

W. W. Rostow

DETERMINED TO BE AN ADMINISTRATIVE
FILED IN THE PRESIDENTIAL ARCHIVES
SEC. 1.3 AND ARCHIVIST'S WORK
MAR 16, 1973

rg 4-29-72

ACTION

83

Monday, March 25, 1968 -- 12:50 p.m.

MEMORANDUM TO: Jim Jones

Pres file

Herewith 14 for sure, plus 5 with question marks, at the President's pleasure, for lunch tomorrow.

George Ball ✓
General Bradley ✓
Douglas Dillon ✓
Cabot Lodge ✓
McGeorge Bundy ✓
Arthur Dean ✓
Justice Fortas ✓
Dean Acheson ✓
Robert Murphy ✓
Cyrus Vance ✓
General Ridgway ✓
General Taylor ✓
Secretary Rusk ✓
Secretary Clifford ✓

General Wheeler? _____
General Abrams? _____
W. W. Rostow? _____
George Christian? _____
Tom Johnson? _____

W. W. Rostow

WWRostow:rla

84
INFORMATION

~~TOP SECRET~~

Monday, March 25, 1968
12:40 p.m.

Mr. President:

This is how State and Defense
plan to structure the briefing of the
Advisory Group tonight.

W. W. Rostow

~~TOP SECRET~~

WWRostow:rlh

DECLASSIFIED

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

White House Guidelines, Feb. 24, 1983

By rg, NARA, Date 4-19-82

84a

~~TOP SECRET/NODIS~~

March 25, 1968

INTRODUCTORY MEMORANDUM

This group will be asked to give its judgment in three broad areas of policy:

- a. Possible US force increases and related strategy.
- b. The US negotiating posture.
- c. Bombing policy, either in relation to negotiating posture or separately.

The first of these issues will be presented orally by Secretary Clifford at the appropriate time. Certain of the options in the negotiating areas are included in these briefing papers as indicated below, but would be further refined by Secretary Rusk orally. Bombing policy will also be discussed orally.

The schedule calls for oral briefings this evening on the military situation, the over-all security situation and enemy capabilities and intentions, the internal political situation in South Viet-Nam, and the negotiating situation.

In preparation for these briefings, and for the ensuing discussion of policy issues, we have prepared this briefing book. It may well be too bulky for any member of the group in toto, but is designed to contain essential general material and also considerable detail on certain aspects of particular interest to individual members of the group-- notably in the military area.

An index of the papers in this book will be found on the next page. Broadly, the papers are divided as follows:

Section A contains excerpts from over-all reports recently received from Ambassador Bunker, with dates.

Section B contains intelligence evaluations prepared in Washington dealing with the situation in key areas and with certain estimates of the reaction of the other side to postulated courses of action by us.

~~TOP SECRET/NODIS~~

DECLASSIFIED

Authority State ltr 1-24-79
By ip/y, NARA, Date 4-3-92

TOP SECRET/NODIS

-2-

Section C is a paper dealing with required actions by the South Vietnamese, their status and problem areas.

Section D contains a number of detailed papers on the military situation.

Section E is a short summary of certain key problem areas on the economic side.

Section F is Secretary McNamara's analysis of last August of the bombing program, to serve as a general basis for oral discussion of this topic.

Section G is a discussion of possible options in the area of our negotiating posture, discussing possible actions that might be taken in conjunction with the announcement of whatever actions may be decided upon.

TOP SECRET/NODIS

ACTION

Pres file

85

Monday, March 25, 1968
12:35 p. m.

~~SECRET~~

MR. PRESIDENT:

Herewith Sect. Clifford requests your clearance on a Defense bilateral with Korea on the first or second weekend in April -- to precede the opening of the Korean National Assembly about 15 April.

Nitze would head the U. S. delegation.

Clifford supports the recommendation "unless it might conflict with any plans for a higher level meeting around the date suggested."

W. W. Rostow

Suggested dates for Defense meeting O. K. _____

No _____

Call me _____

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-274
By rip, NARA Date 2-10-97

~~SECRET~~ attachment (log 1074)

Monday, March 25, 1968
11:30 a. m.

Mr. President:

You should know Clark Clifford has arranged with State that General Abrams brief the Advisory Group tomorrow morning.

Two questions:

-- Do you wish Gen. Abrams to sit in on the White House discussion later in the morning?

Yes _____ No _____ Call me _____

-- Do you wish General Wheeler to sit in on the White House discussion?

Yes _____ No _____ Call me _____

W. W. Rostow

Monday, March 25, 1968, 11:30 A. M.

MEMORANDUM TO THE PRESIDENT

THROUGH JIM JONES

SUBJECT: Attendance List for March 27 NSC Meeting

I recommend the following individuals attend the meeting of the National Security Council on the Status of the Draft Treaty on Non-Proliferation of Nuclear Weapons on Wednesday, March 27.

Vice President Humphrey
Secretary Rusk
Secretary Clifford
Deputy Secretary Nitze
ACDA Director Foster
ACDA Deputy Director Fisher
AEC Chairman Seaborg
CIA Director Helms
JCS Chairman Wheeler
OEP Director Daniel
Ambassador Goldberg
Treasury Secretary Fowler
USIA Director Marks
Donald Hornig
Spurgeon Keeny, NSC Staff Member

W. W. Rostow

_____ Approve

_____ Disapprove

SMK:amc

Profile

88

Monday, March 25, 1968
11:20 a. m.

~~LITERALLY EYES ONLY~~

MR. PRESIDENT:

Walther Casper telephoned me this morning. He had just completed a conversation with Chancellor Kiesinger to whom he reported our conversation of yesterday afternoon.

He said the Chancellor was:

- much relieved;
- he would abandon further efforts to seek clarification of the United States Government view;
- he would not reveal on the telephone the source of the information, but would track it down because it was now clear to him that someone was trying to make trouble between our two countries.

Casper added that, to close out the matter, it would be good if I could give him a confirmatory letter of the kind suggested yesterday.

I told him I was glad to hear the news, and would let him know about the letter.

W. W. Rostow

cc: Secretary of State

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-269
By ing, NARA Date 2-19-97

Monday, March 25, 1968 89
11:00 a.m.

~~SECRET~~

MR. PRESIDENT:

You may wish to give some time today to consider the key questions you may well put to the Advisory Group tomorrow morning.

Here are my tentative suggestions; although I shall file a second memo tomorrow morning in the light of this evening's discussions.

I have tried to keep the questions as close to those of November 2 as possible so that you will be able to gauge the change of view between then and now; although, of course, new issues have arisen -- notably, additional troops; and the timing of our actions with respect to the ending of the winter-spring offensive (say, May 15).

Question 1. Should we send more troops to South Vietnam? Do you suggest any change of military strategy or tactics in South Vietnam?

Question 2. With respect to the North, should we: continue what we are doing? Mine the ports and plan to take down the dikes when the water is high? Unilaterally reduce or eliminate bombing of North Vietnam?

Question 3. In the light of our experiences with negotiating probes over the past year, should we:

- remain passive, awaiting a signal from Hanoi?
- initiate negotiations?
- if so, what formula of initiation do you recommend?
- when should we take the initiative?

Question 4. Taking into account all that you know, do you believe we should, in one way or another, get out of Vietnam and leave it to the Communists?

Question 5. If you believe we should stay the course in Vietnam, what measures would you suggest to rally and unite our own people behind the effort in Vietnam?

W. W. Rostow

DECLASSIFIED

Authority State Ex 3-13-79 NSC 3/27/80
4/18, NARA, Date 4342

70
INFORMATION

~~SECRET~~

Monday, March 25, 1968 -- 9:15 a.m.

Pres file

Mr. President:

At Khe Sanh/DMZ/A Shau:

- 78 enemy incoming;
- 362 tactical support sorties plus
54 B-52's;
- 218 tons resupply;
- a ground contact at our initiative,
patrolling from Hill 861;
- 8 tactical air strikes on A Shau valley;
- weather operable.

W. W. Rostow

~~SECRET~~

WWRostow:rla

DECLASSIFIED
White House (Pres), Feb. 24, 1988
By *rg*, NARA, Date *4/20/92*

DECLASSIFIED
E.O. 12356, Sec. 3.3
DA Memo, Jan. 5, 1988
By *rg*, NARA, Date *4/20/92*

SECRET

90a

Monday, March 25, 1968,

TEXT OF CABLE FROM GENERAL WESTMORELAND

This is report number fifty on the situation in the Khe Sanh/DMZ/
A Shau valley area for the 24-hour period of March 24, 1968.

Enemy indirect fire decreased yesterday as a total of 78 incoming rounds were received at Khe Sanh Combat Base during the reporting period. Approximately 40 of these were artillery rounds. Three Marines were killed and eleven wounded, with four requiring evacuation.

A platoon size combat patrol from 1st battalion, 9th Marines made contact with an estimated enemy platoon in a bunker complex 2 kilometers south of Hill 861. Gunships and artillery supported the friendly forces throughout the four and one-half hour engagement. One gun ship was downed by enemy ground fire, however, the crew was extracted safely. Marine casualties were light while killing 31 of the enemy.

All combat action at Khe Sanh during the reporting period resulted in eight friendly killed and 17 wounded, of which eight were evacuated. Enemy losses were 68 killed.

Resupply totaled 218 short tons and 61 replacements. Forty-five air resupply sorties were flown by 16 Air Force aircraft and 29 Marine helicopters. Ammunition destroyed during the enemy indirect fire attack on the night of March 22 - 23 included 800 rounds 105mm high explosive, 100 rounds 105mm COFRAM, 950 artillery fuzes, and 2163 rounds 3.5 inch rocket ammunition. Resupply since the attack has brought ammunition stocks to 20.7 days of supply.

Weather on March 24 did not effect operations, but this morning, March 25, the ceiling lowered to 500 feet. The forecast for the remainder of the day is 3.5 miles visibility with scattered fog and light rain.

Three hundred sixty-two tactical air sorties were flown in the Niagara area. Twenty-two enemy were killed, six secondary explosions, 11 secondary fires, eight road cuts, five rocket and three automatic weapons positions destroyed were credited to tactical air. Tactical air sorties planned for tomorrow total 284.

SECRET

DECLASSIFIED
E.O. 12356, Sec. 3,3
AF Guide, SEA Records, 4/1/88
By 18 NARA, Date 4-20-92

DECLASSIFIED
E.O. 12356, Sec. 3.3
DA Memo, Jan. 5, 1988
By rg NARA, Date 4/20/92

Nine ARC LIGHT missions, of 54 sorties, were flown. Four aircraft were diverted to a secondary target, the same number of strikes are planned for March 25.

Along the DMZ a 3rd Marine Division Reconnaissance Team made contact with an estimated 50 to 75 enemy southeast of Camp Carroll. One gunship was damaged when downed by enemy fire. The aircraft and crew were extracted and the Reconnaissance Team was returned after dark. There was one Marine wounded. Five enemy were killed. Elsewhere in Quang Tri Province, contact was light with no significant actions reported.

Two armed reconnaissance and one photo mission in A Shau valley revealed probable light anti-aircraft positions at two different locations. One of three ground reconnaissance teams in the valley was extracted during the period. Eight tactical air strikes reported destruction of a small truck park and several machine gun and 37mm anti-aircraft positions.

~~SECRET~~



THE JOINT STAFF

THE NATIONAL MILITARY COMMAND CENTER

WASHINGTON, D.C. 20301

25 March 1968

4:30 AM EST

906

MEMORANDUM FOR THE WHITE HOUSE SITUATION ROOM

Subject: Supply Status at Khe Sanh as of 8:00 PM EST
24 March (9:00 AM 25 March, SVN time)

1. The Khe Sanh Dump and Ammunition Supply Point (ASP)
status as of the above time is as follows:

	<u>DAYS SUPPLY ON HAND</u>	<u>PREVIOUS STATUS 8:00 PM 23 Mar EST (9:00 AM 24 Mar SVN)</u>
<u>CLASS I (Rations)</u>		
Meal, Combat, Individual	23	22 days
B Rations	6	6 days
<u>CLASS II (Fuel)</u>		
Aviation Gas (AVGAS)	3	3 days
JP-4 Fuel (Jet Fuel)	10.6	10.6 days
Motor Gasoline (MOGAS)	15.6	12.6 days
Diesel	9.0	9.1 days
<u>CLASS V (Ammunition)</u>		
a. High Explosive		
60-mm mortar	55	53 days
81-mm mortar	36	34 days
90-mm (Tank)	133	133 days
4.2" mortar	30	31 days
105-mm howitzer	21	22 days
155-mm howitzer	27	27 days
b. Antitank		
		<u>ROUNDS ON HAND</u>
90-mm AP-T		329
90-mm HEAT		1,202
66-mm rocket (LAW)		2,236
Antitank mines (M-15)		349
Antitank mines (M-19)		469
Antitank mines (M-21)		0
106-mm HEAT		1,480
106-mm recoilless rifle (HEP-T)		2,058
3.5" rocket		1,204

~~SECRET~~

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E.O. 12356, Sec. 3.3

DA Memo, Jan. 5, 1988

By 18 NARA, Date 4-20-92

~~SECRET~~

PREVIOUS STATUS
8:00 PM 23 Mar EST
(9:00 AM 24 Mar SVN)

c. Antipersonnel

ROUNDS ON HAND

106-mm BEEHIVE

1,689

CLASS V (COFRAM)

105-mm howitzer

1,684

155-mm howitzer

990

40-mm grenade launcher

6,729

Hand Grenades

2,945

2. On 24 March, Khe Sanh was resupplied with 218 short tons as follows:

CLASS I	50 tons
CLASS II	5 tons
CLASS III	24.5 tons
CLASS IV	35 tons
CLASS V	99 tons
MISCELLANEOUS	4.5 tons



W. E. SHEDD
Brigadier General, USA
Deputy Director for
Operations (NMCC)

Distribution:

SECDEF
DEP SECDEF
CJCS (3)
DJS (3)
J-30
J-31
J-32
J-33
J-34
J-4
AWR
MCCC
AFCP
NFP
DDO
ADDO
CCOC
PAC DIV
PAC DESK

~~SECRET~~

THE WHITE HOUSE
WASHINGTON91
DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-269
By ing, NARA Date 2-19-97~~SECRET--SENSITIVE~~

Monday, March 25, 1968 -- 8:20 a.m.

MEMORANDUM FOR THE PRESIDENT
AND THE SECRETARY OF STATE*Pres file*

Yesterday, March 24, my friend Walther Casper came to lunch, having informed me by telephone the previous evening that he had an urgent message from Chancellor Kiesinger.

His story was as follows:

1. The Chancellor had recently received a circumstantial document (in English) reporting the following as my stated views. The same report also alleges that Nick Katzenbach expressed similar views -- less strongly stated.

2. The views alleged to be mine were these:

-- Meeting between Kiesinger and de Gaulle. Kiesinger "betrayed" the U.S.; behaved in Paris as a de Gaulle "satellite"; made farreaching "secret agreements"; sold out the U.K. on the Common Market.

-- Contacts with the East. German contacts were moving outside "U.S. control"; secret contacts were under way between German Socialists and Communist politicians, with Kiesinger's knowledge; Kiesinger was passing to East Europeans knowledge derived from his contacts with President Johnson; for example, hot line information from the Middle East crisis. In general, the Chancellor had "betrayed" President Johnson.

-- Vietnam. Chancellor Kiesinger had taken a "weak" position on Vietnam; other Germans were stronger in U.S. support; although our strongest supporters were inhibited because they are German Gaullists.

-- Atlantic partnership. Kiesinger was "subverting" the Atlantic partnership by approaches to the East and turning away from the Atlantic Community.

-- NPT. We knew Kiesinger was not for the NPT; but he had to sign it.

-- Kiesinger's future. We didn't care whether he survived or not. There were others in the CDU who could lead Germany if Kiesinger's coalition failed, including a CDU coalition with the FDP.

~~SECRET--SENSITIVE~~

3. Casper said the Chancellor was most distressed at the report -- so soon after what he had regarded as my wholly satisfactory exchanges with Barzel. He had spoken about these views -- without associating me with them -- to McGhee and Schaetzel.* He asked Casper to tell me of these reports directly and explain what his (Kiesinger's) views, in fact, were on all these matters. Casper says he told the Chancellor that he had known me for too long to believe I had expressed such views: an agent provocateur must be involved.

4. Casper, from handwritten notes, went over these allegations and judgments attributed to me, one by one, expressing, on each point, Kiesinger's views in defense, including several matters I had never even heard of:

- the allegation of secret understandings from the last de Gaulle meeting;
- German Socialist contacts with Eastern Communist politicians;
- the possibility of a post-Kiesinger CDU-FDP coalition.

In general, Casper's notes from Kiesinger constituted a defense of his relations with de Gaulle; his Eastern policy; and his loyalty to the Atlantic Community -- including loyalty to President Johnson.

5. I responded as follows:

-- The views expressed were not mine. They had not been spoken or thought by me. More important, they were not the views of the U. S. Government. So far as I knew, the one active concern in Washington over German policy was that we face the Stockholm meeting shoulder to shoulder.

-- There were several matters referred to which I was hearing for the first time.

-- The only substantial discussions I had had of German policy lately were with two German visitors: Barzel and Duckwitz, to whom, as he knew, I had expressed quite different views.

-- The report sounded like someone fabricating my views on the assumption that I was an extreme "hard-liner" -- not knowing my long-held views on East-West contacts, etc.

* Cable attached.

~~SECRET--SENSITIVE~~

-3-

6. I asked him if he knew the source of the report. He said he did not; but it was in English and must be American. He implied -- but did not state flatly -- that Gutenberg may have put it into the Chancellor's hands.

7. I concluded by saying:

-- This is dangerous business between our two countries: we must get to the bottom of it.

-- I would immediately inform the President and the Secretary of State.

-- If he is in touch with the Chancellor by telephone during the next days, he should thank him for raising the matter directly and assure him that the reputed views were not mine or those of the U.S. Government.

-- Casper asked if I could drop the Chancellor a note confirming what I had told him. I said I had no hesitation writing what I had told him, but I was not sure of the propriety of my addressing a chief of government. I would suggest to the President, however, that I write a note to you (Casper). A draft is attached.

8. I conclude:

-- Someone, indeed, is trying to foul up U.S. -German relations;

-- Kiesinger has a faintly guilty conscience;

-- We should get to work and find out the source -- if, in fact, it is American.

Walt Rostow

Attachment

~~SECRET--SENSITIVE~~

Draft -- March 25, 1968

Dear Walther:

It was good to have you in our house again.

I am glad Chancellor Kiesinger took the path of asking you to outline the report of my alleged views directly to me.

You can assure him -- as I assured you -- that the reported views are simply not mine. More important, they do not reflect the attitude of the American Government.

You might tell the Chancellor that in a number of instances the report refers to factual matters or factual allegations of which I was previously quite unaware. It also imputes views to me which even a casual knowledge of my position over the years would prima facie suggest are unlikely; for example, on East-West contacts and the NPT.

I hope the directness and candor with which this matter has been dealt will strengthen the ties between our two governments.

There are few aspects of my work that have been more rewarding than the effort to strengthen the ties between our two nations, in general, and between President Johnson and Chancellor Kiesinger, in particular.

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-269
By ijg, NARA Date 2-19-97



Department of State

916
TELEGRAM

~~CONFIDENTIAL~~ 356

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42
ACTION SS 30

INFO SSO 00, NSCE 00, CCO 00, /030 W

O 221310Z MAR 68 ZFF-4
FM AMEMBASSY BONN
TO SECSTATE WASHDC IMMEDIATE 7550

~~CONFIDENTIAL~~ SECTION 1 OF 2 BONN 9894

E X D I S

FOR THE SECRETARY

PASS TO THE WHITE HOUSE FOR THE PRESIDENT

SUBJ: KIESINGER DISTURBED OVER REPORTS FROM WASHINGTON

1. I CALLED ON CHANCELLOR KIESINGER YESTERDAY TO ACCOMPANY
AMB SCHAETZEL WHOM THE CHANCELLOR RECEIVED, AS AN OLD FRIEND,
ON THE OCCASION OF HIS CURRENT VISIT TO BONN. WITH SOME
EMOTION, THE CHANCELLOR TURNED TO ME AND SAID THAT HE HAD
BEEN DISTURBED TO HEAR REPORTS FROM "RECENT GERMAN VISITORS

PAGE 2 RUFHOL 9894/1 ~~CONFIDENTIAL~~
TO WASHINGTON" OF "WORRIES AND DOUBTS AROUND THE PRESIDENT"
WITH RESPECT TO HIM AND HIS GOVT. IT WAS THE FORM IN WHICH
THESE DOUBTS WERE EXPRESSED, AS WELL AS THEIR CONTENT, WHICH
WORRIED HIM. "EVIDENTLY OUR RECENT ACTIONS HAVE NOT BEEN
UNDERSTOOD IN WASHINGTON." GERMAN VISITORS WERE TOLD "BY
SOMEONE CLOSE TO THE PRES" THAT "THE PRES FEELS CHEATED (BY
KIESINGER)". HE WOULD LIKE TO REPEAT THAT "AS LONG
AS I AM CHANCELLOR I WILL STEER THE COURSE THAT I
DISCUSSED WITH THE PRES WHEN I MET WITH HIM LAST YEAR."

2. MOREOVER HE HAS NOT, AS ALLEGED IN WASHINGTON, ENGAGED IN
ANY CONSPIRACY WITH THE COMMUNISTS. IT IS TRUE THAT HE IS
TRYING TO IMPROVE RELATIONS WITH THE EASTERN COUNTRIES;
HOWEVER, HE WAS NOT TRYING TO "WOO THE REDS" AS HAD BEEN

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E.O. 12958, Sec. 3.6

NLJ 96-267

By CB, NARA Date 11-3-97

~~CONFIDENTIAL~~



Department of State

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CHARGED IN WASHINGTON. IT HAD ALSO BEEN SAID THAT HE HAD KNOWLEDGE OF AND HAD ACQUIESCED IN "CERTAIN CONVERSATIONS" WHICH HAD TAKEN PLACE. (I REFER THAT HE REFERRED TO CONVERSATIONS BETWEEN SPD OFFICIALS AND REP OF THE ITALIAN COMMUNIST PARTY (PCI) REPORTED IN EMBTEL 3682, WHICH KIESINGER APPEARS TO HAVE DISCOVERED ONLY IN MID-FEBRUARY,

PAGE 3 RUFHOL 9894/1 ~~CONFIDENTIAL~~

SEE EMBTEL 8934.) HE HAD ALSO HEARD THE REPROACH THAT THE "SPD WAS THE REAL MASTER" OF COALITION EASTERN POLICY, AND THAT THE CHANCELLOR MERELY FOLLOWED. HE WANTED TO MAKE IT CLEAR THAT THE GOVT'S POLICY WAS HIS POLICY. HE WAS NOT MOVING TO THE LEFT; THE SPD WAS MOVING TO THE RIGHT. THERE WERE FORCES IN THE SPD TRYING TO PUSH THE GOVT INTO A DIFFERENT POLICY; HOWEVER, HE HAD INTERVENED TO BLOCK THIS. THE FONMIN HIMSELF HAD GIVEN HIM NO REASON FOR DOUBT, ALTHOUGH HE DID NOT LIKE THE SPD ATTITUDE TOWARD VIET-NAM. HE WAS NOT IN FAVOR OF BEING "A SCHOOL MASTER TO AMERICANS."

3. KIESINGER CONTINUED THAT HE HAD ALSO HEARD FROM GERMAN VISITORS TO WASHINGTON ACCUSATIONS THAT HE WAS FOLLOWING A GAULLIST POLICY. HE HAD BEEN ACCUSED OF MAKING A SECRET AGREEMENT WITH DE GAULLE IN THEIR LAST MEETING. AS HE HAD TOLD ME WHEN HE RETURNED FROM THE MEETING (EMBTEL 8667), HE WAS UNHAPPY THAT FRANCE HAS LEFT THE NATO. DE GAULLE HAD ASSURED HIM, HOWEVER, THAT HE WOULD NOT LEAVE THE ALLIANCE AND THAT HE WELCOMED US TROOPS IN EUROPE. HE HAD TOLD DE GAULLE THAT DE GAULLE UNDERRATED THE SOV DANGER AND HAD

PAGE 4 RUFHOL 9894/1 ~~CONFIDENTIAL~~

CRITICIZED DE GAULLE FOR HAVING SAID THAT "THE US COULD NOT HELP BUT DOMINATE." HE HAD POINTED OUT TO DE GAULLE THAT HIS ANTI-AMERICAN FEELING WAS LOSING HIM SUPPORT IN GERMANY, WHEREUPON DE GAULLE HAD EXPLAINED TO HIM THAT HE HAD TO TAKE THIS ATTITUDE FOR DOMESTIC REASONS.

4. DE GAULLE, SAID KIESINGER, KNOWS THE FRG'S OPINION ABOUT CURRENCY AND BALANCE OF PAYMENTS PROBLEMS -- THE FRG REJEC-

~~CONFIDENTIAL~~



Department of State

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~~CONFIDENTIAL~~

PAGE 03 BONN 09894 01 OF 02 221410Z

TION OF HIS EFFORTS TO CREATE A NEW GOLD STANDARD. HE REGRETTED THAT DESPITE GERMANY'S EFFORTS DE GAULLE WOULD NOT ACCEPT AN ACCELERATED KR. HE AND DE GAULLE DIFFERED ON UK ENTRY, AND SOME HAVE ACCUSED HIM OF NOT TALKING FORCEFULLY ENOUGH TO DE GAULLE ON THIS ISSUE. HE HAD NOT DONE MORE BECAUSE HE KNEW DE GAULLE WOULD NOT AGREE. SINCE HE HAD NO EFFECTIVE WAY OF PUTTING ON PRESSURE, HE HAD TO BE CONTENT WITH A MODEST STEP FORWARD. HE HAD PURPOSELY LEFT THE ARRANGEMENTS MADE IN PARIS REGARDING UK ENTRY VAGUE; OTHERWISE ALL OF HIS EFFORTS WOULD HAVE FAILED. THE FRENCH HAVE SINCE PRESSED FOR A NARROW INTERPRETATION OF WHAT WAS AGREED IN PARIS, WHEREAS THE GERMANS HAVE SOUGHT A LIBERAL

PAGE 5 RUFHOL 9894/1 ~~CONFIDENTIAL~~
INTERPRETATION. PRESIDENT JOHNSON HAD TOLD HIM IN THEIR MEETING LAST YEAR THAT HE MUST BE "THE HARMONIZER" BETWEEN THE US AND DE GAULLE. HE HAD MADE NO SECRET AGREEMENTS WITH DE GAULLE. HE HAD NOTHING TO HIDE. HE STILL RELIEVED, HOWEVER, IN THE FRANCO-GERMAN TREATY. ANY RUPTURE BETWEEN FRANCE AND GERMANY WOULD BE THE END OF EFFORTS TO BUILD EUROPE. INDEED, HE HOPED IN THE FUTURE TO COME CLOSER TO DE GAULLE IN EASTERN POLICY.

5. WITH RESPECT TO HIS VIEWS TOWARD EUROPE, HE HAD TOLD DE GAULLE OF HIS BELIEF IN AN "INDEPENDENT EUROPE IN FRIENDLY PARTNERSHIP WITH THE US." HE CORRECTED HIMSELF TO SAY THAT "INDEPENDENT" WAS NOT QUITE THE WORD -- THAT WHAT HE SOUGHT COULD BE BETTER DESCRIBED AS A "EUROPE THAT STOOD ON ITS OWN FEET." THIS WAS HIS FIRM DECISION. ANY DISCUSSION WITH DE GAULLE WAS A STRUGGLE -- "A HEAVY BATTLE." HE KNEW, HOWEVER, THAT DE GAULLE CANNOT REALIZE THAT ROLE THAT HE HAS IN MIND FOR HIMSELF AND FRANCE.

6. KIESINGER REFERRED TO HIS "ATLANTIC IMPERIUM" CONCEPT,

PAGE 6 RUFHOL 9894/1 ~~CONFIDENTIAL~~
WHICH HE OUTLINED ON MARCH 11 IN HIS SPEECH TO THE BUNDESTAG. THERE APPEARS TO HAVE BEEN A MISUNDERSTANDING OF HIS REMARKS

~~CONFIDENTIAL~~



Department of State

TELETYPE

~~CONFIDENTIAL~~

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ON THE PART OF CERTAIN SECTIONS OF THE AMERICAN PRESS, AND CERTAIN AMERICAN INDIVIDUALS. FOR EXAMPLE, BIRRENBACH HAS HEARD THAT MR. MCCLOY WAS DISTURBED. PERHAPS HIS USE OF THE WORD "IMPERIUM" WAS A BAD ONE. SOME PEOPLE MIGHT AS A RESULT CONSIDER WHAT HE HAD SAID GAULLISM. HE HAD HESITATED, HOWEVER, TO USE THE WORD COMMUNITY, SINCE HE DID NOT FEEL IT WAS DESCRIPTIVE.

7. AMB SCHAETZEL COMMENTED THAT THE VIEWS AS REPORTED TO THE CHANCELLOR DID NOT ACCORD WITH THOSE HE HAD HEARD DURING HIS RECENT VISIT TO WASHINGTON. QUITE TO THE CONTRARY, THERE WAS WIDESPREAD APPRECIATION FOR THE CHANCELLOR'S SUPPORT WHICH HAD BEEN PARTICULARLY HELPFUL DURING THE RECENT GOLD CRISIS. HE STRESSED THAT, DURING THE PRESENT UNSETTLED PERIOD WHEN BOTH OF US ARE UNDER GREAT TENSION AND PRESSURE, THAT WE MUST MAKE A PARTICULAR EFFORT TO AVOID MISUNDERSTANDINGS.

GP-4 MCGHEE



~~CONFIDENTIAL~~



Department of State

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~~CONFIDENTIAL~~ 361

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02

42 S
ACTION SS 30

INFO SSO 00, NSCE 00, CCO 00, /030 W

O 221310Z MAR 68 ZFF-4
FM AMEMBASSY BONN
TO SECSTATE WASHDC IMMEDIATE 7551

~~CONFIDENTIAL~~ SECTION 2 OF 2 BONN 9894

E X D I S

FOR THE SECRETARY

PASS TO THE WHITE HOUSE FOR THE PRESIDENT

SUBJ: KIESINGER DISTURBED OVER REPORTS FROM WASHINGTON

8. I ASSURED THE CHANCELLOR THAT THE VIEWS WHICH HE REPORTED DID NOT CONFORM WITH THOSE THAT I HAD ENCOUNTERED IN MY RECENT VISIT TO WASHINGTON, NOR WITH ANY REPORTS FROM THIS EMBASSY NOR COMMENTS IN MESSAGE FROM MY GOVT. I HAD REPORTED FULLY WHAT HE HAD TOLD ME ABOUT HIS LAST

PAGE 2 RUFHOL 9894/2 ~~CONFIDENTIAL~~
MEETING WITH DE GAULLE, AND MY INTERPRETATION THAT HE HAD NOT LET US DOWN WAS TO MY KNOWLEDGE THE VIEW IN WASHINGTON. AS I HAD UNDER INSTRUCTIONS TOLD HIM IN OUR MEETING ON FEB. 22 WE HAD NO CONCERNS WITH GERMANY'S EASTERN POLICY. INDEED, IT IS WHOLLY IN LINE WITH THE PRESIDENT'S VIEWS AS EXPRESSED IN HIS SPEECH OF OCT. 7, 1966. I THOUGHT I KNEW WHAT HE WAS REFERRING TO WHEN HE SPOKE OF CONVERSATIONS WITH THE COMMUNISTS. WE KNEW THAT HE WAS UNAWARE OF THESE DISCUSSIONS AT THE TIME AND OF HIS REACTION WHEN THEY WERE LATER REPORTED TO HIM. NO ONE SUSPECTED HIM OF COLLUSION WITH THE COMMUNISTS. I HAD REPEATED TO WASHINGTON HIS FULL VIEWS ON THE FUTURE OF EUROPE, AS HE HAD EXPRESSED THEM TO ME ON FEB. 22 (BONN 8692). APART FROM HIS USE OF THE WORD IMPERIUM, WHICH COULD CREATE SOME AMBIGUITY, HIS VIEWS WERE

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Department of State

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~~CONFIDENTIAL~~

PAGE 02 BONN 09894 02 OF 02 221423Z

IN FULL ACCORD WITH OUR WELL-KNOWN EUROPEAN-UNITED STATES - ATLANTIC PARTNERSHIP APPROACH. NOTHING THAT I HAD HEARD FROM WASHINGTON HAD INDICATED ANY CONCERN OVER HIS REMARKS. I EXPRESSED DOUBT THAT ANY RESPONSIBLE US OFFICIAL COULD HAVE MADE ANY CONSIDERED REMARKS OF THE NATURE HE DESCRIBED. CERTAINLY THEY DID NOT REFLECT THE VIEWS OF THE PRES OR THE SECSTATE. PARTICULARLY IN TIME OF TENSION AND UNDER INFORMAL

PAGE 3: RUFHOL 9894/2 ~~CONFIDENTIAL~~
CIRCUMSTANCES WITH OLD GERMAN FRIENDS, IT WAS POSSIBLE THAT LOOSE REMARKS COULD HAVE BEEN MADE WHICH COULD BE MISINTERPRETED.

9. THE CHANCELLOR APPEARED SOMEWHAT ASSUAGED BY AMB SCHAEZEL'S AND MY REMARKS. HOWEVER, IT IS CLEAR THAT HE BELIEVES IN THE AUTHENTICITY OF THE REPORTS OF GERMAN VISITORS WHICH HAVE UPSET HIM. NATURALLY, HE DID NOT VOLUNTEER NOR DID I QUESTION HIM ON THE PERSONALITIES INVOLVED.

10. COMMENT: I FEEL SURE THAT WHATEVER WAS SAID IN WASHINGTON -- IF IT WAS SAID -- HAS BEEN BADLY MISQUOTED AND MISINTERPRETED TO THE CHANCELLOR. THE REPORTS ARE OBVIOUSLY IRRESPONSIBLE, AND I DO NOT EXCLUDE THE POSSIBILITY THAT THEY CONSTITUTE A DELIBERATE EFFORT TO CAUSE TROUBLE. IN ADDITION TO GERMAN VISITORS, IT IS CONCEIVABLE THAT MEMBERS OF THE GERMAN EMB ARE INVOLVED. WE ARE NOT ABLE, HOWEVER, FROM WHAT WE KNOW HERE, TO PIN THE MATTER DOWN FURTHER.

11. THE IMPORTANT THING, HOWEVER, IS THAT THE CHANCELLOR

PAGE 4 RUFHOL 9894/2 ~~CONFIDENTIAL~~
IS DISTURBED OVER FALSE RUMORS, AT A TIME WHEN WE NEED HIM MOST. WE MUST BE ABSOLUTELY SURE THAT NOTHING IS DONE TO UPSET THE EXCELLENT RELATIONSHIP OF MUTUAL CONFIDENCE BETWEEN KIESINGER AND THE PRES. WE MUST REASSURE KIESINGER THAT WE DO NOT DOUBT HIM.

12. PARTICULARLY IN THE LIGHT OF THE IMPORTANT CONTRIBUTION WHICH GERMANY MADE THROUGH BUNDESBANK PRES BLESSING TO

~~CONFIDENTIAL~~



Department of State

TELEGRAM

~~CONFIDENTIAL~~

PAGE 03 BONN 09894 02 OF 02 221423Z

THE SUCCESS OF THE MONETARY MEETING HELD IN WASHINGTON ON MARCH 16-17, I STRONGLY RECOMMEND THAT THE PRES SEND A LETTER TO KIESINGER EXPRESSING OUR APPRECIATION FOR THIS ASSISTANCE. AT THE SAME TIME I BELIEVE IT WOULD BE APPROPRIATE, WITHOUT REFERRING TO THE PRESENT CONVERSATION, FOR THE PRES TO ADD A FEW REMARKS EXPRESSING FULL CONFIDENCE IN THE CHANCELLOR IN HIS RELATIONS WITH DE GAULLE AND IN HIS EASTERN POLICY.

13. IN THE FUTURE I HOPE THAT ALL HIGH OFFICIALS WILL BE MOST CAUTIOUS THAT THEIR REMARKS DO NOT CAST DOUBT AS TO OUR OWN ATTITUDE TOWARD THE CHANCELLOR OR GERMANY -- OR

PAGE 5 RUFHOL 9894/2 ~~CONFIDENTIAL~~
SUGGEST THAT WE SUSPECT ANY DISLOYALTY OR CHANGE IN THEIR ATTITUDE TOWARD US.
GP-4. MCGHEE



~~CONFIDENTIAL~~

Monday, March 25, 1968

Pres file

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Message to Sato on Occasion of Governors' Visit to Japan

Eight U. S. Governors will visit Japan April 4-18 under the U. S. -Japan Governors' Exchange Program, a project involving the National Governors' Conference, the National Governors' Association of Japan and the Department of State. This will initiate the fourth exchange of visits which began in 1962. The delegation leader traditionally has carried a Presidential message to the Japanese Prime Minister.

The attached proposed message from you to Sato would be hand carried by the delegation leader, Governor John A. Volpe of Massachusetts, who is Chairman of the National Governors' Conference. The message is designed to be released to the public at Sato's initiative.

I recommend that you sign the message.

W. W. Rostow

Attachment

AJ:jnm

cc: Mr. Jorden

MAR 27 1968

Dear Mr. Prime Minister:

I extend to you my warmest personal regards on the occasion of the fourth visit to Japan by members of the National Governors' Conference.

The Governors' visit to your country is one of the many evidences of the close bonds between our countries. As you know, a distinguished group of Japanese educators will be here conferring with American educational experts in Warrenton, Virginia, at the same time that our Governors are in Japan.

The United States regards these forms of interchange as enormously valuable. The Governors visits are particularly useful. Like their counterparts in your country, our Governors bear heavy responsibilities for the welfare of the citizens in their states. A discussion of common problems and experiences from the viewpoint of two different continents cannot help but be useful to all participants.

The import of the visit this year is further enhanced by the presence of an additional nine American Governors who will be attending the American Festival, the largest agricultural exhibition ever to be held in East Asia by the U. S. Department of Agriculture. The exhibit, intended as a tribute to the Meiji Centennial, underlines the importance we attach to agricultural trade between our countries.

Please accept this letter, Mr. Prime Minister, as an expression of my deep appreciation for the many courtesies extended to our Governors by the Japanese

- 2 -

people and their leaders on the three previous visits. I am certain that the current visit will be as successful as those were.

Sincerely,

His Excellency
Eisaku Sato
Prime Minister of Japan
Tokyo

A handwritten signature, likely of Lyndon B. Johnson, written in dark ink.

LBJ:State:AJ:MM 3/25/68

March 25, 1968

~~1 sent~~
x Pres. [initials]

Mr. President:

Mayor Sam Yorty of Los Angeles wrote to you suggesting we send a mediator to Nigeria.

Attached, for your signature, is a proposed reply which explains why we think the U. S. should stay on the sidelines in Nigeria.

W. W. Rostow

RPM/lw

3/27/68
This letter too long. Write
about two sentences. Thank him.
LBS:mr
returned file to Ed Hamilton
for re-write

73a

Dear Sam:

I can well appreciate your concern over the tragic strife in Nigeria. The torment of that young country distresses all of us.

Our position toward the conflict there has been very clear. We want to see an end to the bloodshed and destruction. We want to see the people of all regions and tribes return to the tasks of peaceful development in dignity and cooperation. But the antagonisms that gave rise to the war and the scars left by the fighting run deep. Our best judgment is that any intervention on our part would only complicate and perhaps even set back the chances for a genuine settlement.

We hope that others may be in a better position to help bring about a peaceful end to the Nigerian conflict. We have quietly encouraged efforts of the Organization of African Unity and the British Commonwealth Secretariat to bring the sides together. And we welcome the individual efforts of men of good will. In the last analysis, however, only the Nigerians themselves can settle their dispute and resolve to live in peace with one another.

The Soviet involvement in the situation is, of course, a matter of concern. At the same time, the position of the United Kingdom and other Western interests remains strong. So far, it appears that the Nigerian Government remains very independent.

We will continue to watch this situation very closely. Nigeria was one of the bright hopes in Africa's march to independence. We will do everything prudence permits to encourage her to get back on the high road.

With warm personal regards.

Sincerely,

LBJ:WWR:EKH:RM:lw

3/25/68

Honorable Sam Yorty

Mayor of the City of Los Angeles

Los Angeles, California 90012



OFFICE OF THE MAYOR
CITY HALL
LOS ANGELES, CALIFORNIA 90012

March 13, 1968

SAM YORTY
MAYOR

CC: EH 936
Per recommended
response
J

C O N F I D E N T I A L

The Honorable Lyndon B. Johnson
President of the United States
Washington, D. C.

~~CONFIDENTIAL~~

Dear President Johnson:

I hope you will see fit to send a personal emissary to Nigeria. It appears that the Russians are making real inroads with Gowon and, as usual, are up to no good. Perhaps one of the following could serve as the emissary:

Chester Bowles
G. Mennen Williams
Senator Edward Brooke
Supreme Court Justice Thurgood Marshall

Sincerely,

MAYOR

SY/et

DETERMINED TO BE AN ADMINISTRATIVE
MARKING. CANCELLED PER E.O. 12358,
SEC. 1.3 AND ARCHIVIST'S MEMO OF
MAY 18, 1983.

BY AB ON 4-19-82

~~SECRET~~

MAR 20 1968

Free file

Mr. President:

In the attached memorandum, Paul Nitze requests your approval of the safety rules for the Airborne Launch Control System. Under NSAM 272, the approval of safety rules for nuclear weapons is delegated to the Secretary of Defense unless the safety rules involve a "significant new procedure or technical concept" in which case Presidential approval is required.

The Airborne Launch Control System has been designed to enhance the survivability of MINUTEMAN missiles by providing a launch capability in the event the missiles lose communications with the underground launch control centers which provide the normal means for executing a launch order. A complex system of safety features, which are described in the attached memorandum, has been built into the Airborne Launch Control System to preclude unauthorized, premature, inadvertent or accidental arming or launching of MINUTEMAN missiles.

The JCS and the AEC have reviewed these safety rules and recommend their approval. Paul Nitze recommends that you approve them. I concur.

W. W. Rostow

Att.:"

Memo 12/9/67 fm Nitze w/o atts.

Approve _____

Disapprove _____

Call me _____

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 96-274
By lip NARA Date 2-10-97

SMKeeny:jb:1-12-68 & 3-20-68

bcc: SMK file & chron

WWR (2)

CEJ

SMK comeback cy

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~~SECRET~~

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

DECLASSIFIED

9 DEC 1967

Authority: DOD Directive 5200.10
By JD, NARA, Date 5/4/92

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Final Approval of Safety Rules for the Airborne Launch Control System

The attached safety rules for operations with the Airborne Launch Control System are forwarded for your approval pursuant to the provisions of paragraph 4 of NSAM 272, dated November 13, 1963, requiring your approval when a significant new procedure or technical concept is incorporated into a nuclear weapon system. These safety rules are designed to assure maximum safety consistent with operational requirements. The designed safety features, devices incorporated into the Airborne Launch Control System, operating procedures which govern its use, and these initial safety rules reasonably accomplish this objective.

The Airborne Launch Control System enhances the survivability of our MINUTEMAN missiles. It provides an immediate launch capability for the MINUTEMAN missiles in the event that they lose communications with their underground Launch Control Centers, as might result from a nuclear attack. This capability of the Airborne Launch Control System to launch missiles does not exist, however, for any missiles which have surviving communications to a Launch Control Center. The existence of this highly survivable and effective backup launch capability should greatly reduce the priority assigned by an enemy to targetting the underground Launch Control Centers and tend to force him to target the tenfold more numerous missile Launch Facilities.

The technical features of this weapon system and the procedures affecting nuclear safety have been studied by the United States Air Force Nuclear Weapons System Safety Group, which had representatives from the major Air Force commands, Air Force Directorate of Aerospace Safety, Field Command of the Defense Atomic Support Agency, and the Albuquerque Operations Office of the Atomic Energy Commission. The Group had the

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DOWNGRADED AT 3 YEAR INTERVALS;
DECLASSIFIED AFTER 12 YEARS.
DOD DIR 5200.10

~~SECRET~~

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technical support of Sandia Corporation. It concluded that the safety features designed for the weapon system and the procedures specified for employment provide adequate nuclear safety. The Atomic Energy Commission, through its Division of Military Application, conducted an independent review of these safety rules to which the Commission has given its formal concurrence.

These safety rules also have the concurrence of the Director, Defense Atomic Support Agency, and the Joint Chiefs of Staff recommended their approval. Interim approval of these safety rules was granted in DoD on May 24, 1967, and the system achieved an initial operational capability at the end of May this year. This capability is presently limited to 19 EC-135 aircraft in which the necessary circuitry has been installed and into which the 11 sets of Airborne Launch Control System equipment currently available can be installed. Eventually, 32 EC-135 aircraft will be wired to accept the 14 authorized sets of ALCS equipment.

DESCRIPTION OF THE AIRBORNE LAUNCH CONTROL SYSTEM

In present circumstances only one plane with the Airborne Launch Control System capability is flying continuously, the SAC Airborne Command Post. Two additional planes with this capability are on 15 minute alert at Ellsworth Air Force Base, South Dakota. Later, two more planes with this capability will be on 15 minute alert at Minot Air Force Base, North Dakota. These planes on ground alert would be flown at DEFCON 2 in order to effect a complete emergency launch capability for all our MINUTEMAN missiles. Without them, the single Airborne Launch Control Center in the Airborne Command Post plane would have to be flown to the vicinity of each missile wing in order to establish a radio command link with the missiles.

The Airborne Launch Control System consists of sophisticated electronic and cryptographic equipment in EC-135 aircraft, an air-to-ground radio link into each MINUTEMAN Launch Facility, and associated ground support equipment. So long as a MINUTEMAN Launch Facility has communications with any Launch Control Center, a logic gate prevents entry of commands from the Airborne Launch Control Center. The Airborne Launch Control capability is integrated into SAC's Airborne Command Post, and sufficient EC-135 aircraft will be equipped to provide four Airborne Launch Control Centers on 15 minute alert at two other locations.

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3

Missile launch data are encrypted at Offutt Air Force Base, using equipment approved by the National Security Agency. The encrypted data are secured under two-man control aboard the Airborne Launch Control Center prior to takeoff. In the event of an aircraft crash or loss of power, the encrypted data would be volatilized.

The Commander in Chief of SAC will receive Presidential authorization to expend nuclear weapons from the National Military Command Center or its alternates. The Emergency War Orders are passed by the SAC Command Post directly to missile units, the intervening Numbered Air Forces, and simultaneously to the Airborne Command Post which is manned by a general officer and his battle staff, and all other Airborne Launch Control Centers.

In the Airborne Launch Control Centers, after the "GO-CODE" has been validated by four officers, independent actions are required at four physically separated locations to produce and transmit the launch command. Only those Launch Facilities which have lost communications with their parent Launch Control Centers will accept the launch command generated by the Airborne Launch Control Center.

Under normal conditions, MINUTEMAN missiles require launch commands from two separate Launch Control Centers, but in the event a lone underground Launch Control Center remains in contact with its missiles, it can launch them after a built-in time delay. In order to eliminate the time delay it can sever its communications with its Launch Facilities, and thus cede its control to an Airborne Launch Control Center which is then capable of transmitting both launch commands.

Prior to adding the Launch Control System, SAC Airborne Command Post aircraft were equipped to operate the 494L Emergency Rocket Communications System. The 494L System is for the dissemination of the CINCSAC Emergency War Order via communications payloads launched into a ballistic trajectory by MINUTEMAN missiles. These launches would take place at Whiteman Air Force Base, Missouri, where five Launch Control Centers control and monitor the six 494L Launch Facilities. In the event that communications are lost between any of these missile Launch Facilities and all five Launch Control Centers, then that missile may be launched by an Airborne Launch Control Center.

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4

SUMMARY OF CONTROL MEASURES AND SAFETY DEVICES

Operational control of the Airborne Launch Control System and all MINUTEMAN units is exercised by CINCSAC. If SAC headquarters is lost, the Airborne Command Post which receives directly and authenticates all JCS Emergency Action messages, will transmit the SAC "GO-CODE".

After receipt and authentication of a valid "GO-CODE" by four officers in the Airborne Launch Control Center, the following primary actions are required to launch MINUTEMAN missiles which have lost communications with their Launch Control Centers:

- a. The encrypted components must be unlocked and installed.
- b. The aircraft commander must provide power by closing a switch at his location (Station 3).
- c. The radio operator must establish a radio link to the launch facilities.
- d. The operator at Station 1 must select the wing and squadron from which missiles are to be launched. If needed, the capability exists to select the flight and the specific missile.
- e. When all other preparatory actions have been completed, both missile combat crew members at two separated stations (Station 1 and Station 2) must place their key-operated COOP LAUNCH switches in the EXECUTE Launch Command position within a two-second period.

Although this unique system does not routinely include or control nuclear weapons, safety features are designed into the Airborne Launch Control System to preclude unauthorized, premature, inadvertent, or accidental arming or launching of MINUTEMAN missiles. The primary safety features of the Airborne Launch Control System are:

1. Aircraft Installed Equipment Safety Features

- a. Separation of Controls by physical location of equipment in the Airborne Launch Control Center, so that separate positive actions by the aircraft commander, radio operator, and each of the two missile combat crew members are required to generate and transmit launch commands.

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b. The Classified Command Interlock at Station 1 which, until each of the eight small Thumbwheel Switches are rotated to show the number engraved above each switch, prevents assembly and release of commands to the missiles.

c. The Commands Switch at Station 1 which must be rotated to the appropriate position to transmit Preparatory Launch, Enable, or Launch Commands.

d. The Power Switch at the aircraft commander's position which must be placed in the ON position to permit assembly and transmission of launch commands.

e. The V Store Erase Switch which permits the operator at Station 2 to destroy the decrypting data in the Code Processor and thus prevent preparation of launch commands.

f. The Key-Operated Cooperative Launch Switches at Stations 1 and 2 which must be rotated to the ELC positions within a two-second period in order to transmit the required EXECUTE Launch Commands.

g. The Code Processor which can decrypt the missile launch commands only after cooperative switching operations at Stations 1, 2, and 3.

h. The Data Processor which will respond to the Station 1 operator's preparatory launch commands only after the aircraft commander places a recessed switch in the ON position.

i. The Interconnecting Box on which the radio operator must manually select the proper transmitter to establish the radio link with MINUTEMAN Launch Facilities.

j. The Encrypted "S" Tape which may be removed from its secure storage and used to generate missile launch commands only after a valid "GO-CODE" has been received and authenticated.

2. MINUTEMAN Weapon System Safety Features.

a. A Logic Gate in the UHF radio receiver at each Launch Facility remains closed to bar entrance of Airborne Launch Control Center radio commands unless the message contains the correct two-tone squadron address and meets other sophisticated specifications.

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6

b. A UHF Radio Control Switch at Launch Facilities which closes to permit Airborne Launch Control Center radio commands to reach the missiles only when communications from the parent Launch Control Centers have been interrupted.

3. Aerospace Ground Equipment Safety Features.

a. The Command Code Inserter-Verifier, which processes the operational program materials to produce encrypted operational data tapes, is located in a secure room within a secure vault at SAC headquarters. Access to the vault is controlled by strict security procedures.

b. Cryptographic Materials produced by the National Security Agency are required to encrypt and decrypt MINUTEMAN launch commands.

c. The Cryptographic Material and Aircraft are protected by Air Force security procedures appropriate for the classification of the material.

I recommend your approval of the attached safety rules for the Airborne Launch Control System. Following your approval, we shall notify the Chairman of the Joint Chiefs of Staff and the Chairman of the Joint Committee on Atomic Energy and provide them with a copy of the approved safety rules.

Paul H. Nitze

Attachments
Safety Rules
(Appendices A, B, and C)
Safety Studies
(66-6 and 67-3)

~~SECRET~~

March 25, 1968

Mr. President:

Pres file

Dr. Thomas Mattingly -- the heart specialist we sent out to treat King Mahendra of Nepal -- is on his way back. We'll know more details when he checks in at State, but Carol Laise sums up his findings as follows:

- The King's heart attack was more serious than the Nepalese publicly admitted.
- There have been no complications; and barring a setback, he could recover fully in six months. Dr. Mattingly thinks the King can gradually resume work if he is careful to avoid strain and fatigue.
- Given the King's family history and other health problems, however, Mattingly thinks the long-range prognosis is not favorable.

Carol reports that the King and his Government are deeply grateful for Mattingly's visit. It's still too early to tell what the heart attack will do to court politics in Nepal. Carol judges the King will stay in the saddle for the time being despite his incapacity.

W. W. Rostow

90

Pre file

Monday, March 25, 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Message to Sato on Occasion of Governors' Visit to Japan

Eight U. S. Governors will visit Japan April 4-18 under the U. S. -Japan Governors' Exchange Program, a project involving the National Governors' Conference, the National Governors' Association of Japan and the Department of State. This will initiate the fourth exchange of visits which began in 1962. The delegation leader traditionally has carried a Presidential message to the Japanese Prime Minister.

The attached proposed message from you to Sato would be hand carried by the delegation leader, Governor John A. Volpe of Massachusetts, who is Chairman of the National Governors' Conference. The message is designed to be released to the public at Sato's initiative.

I recommend that you sign the message.

W. W. Rostow

Attachment

AJ:jnm

cc: Mr. Jorden

Dear Mr. Prime Minister:

I extend to you my warmest personal regards on the occasion of the fourth visit to Japan by members of the National Governors' Conference.

The Governors' visit to your country is one of the many evidences of the close bonds between our countries. As you know, a distinguished group of Japanese educators will be here conferring with American educational experts in Warrenton, Virginia, at the same time that our Governors are in Japan.

The United States regards these forms of interchange as enormously valuable. The Governors visits are particularly useful. Like their counterparts in your country, our Governors bear heavy responsibilities for the welfare of the citizens in their states. A discussion of common problems and experiences from the viewpoint of two different continents cannot help but be useful to all participants.

The import of the visit this year is further enhanced by the presence of an additional nine American Governors who will be attending the American Festival, the largest agricultural exhibition ever to be held in East Asia by the U. S. Department of Agriculture. The exhibit, intended as a tribute to the Meiji Centennial, underlines the importance we attach to agricultural trade between our countries.

Please accept this letter, Mr. Prime Minister, as an expression of my deep appreciation for the many courtesies extended to our Governors by the Japanese

- 2 -

people and their leaders on the three previous visits. I am certain that the current visit will be as successful as those were.

Sincerely,

His Excellency
Eisaku Sato
Prime Minister of Japan
Tokyo

LBJ:State:AJ:MM 3/25/68

LIMITED OFFICIAL USE

Monday - March 25, 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: President Stroessner's Reaction to His Visit

has file

President Stroessner returned to Paraguay yesterday. The attached cable describes his reaction to his 5-day visit to the United States.

W. W. Rostow

Attachment

Message from Embassy Asuncion, (#1349)
March 25.

982
LIMITED OFFICIAL USE

Message from Charge d'Affaires Stefan in U.S.
Embassy, Asuncion
(No. 1349, March 25, 1968)

SUBJECT: The Stroessner Visit

1. The Stroessner party arrived yesterday at 7:45 a.m. During the airport welcoming ceremonies, President Stroessner told me his visit had been "magnificent". His interpreter subsequently spoke enthusiastically of the treatment their group had received in both Washington and in New York.
2. During an impromptu speech at the airport, Stroessner characterized the presence of the welcoming crowd as "also demonstrating affection for that great nation of the North, the United States", and said that his visit was filled with "much cordiality, many attentions, and many important conversations." He said: "We spoke about the cordial relations between our two countries." Stroessner struck two principal substantive notes during his speech:
 - (1) that the country had to work more and produce more; and
 - (2) that the political peace was a prime requisite for this. And in connection with the latter, President Stroessner invited the cooperation of the opposition parties.
3. As regards internal reforms, the President said:

"We must also put some aspects of our country in order ... /We need peace/ so that public institutions may in fact be organized better."
4. As regards a request for assistance, Stroessner said:

"We went to request /assistance/ with dignity, we did not go to beg."
5. As regards the results of the visit, Stroessner said:

"I believe that the results of this visit will only be able to be seen later on; there are good intentions toward our country ... After these conversations, the future will tell us that we were right and that if we were invited, it is because there is good predisposition /toward Paraguay/."

~~SECRET~~

Monday, March 25, 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Meeting with Hedley Donovan

DECLASSIFIED 7-13-79
 Authority State 12-15-78, NSC 67
 By cep/rq, NARA, Date 4/22/92

You agreed to meet with Hedley Donovan (Editor-in-Chief of LIFE) at 5:30 p.m. today.

This memo covers the current situation in Viet-Nam.

Overall picture

GVN picking itself up after Tet Offensive. ARVN, U.S. and allied forces moving out to keep enemy off balance. GVN showing new vigor. Present problem: keep cities secure, win the race into the countryside, be ready to meet any new major assaults.

Enemy failed in his first-phase goals: capture and hold some towns, shatter the GVN, break the ARVN, stir the people to an "uprising." But enemy capacity to continue Winter-Spring offensive remains. New forces have been coming in through Laos. VC are scouring the countryside for recruits.

Present enemy tactics: try to isolate the towns and cities, cut lines of transport and cut off food, consolidate hold in rural areas, gather food and recruits, prepare for another round of major attacks. Most likely targets: Hue-Quang Tri area, Khe Sanh, the Highlands (Kontum and Pleiku), Saigon.

Military Situation

Enemy has taken severe losses at Khe Sanh (B-52's, artillery). Some evidence of pull-back by the 325th Division (westward to Laos, eastward toward Quang Tri). But new units may be moving in. Buildup along east coast (Quang Tri and Hue) has been significant, but spoiling operations have kept them off balance.

Not much activity in II Corps. But enemy buildup along Laos-Cambodia border continues. In Saigon area, intelligence forecast a major effort. But big ARVN/U.S. sweep in surrounding provinces forces VC to pull back. Several large arms caches discovered.

Enemy has been pushing its drive in IV Corps (Delta) to isolate towns, pick up rice, find new recruits. But new Corps Commander (General Thang) has been pushing his people to chase the VC. Average of 50-60 operations a day. He is trying to reverse the defensive psychology that dominated the Delta for so long.

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GVN Actions

President Thieu and Vietnamese leaders have recognized heavier burdens must be carried by them. Thieu announced 135,000 Vietnamese will be drafted this Spring and Summer. 10,000 drafted last month and 10,000 volunteers.

President Thieu also moving on other fronts: reconstruction and care for refugees (about 200,000 of 600,000 have already moved back to their home areas and begun to rebuild); civil defense (26,000 Vietnamese have volunteered and are being trained); removing incompetent military officers and province officials (8 province chiefs replaced, six more soon); anti-corruption (32 military men, 8 civilians recently brought to trial -- 3 got death penalty; 138 province officials removed last year).

Suggest give Donovan a copy of Thieu's recent speech (copy attached) which outlines what he is doing and plans to do.

Pacification

Far from "dead." RF/PF forces lost heavily during Tet, but are now 85-90 per cent of pre-Tet strength. Revolutionary Development cadre actually larger (with addition of a new 2,000-man class). 383 teams of 564 total are working in assigned hamlets.

Main problem: psychological, defense-minded outlook. Thieu is working to get RD teams back into the country. Situation is best in II Corps, worst in IV Corps.

Economic

Food situation fairly good. Saigon price index fell two points last week. Main threat: enemy effort to cut off all main lines of transport. Route 4 in the Delta is main target, and we are putting high priority on keeping it open.

Biggest economic dislocation was in Hue -- where hundreds of government officials were killed by the North Vietnamese.

North Viet-Nam

The enemy has his problems -- which he doesn't publicize.

Ho Chi Minh issued a decree last week announcing severe penalties for subversion, sabotage, desertion, and other "crimes against the state." Reports contain unusual admissions of antiwar sentiments in the North and even a reference to security problems in the armed forces.

~~SECRET~~

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Summing Up

We have problems. Tough road ahead. But enemy has problems, too. And South Vietnamese are showing new energy, new national unity, and new determination to save their own country. The next six months will be crucial. Much, perhaps everything, depends on our will and determination.

William J. Jorden

Attachment

~~SECRET~~