

WW Rostow
DRAFT -- May 3, 1968 - about 8:15 PM

Draft Statement by the President

I was informed at 1:00 a. m. this morning that Hanoi was prepared to begin official conversations with us on May 10th or several days thereafter -- in Paris.

As you know, we have sought a place for these conversations in which both sides and their allies could be present in dignity and where they would receive equal and fair treatment.

As a result of exchanges with our allies, we have concluded that Paris is such a place.

I, therefore, have informed Hanoi that our representatives will be prepared to meet with theirs in Paris on May 10, if that is agreeable -- or on Monday, May 13th, if they prefer.

The message from Hanoi indicates that they wish to determine with us -- to use their phrase -- "the unconditional cessation of bombing and all other American acts of war against the DRV." This is a matter we are prepared to discuss in the light of my statement of May 31 that: "even this very limited bombing of the North could come to an end -- if our restraint is matched by restraint in Hanoi."

Their message also indicates they wish to proceed to "conversations on the problems of interest to the two sides." As I indicated in my statement at San Antonio on September 29, 1967, we look forward to "productive discussions."

It would be inappropriate at this time to discuss in detail our objectives in these negotiations except to repeat that we seek an honorable and stable peace in Southeast Asia, including the right of self-determination of the people of South Vietnam.

As we enter this hopeful new phase, every American should, however, be conscious of these hard facts:

-- The rate of infiltration from the North into South Vietnam in March and April has been higher than ever before;

-- The proportion of North Vietnamese in main and local force units in South Vietnam has risen to about 70% of the total;

-- All our intelligence indicates that the other side intends to mount offensive operations during the talks against the cities of South Vietnam.

These hard facts must be faced. I have complete confidence in the armed forces of Vietnam, the U. S. forces, and our common allies.

There will be no Dien Bien Phu during these negotiations.

While we are prepared to fight while these talks proceed, my hope is that we shall move as rapidly as possible from fighting to peace; from hostility to reconciliation; from destruction to common efforts in the economic and social development of Vietnam and all of Southeast Asia.

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INFORMATION

Friday, May 3, 1968 - 7:30 p.m.

Presfile

Mr. President:

This looks as if Hanoi plans
to announce at 10:45 a.m. our time.

W. W. Rostow

WWRostow:rla

37a

MM
UNNUMBERED TRANSMISSION FOR OC1 OPSCEN ONLY

FOR OFFICIAL USE ONLY

FOR YOUR INFORMATION

HANOI VNA IN VIETNAMESE TO MOSCOW AT 1035 GMT ON 3 MAY 1968 CARRIES THE
FOLLOWING SERVICE MESSAGE:

COMRADE CUNG QUE LAM, BCZ

THERE WILL BE IMPORTANT NEWS TONIGHT. IT IS REQUESTED THAT BCZ
ASK FOR AN ADDITIONAL TRANSMITTER TO WORK TWO-WAY TRAFFIC. AFTER
RECEIVING THE NEWS ZAP (AS RECEIVED) IMMEDIATELY, AND FOLLOW
VNA RTT AT 2145 HANOI TIME (1445 GMT).

3 MAY 1113Z JWQ/JB

↓
10:45 EDT.

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-284
By ins, NARA Date 2-23-98

38

~~SECRET--SENSITIVE~~

Crocodile

free file

Friday, May 3, 1968 -- 7:30 a.m.

Mr. President:

Here is the full text of the Hanoi message, plus Sullivan's comment.

I read this as indicating that your handling of this matter over the past month has convinced them:

-- That you were in no hurry and were firm;

-- Meanwhile, our men in the field, the GVN, and the ARVN convinced them that time was not their friend.

I don't think they are going to be easy to deal with; but I do believe that we enter this from a position of strength and a sense on their side that the clock is ticking against them:

-- It was they who rejected the option of waiting until after the election;

-- It was they who rejected a stage of negotiation devoted merely to discussing time and place;

-- It was they who added the phrase "to have subsequent conversations on the problems of interest to the two sides" -- their version of "productive negotiations" from the San Antonio formula.

Paragraph 5 of Sullivan's cable is a just tribute to his Chief.

But our reply will have to deal with: "to determine with the American side the unconditional cessation of bombing and all other American acts of war against the DRV."

My first reaction is that our reply should quote the following passage from your speech of March 31 to lay a basis for our position: "Even this very limited bombing of the North could come to an early end -- if our restraint is matched by restraint in Hanoi." But you will, of course, wish to consider this matter this morning in the light of the views of Sec. Rusk and Sec. Clifford.

W. W. Rostow

Vientiane 6241 and 6243

~~SECRET~~

WWD-1000000000



Department of State

TELEGRAM

~~SECRET~~

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ACTION COPY

1968 MAY 3. 11 12 24

***** ZZ RUEHC
DE RUNJFS 6241 1240350
ZNY SSSSS ZZH
Z 030339Z MAY 68 ZFF-4
FM AMEMBASSY VIENTIANE
TO SECSTATE WASHDC FLASH 8294
STATE GRNC
BT
~~SECRET~~ VIENTIANE 6241

CONTROL : 514Q

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-281
By id, NARA Date 10-5-98

NODIS/CROCODILE

1. NGUYEN CHAN HAS JUST HANDED ME A NOTE PROPOSING PARIS AS SITE FOR "OFFICIAL CONVERSATIONS WITH REPRESENTATIVE OF THE UNITED STATES, TO DETERMINE WITH THE AMERICAN SIDE THE UN-CONDITIONAL CESSATION OF BOMBING AND ALL OTHER AMERICAS ACTS OF WAR AGAINST THE DRV, AND TO HAVE SUBSEQUENTLY CONVERSATIONS ON THE PROBLEMS OF INTEREST TO THE TWO SIDES."
2. MINISTER XUAN-THUY IS NAMED AS DRV REPRESENTATIVE AND 10 RPT 10 MAY OR A FEW DAYS LATER NAMED AS THE DATE. FULL TEXT FOLLOWS SEPTTEL.

PAGE 2 RUNJFS 6241-~~SECRET~~

3. I TOLD CHAN WE WOULD TRANSMIT IMMEDIATELY AND I HOPED TO HAVE REPLY SOON. SINCE WE WERE FOLLOWED TO DRV EMBASSY BY PRESS AND TELEVISION, I TOLD HIM OUR COMMENT ON ALL QUESTIONS, INCLUDING WHETHER WE HAD RECEIVED A NOTE, WOULD BE "NO COMMENT."
4. WE HAVE FIVE MORE HOURS OF BUSINESS DAY HERE IN VIENTIANE AND I CAN, IF IT IS DESIRED, DELIVER A REPLY THIS AFTERNOON.
5. CONGRATULATIONS TO THOSE IN WASHINGTON WHOSE EYEBALLS ARE MADE OF SUCH STERN STUFF. AMONG OUR ASIAN FRIENDS, THESE TWO SUCCESSIVE RETREATS BY HANOI FROM FIRMLY HELD POSITIONS WILL BE TAKEN AS A SIGN THAT THE NORTH VIETNAMESE ARE BADLY HURTING AND NEED NEGOTIATIONS IN A VERY REAL WAY.

GP-2 SULLIVAN
BT

~~SECRET~~



Department of State

TELEGRAM

~~SECRET~~

DECLASSIFIED

E.O. 12958; Sec. 3.6

NLJ 97-281

By isa, NARA Date 10-5-98

***** ZZ RUEHC
DE RUMJFS 6243 124044Z
ZNY SSSSS ZZH
Z 030418Z MAY 68
FM AMEMBASSY VIENTIANE
TO SECSTATE WASHDC FLASH 8296
STATE GRNC
BT

CONTROL : 527Q

1968 MAY 3 AM 1 49

~~SECRET~~ VIENTIANE 6243

NODIS/CROCODILE

1. FOLLOWING IS AN UNOFFICIAL TRANSLATION OF THE UNOFFICIAL FRENCH VERSION WHICH ACCOMPANIED THE NOTE HANDED TO AMBASSADOR SULLIVAN BY NVN CHARGE TODAY.

"(1) THE GOVERNMENT OF THE DRV HAS DECLARED ITSELF READY TO NAME ITS REPRESENTATIVE WITH THE RANK OF AMBASSADOR TO CONTACT THE REPRESENTATIVE OF THE U.S. AT PHNOM PENH OR WARSAW IN ORDER TO PREPARE FOR OFFICIAL CONVERSATIONS. WORLD PUBLIC OPINION HAS WARMLY WELCOMED THIS CORRECT ATTITUDE AND DEMANDED THAT THE U.S. ANSWER PROMPTLY THE PROPOSAL OF THE DRV GOVERNMENT.

PAGE 2 RUMJFS 6243 ~~SECRET~~

"BUT THE AMERICAN SIDE, ALTHOUGH IT HAS REPEATEDLY DECLARED ITSELF 'READY TO GO ANYWHERE' FOR CONVERSATIONS, HAS MADE CONDITION AFTER CONDITION FOR THE CHOICE OF A SITE. IT HAS, BESIDES, SUGGESTED PLACES INCOMPATIBLE WITH ITS OWN CONDITIONS.

"ON APRIL 23, 1968, THE AMERICAN SIDE HAS RAISED A NEW QUESTION, SUGGESTING THAT THE TWO SIDES ENGAGE IN PRIVATE DISCUSSIONS ABOUT THE PLACES AND THE DATE OF CONTACT AND CONSEQUENTLY SHOULD CHOOSE IN ADDITION A SITE FOR THESE PRIVATE CONVERSATIONS.

"AS A SIGN OF GOOD WILL THE GOVERNMENT OF THE DRV GAVE INSTRUCTIONS TO ITS AMBASSADOR AT WARSAW TO BE PREPARED TO ENTER INTO DISCUSSIONS WITH THE AMERICAN AMBASSADOR REGARDING THE PLACE AND THE DATE OF CONVERSATIONS, BUT THE AMERICAN SIDE REFUSED.

~~SECRET~~

~~SECRET~~

PAGE -2- VIENTIANE 6243, MAY 3, 1968

NODIS/CROCODILE

"(2) SINCE THE DECLARATION OF APRIL 3, 1968 OF THE GOVERNMENT OF THE DRV, PRELIMINARY CONTACTS SHOULD HAVE BEEN

PAGE 3 RUMJFS 6243 ~~SECRET~~
UNDERTAKEN LEADING TO OFFICIAL CONVERSATIONS BETWEEN THE TWO PARTIES BUT THE U.S. GOVERNMENT HAS DELIBERATELY ENGAGED IN DILATORY MANEUVERS. IN THE FACE OF THE SITUATION THE GOVERNMENT OF THE DRV BELIEVES THAT OFFICIAL CONVERSATIONS BETWEEN HANOI AND WASHINGTON SHOULD TAKE PLACE IMMEDIATELY. THE GOVERNMENT OF THE DRV HAS DECIDED TO NAME MINISTER XUAN-THUY AS ITS REPRESENTATIVE TO ENGAGE IN OFFICIAL CONVERSATIONS WITH THE REPRESENTATIVE OF THE USG TO DETERMINE WITH THE AMERICAN SIDE THE UNCONDITIONAL CESSATION OF BOMBING AND ALL OTHER AMERICAN ACTS OF WAR AGAINST THE DRV, AND TO HAVE SUBSEQUENTLY CONVERSATIONS ON THE PROBLEMS OF INTEREST TO THE TWO SIDES. THE GOVERNMENT OF THE DRV FAVORABLY RECEIVES THE ATTITUDE OF THE FRENCH GOVERNMENT WHICH IS DISPOSED TO OFFER PARIS AS A PLACE FOR CONVERSATIONS BETWEEN THE DRV AND THE U.S., AS THE FRENCH MINISTER OF FOREIGN AFFAIRS, MONSIEUR COUVE DE MURVILLE, DECLARED ON APRIL 18, 1968, THE GOVERNMENT OF THE DRV CONSIDERS THAT PARIS, AS WELL AS PHNOM PENH AND WARSAW, IS A SUITABLE PLACE FOR THE OFFICIAL CONVERSATIONS BETWEEN BOTH SIDES. THESE OFFICIAL CONVERSATIONS WILL BEGIN ON MAY 10, 1968, OR SEVERAL DAYS

PAGE 4 RUMJFS 6243 ~~SECRET~~
THEREAFTER.

MAY 3, 1968"

GP-2 SULLIVAN
BT

~~SECRET~~

THE WHITE HOUSE

WASHINGTON

Thursday, May 3, 1968

~~SECRET~~/NODIS

Mr. President:

Herewith a capsule of Bunker's 49th weekly report:

*Pres file*A. General

- Anxieties remain, but have lessened.
- Your March 31 speech and Clifford's have made Vietnamese realize some day they will be on their own; Thieu shows leadership.
- GVN should undertake four priorities: mobilization bill; restructuring GVN; coordination of pacification; upgrading RVNAF.
- Site stalemate previews tactics Hanoi may use to own advantage.
- Hanoi announced "Vietnam Alliance," may be alternative to NLF.
- Rearresting Dzu may not have been ill advised.
- Indications enemy planned countrywide attacks before May 1; we must prepare for his willingness to take heavy casualties.
- Enemy continues high infiltration rate and major road-building efforts.
- Thieu apparently considering war cabinet and appointment of Huong.
- Thieu has not yet set up secretariat for Ky's civil defense program and apparently opposes arming of political groups favored by Ky.

B. Political

- Sharp criticism of GVN voiced in Lower House may have been Thieu maneuver to create atmosphere for changes he wishes.
- Lower House to consider generally satisfactory mobilization bill completed by Defense Committee.
- New Can Lao organization is generally positive although reappearance of Diem-period leaders might prompt Buddhist reaction.

C. Recovery Program

- Tet evacuees down to 520,000 from 542,000 a week ago and peak of 821,000.
- Distribution of allowances stepped up but only about 30% complete.
- US recovery effort largely completed; commodities sent to all but 4 provinces.

D. Pacification

- Despite US efforts, RF/PF programs still lag.
- First delivery of M-16's to RF/PF set for July.

E. Military

- Khe Sanh-DMZ area relatively quiet while A Shau Valley operation continuing successfully despite extremely heavy anti-aircraft fire.

~~SECRET~~/NODIS

DECLASSIFIED

White House Guidelines, Feb. 24, 1983
By *lg*, NARA, Date 5-28-92

-- Combined US/ARVN Operation Complete Victory has resulted in 1,785 enemy killed against loss of 301 friendly forces.

-- General Thang maintains tempo of offensive operations in IV Corps where enemy initiatives have been few.

F. Economic

-- Fear of new enemy attack on Saigon caused temporary sharp rise in market place prices.

-- Rice deliveries from Delta for first half of April were low, but second half totals should show improvement.

W. W. R.

Thursday, May 2, 1968

FOR THE PRESIDENT FROM BUNKER (Saigon 26229)

Herewith my forty-ninth weekly message:

DECLASSIFIED
E.O. 12958, Sec. 3.6**NLJ 97-281****By id, NARA Date 10-5-98**A. General

I have not detected much change in the mood of the Government of Vietnam or the people since my message of last week. Although some anxiety is still evident, the feeling of apprehension regarding American intentions, apparent in early April, has very considerably lessened. In my talks with Thieu within the last few days, he has exhibited a quality of orderly thinking about the plans and purposes of the enemy's politico-military strategy and has viewed with a quiet self-confidence our ability to cope with the next enemy offensive which he is certain is coming. He believes our spoiling operations may have delayed Hanoi's efforts to launch another offensive, but that it cannot be long delayed, the timing probably May or early June. One excellent result of your March 31 statement and Clark Clifford's speech has been that the Vietnamese are really beginning to face up to the fact that the time will come when they will be on their own. This, together with the after effects of the Tet offensive, has meant that the Government of Vietnam and the Vietnamese people are buckling down to the job of mobilizing their resources with much greater energy and determination than they have heretofore exhibited. In this, Thieu has taken the lead. He has grown in stature and in confidence and is beginning to exhibit qualities of real leadership. He has set about the numerous tasks involved in getting the mobilization bill through the Assembly, in setting up machinery for its implementation, and restructuring of the government so that it will function more effectively, and making plans to broaden its base in order to widen popular support with characteristic thoroughness; also with characteristic caution in view of the sensitive problems and relationships involved with Ky, the military, Loc, and others.

In fact, I have some fear that, spurred on by our urging, as well as by the other factors I have mentioned, the Government of Vietnam may be trying to do too many things at once; its reach may be beyond its grasp. There are obvious limitations on the human resources available to it and on their capabilities and these are being strained to the limit. There are, however, some untapped resources both here and among individuals abroad which should be utilized. I have previously urged Thieu to bring back competent people who, for one reason or another, have either left or been forced to leave the country, but whose talents under the changed conditions now existing, I believe, could be put to good use. We can also help by influencing the government to concentrate on the priorities. For the immediate present, I think these are:

1. Getting the right kind of mobilization bill passed with adequate and effective machinery for its implementation;

2. The restructuring of the government, broadening its base to give it wider popular support and organizing itself so that decisions can be taken more quickly and, of equal importance, followed through and implemented: good decisions often are made by Thieu at the top, orders are given to carry them out, but the breakdown comes in the follow-through;

3. Effective pulling together and coordination of all the Government of Vietnam pacification activities, as the U. S. supporting side is coordinated;

4. A continuing program to equip, train, and improve the Vietnamese Armed Forces.

Enemy propaganda has stressed the theme that 1968 is the year of climax and it seems to me that there is reason to believe that Hanoi in fact now intends to move on the negotiating, as well as military front. I also think that the present stalemate in agreeing on a site for negotiations is a preview of the kind of tactics we may expect from Hanoi; that it is prolonging the stalemate in order to strengthen its military posture in South Vietnam, to continue a massive infiltration of men and material, and trying to get the maximum propaganda advantage out of what it chooses to picture as our unreasonableness. While this military buildup for another possible all-out offensive continues, on the political front, Hanoi has announced another "front" organization, the Vietnam Alliance.

The Alliance appears to have grown out of the Tet-born "Alliance of National, Democratic, and Peaceful Forces." A Liberation Radio broadcast claimed that the Alliance had held a meeting April 20-21 "near Saigon-Cholon."

Perhaps the most interesting fact about the Alliance is its announced readiness to discuss with us South Vietnam's independence, sovereignty, and territorial integrity, the withdrawal of U. S. troops, abolition of U. S. bases and termination of the war "as specified in the Geneva Accords of 1954". This suggests that Hanoi is in effect offering an alternative to those who are not willing to deal with the National Liberation Front. It is also patently designed to draw in those urban South Vietnamese who are not prepared to join the National Liberation Front because it is so clearly Communist dominated. Both Tran Van Do and Tran Van Tuyen have expressed some concern to us that the new Alliance may, in fact, attract some students and intellectuals. Perhaps the chief weakness of the Alliance is the absence of any real national figure among its leaders. In this connection, I might add that I am not sure that the Government of Vietnam is ill advised in its decision to re-arrest Truong Dinh Dzu. His capture by the enemy or even his voluntary defection to the Alliance is not beyond the realm of the probable. Dzu could be used very effectively to forward Alliance objectives, particularly as regards public opinion in the U. S.

While these moves by Hanoi were taking place on the political/psychological front, intelligence from a high level defector and various other sources indicated that the enemy planned to launch countrywide attacks before May 1. Several attempts to move arms and explosives into Saigon have been intercepted. As I have mentioned, infiltration from the north, beginning in February, continues at a very high level.

Preparations for this infiltration apparently go back to December. Some 115 "groups" of 500 to 600 men each have been identified, including two of regimental size of about 1,300 men; a total of perhaps 70,000. In addition, the enemy has expanded his infiltration and communications nets, including a major road building effort. Four new roads have been identified, two in the Khe Sanh area, one Route 547 in the A Shau Valley and one in the Second Corps area leading into the Kontum area. All of these new roads are linked up with roads in South Vietnam. A major effort has also been made to convert these to all weather systems. The enemy has also constructed communications and power lines in the A Shau Valley. An unusual aspect of the infiltration over these networks has been the high level of daytime movement.

That the attacks have not occurred up to now may be a result of our military spoiling operations and the surfacing of Lt. Col. Dac's defection, or it may be that the enemy is carrying on a war of nerves and that, as Thieu believes, the offensive is not intended to begin until later in May or in June. One intelligence source indicates that the difficulty in learning the date and hour of an attack is that enemy military practice requires that it be kept absolutely secret; normally the earliest that any information may be expected about the date of an attack will be one day in advance. Whatever the exact timing, I think we should be prepared for the possibility that the enemy could any day now take strong offensive operations in an effort to strengthen his position at the negotiating table. Thieu has told me that he believes that the enemy will be prepared again to take extremely heavy casualties in order to achieve maximum political impact. Some Vietnamese, however, think that these rumors of attacks and movements of men and weapons are intended primarily for psychological effect with the final decision on whether to launch major attacks being held in abeyance until the outcome of efforts at talks becomes clearer.

In connection with the probable move to negotiations, a captured document issued by the political staff of the Third North Vietnamese Division Headquarters is interesting in that it reflects concern that Hanoi's April 3 statement on talks might be misunderstood by the troops and thereby impair their willingness to continue the struggle. To counter these tendencies, all units are instructed to convince the troops that the restriction of bombing in North Vietnam "derived from the successful all-out attacks carried out by our army and our population". The directive specifically states that while "there will come the time when we have to accept diplomatic meetings with U.S. aggressors", this will not change the basic policy. Military objectives are to remain unchanged and are:

1. to destroy the Army of the Republic of Vietnam and overthrow the Government of Vietnam; and
2. destroy a significant portion of U. S. troops and war facilities.

Change in government. Thieu told me in my most recent talk with him that he plans to announce changes in the government as soon as the general mobilization bill is passed, which he expects will be about May 10. At that time, he would plan to announce structural changes in the Cabinet and "possibly" personnel changes. He made some further comments about Tran Van Huong, saying that "he is not bad but might

wish to build up the Sudiste influence in the government." I have the impression that Thieu is strongly leaning toward the appointment of Huong and toward the formation of a war cabinet, but that he has not yet completed his arrangements, which probably include working out the problem with both Ky and the military.

Civil defense. Although Thieu publicly gave Ky responsibility for civil defense on April 2, most of the accomplishments to date in that program have resulted from the prior activities of the Ministry of Interior. Some substantial progress has been made, but there is much yet to be done. Thieu has not yet signed the decree which would bring into legal existence the proposed inter-ministerial committee and secretariat for Ky's program. Judging from several CAS reports, and a Ky comment to Colby, Ky intends to issue arms to some political groups; Thieu, on the other hand, reportedly opposes arming any political or religious groups as such.

B. Political

Assembly action. The Lower House on April 29 engaged in a hot debate on the "matter of the Cabinet and the state of the nation." This was in effect a debate on the question of no-confidence, though it was not billed as such. Strong criticism of government performance was voiced, particularly with reference to the Tet attacks. Prime Minister Loc was the principal target. Several Deputies called for a government of national union capable of dealing effectively with the enemy in negotiations. Defenders of the government at first tried to stifle the attacks by procedural objections, then charged that critics of the regime "only serve the cause of Hanoi." This caused further warm exchanges.

When I saw him April 30, Thieu did not seem perturbed by the uproar in the Assembly. He observed that the debate was a warning to him that he must change the government or face more such attacks. We have a CAS report that indicates Thieu in fact may welcome Assembly demands that he strengthen the government. As the debate took place in a rather unexpected way -- the subject was not due to come before the Assembly for some time but was raised by the Chairman at the opening of the session -- I am not sure but what the debate may not in fact have been a Thieu maneuver to create the necessary atmosphere for the changes he wants to make.

The Lower House Defense Committee has completed its work on the draft bill, and plenary debate is expected to begin May 2. The bill appears generally satisfactory in its major provision, although it could of course be improved in some respects. As it now stands, it would require mobilization of all males between 16 and 50 years of age, to serve either in the armed forces or in peoples' self-defense forces. The bill rejects draft exemption or mobilization in place for any reason other than physical disability or serious illness. Deferments are provided for such categories as essential technicians, teachers, outstanding students, police, priests and bonzes, and Montagnards. The bill also provides that female citizens between the ages of 18 and 29 may be called up to serve in the fields of education, health, and social welfare if there are not enough volunteers.

The Lower House has been debating a press law while waiting for the Defense Committee to complete work on the draft mobilization law. A number of articles have been approved, including one which would require newspapers to submit copies of each issue to Government agencies prior to distribution. While an earlier article rejects any kind of censorship, this provision for government scrutiny prior to distribution is widely regarded as a form of de facto censorship. Press representatives are lobbying actively against various such provisions which they regard as infringing on freedom of the press. Final form of the bill thus remains in considerable doubt. But it appears that the law is likely to allow the government at the least a considerable degree of influence over what appears in the press.

New party launched. Remnants of Diem's Can Lao Party became active in Vietnamese political life during last year's elections, and one successful Senator slate (that of Tran Van Lam) is widely regarded as Can Lao representation in the legislature. Recently there have been a number of reports of the formation of new parties by Can Lao leaders. One of these was publicly launched Sunday in a meeting in Saigon.

Known as the Vietnam Humanist Social Revolutionary Party, this new Can Lao group is headed by Truong Cong Cuu, who was Super Minister for Cultural Affairs in the last Diem cabinet. Chief leader behind the scenes, however, is reported to be the Archbishop of Nha Trang, Nguyen Van Thuan.

The Humanist Party does not look very impressive and is not likely to have much of an impact on the political scene. It is a good sign, however, that the political atmosphere here is now such as to permit the reappearance in public life of more of the Diem period leaders. Many of them were men of real ability, and Vietnam needs all the capable men it can muster. There is the possibility that the re-emergence of such figures, with their strong Catholic bias and their Can Lao taint, will stimulate a hostile Buddhist reaction, and on the whole, the reappearance of such leaders is probably to be viewed as a positive development.

C. Recovery Program

The main thrust in recovery is still resettlement of the Tet evacuees. Thieu and Prime Minister Loc have been taking action at the top; but too often instructions get watered down before being sent out. Other instructions are sometimes vague and consequently, let Corps Commanders and Province Chiefs take the easy way out. We have often been able, by quick followup, to get the Government of Vietnam to clarify instructions. As an example, Thieu has ordered that provinces will distribute allowances to evacuees within one week after receipt from Saigon.

Tet evacuees are now down to 520,000 from 542,000 a week ago and a peak of 821,000. Distribution of allowances is speeding up, though still only about 30 percent complete. Another plus is the fact that eleven weak or corrupt provincial refugee chiefs have been replaced since February 1.

The U.S.'s share of the recovery job has largely been completed, with delivery of resettlement commodities to all except four provinces. The magnitude of this effort is indicated by the fact that 77 tons of recovery commodities have been released from Saigon and corps warehouses.

D. Pacification

The series of quarterly reviews held last week by General Westmoreland and General Vien in each of the four corps areas underscored the neglected state of Regional and Popular Forces which bear chief responsibility for territorial security. Despite the U. S. effort directed at strengthening the Regional and Popular Forces, the program is only slowly picking up momentum. Hence, General Westmoreland has stepped up assistance and pressure from the Military Assistance Command in Vietnam. First issue of M-16's to Regional and Popular Force units is planned for July. More than 100 five-man mobile advisory teams -- made up of combat veterans from line divisions -- have been deployed to work with Regional Force companies and Popular Force platoons. We now have a computerized evaluation system to keep track of 1,000 Regional Force companies and more than 4,000 Popular Force platoons, give U.S. advisors' ratings of their effectiveness, and identify problem areas. When Thieu was briefed on the system last, he asked for management data monthly for use by his staff.

An important seminar is planned by Regional Force Minister Tri on May 8-10 to disseminate the new guidance on accelerated pacification for which we have been pressing. The main changes include:

1. simplifying concept by reducing current three varieties of pacification hamlets to one;
2. focussing Revolutionary Development teamwork on four instead of 11 objectives; and
3. orienting the Revolutionary Development team on permanently working the five or six hamlets in each village rather than moving every six months.

These changes are aimed at getting Revolutionary Development teams to cover more hamlets and concentrate initially on the minimum essential needs.

The tempo of military activity continued at about the level which I noted last week. In the First Corps, activity in the Khe Sanh-DMZ area was relatively light. The enemy is still around Hue and in the hills west of the city, and in small scale actions is standing, fighting, and being destroyed. The A Shau Valley operation with its high risks, marginal weather, and extremely rugged terrain is continuing successfully, although meeting what General Westmoreland has described as unprecedented heavy anti-aircraft fire. Large quantities of weapons and ammunition have been captured, including several rounds of 122MM assault artillery ammunition with cases which give a range of 25,000 yards, sophisticated mine detectors, and a broadcast studio.

In the Second Corps, perhaps the most notable operation was carried out by the Korean Capital Division in Binh Dinh Province with really spectacular results. Two hundred six of the enemy were killed, 85 taken prisoner, 99 individual and 14 crew-served weapons captured, with a loss of only two friendly killed, and 10 wounded.

In the Third Corps, the results to date of the combined U. S. /Army of the Republic of Vietnam Operation Toan Thang (complete victory) have been 1,785 enemy killed against a loss of 301 friendly forces.

In the Fourth Corps, General Thang has maintained the tempo of his offensive operations. There have been very few enemy initiatives other than the shelling of Can Tho. The Seventh Army of the Republic of Vietnam Division in the Fourth Corps has been performing very well.

Some examples of effective joint Army of the Republic of Vietnam and U. S. operations may be of interest.

In the First Corps, near Dong Ha, two battalions of the Second Army of the Republic of Vietnam Regiment and the Second Squadron of the Seventh Cavalry Regiment, U. S., engaged an estimated two to three enemy battalions. Accumulated results for the action were friendly: 6 killed in action (4 USMC, 2 Army of the Republic of Vietnam), 47 wounded in action (22 USMC, 25 Army of the Republic of Vietnam), enemy: 130 killed in action (26 by USMC, 104 by Army of the Republic of Vietnam), 11 individual and three crew-served weapons captured.

Also in the First Corps, in Thua Thien Province, the crack Army of the Republic of Vietnam "Black Panther" Company made contact with an unknown size enemy force. Four companies of the 101st Airborne Division, U. S., cordoned the enemy units and provided supporting artillery and gunships while the Army of the Republic of Vietnam "Black Panther" Company attacked the enemy positions. Accumulated results were friendly: 4 killed in action, 16 wounded in action; enemy: 217 killed in action (102 by Army of the Republic of Vietnam and 115 by U. S. forces).

In Go Cong Province in the Delta, a combined force of elements of the Seventh Army of the Republic of Vietnam Division and five Regional Force companies, while on a sweeping operation, made heavy contact with an estimated battalion-size enemy force. The action lasted through two days and resulted in 9 friendly killed in action and 49 wounded. The enemy lost 132 killed, 8 prisoners, 34 individual and 7 crew-served weapons captured.

E. Economic

During the past week, the possibility of a new enemy attack on Saigon caused some agitation in the marketplace. There was a sharp rise in prices last Thursday and Friday, as householders laid in stocks of rice, meat, and other supplies. However, the situation never went beyond a "moderate anxiety" level; there were few if any queues and no shortages developed. On Monday, after a quiet weekend had passed, prices dropped, though not completely to the previous week's level.

The net increase last week was 2 percent in U.S. AID's index, the fourth straight week in which increases of that magnitude have been recorded. Rice, pork, and vegetables were all higher. Sweetened condensed milk, threatened with shortage last week, dropped in price with new import arrivals.

Vegetable shipments to Saigon from Dalat over the past several weeks have been fully up to last year's levels. Live hog arrivals have also been restored to the pre-Tet norm of 1,700-1,800 head per day, though the proportion coming in from the southernmost delta provinces is still believed a little low.

During the week, merchants signed contracts to sell approximately 40,000 tons of rice to the government under the new price support scheme. Deliveries from the delta to Saigon continued to be low: only 3,600 tons are reported as arriving in the first half of April. In all likelihood, however, this was due to the fact that merchants were waiting for confirmation of the Government of Vietnam purchases, which had been widely expected. The second half should show improvement.

Though the mechanics of the Government of Vietnam's commercial purchase of American rice were complicated and produced problems, by the end of the week, approximately 50,000 tons were purchased. This rice is to be shipped from the U. S. in May and June.



Department of State

TELEGRAM

~~SECRET~~

40a

FRM/610
OO RUEHC
DE RUSBAE 13617 1231305
ZNY SSSSS ZZH
O 021248Z MAY 68
FM AMEMBASSY NEW DELHI
TO SECSTATE WASHDC IMMEDIATE 5006
STATE GRNC
BT

CONTROL: 329Q
Received: May 2, 1968
1:39 p.m.

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-281
By W, NARA Date 10-5-98

~~SECRET~~ NEW DELHI 13617

NODIS/CROCODILE

REF: STATE 156133 AND 156677

STRICTLY EYES ONLY FOR SECRETARY FROM AMB BOWLES

1. IMMEDIATELY AFTER RECEIVING REFTELS THIS MORNING I CALLED ON T. N. KAUL, WHO IS SENIOR MEA OFFICIAL DEALING DIRECTLY WITH MRS. GANDHI ON SEA AFFAIRS. KAUL WAS GREATLY PLEASED BY YOUR PROPOSAL AND SAID HE WOULD DO EVERYTHING POSSIBLE TO FOLLOW THROUGH.

2. HE FELT THAT SINCE MRS. GANDHI WAS ABOUT TO LEAVE FOR

PAGE 2 RUSBAE 13617 ~~SECRET~~
HARYANA ON ELECTION TOUR, THEN TO BHUTAN AND SIKKIM FOR WEEKEND FOLLOWED BY VISIT TO MALAYSIA AND AUSTRALIA, AN APPOINTMENT MIGHT BE DIFFICULT TO ARRANGE AND COULD DELAY MATTER. HE VOLUNTEERED TO TALK TO HER ON WAY TO AIRPORT AND WAS CONFIDENT THAT SHE WICD FULLY SUPPORT OUR INITIATIVE.

3. IN DISCUSSING SITE POSSIBILITIES, KAUL CONCENTRATED PARTICULARLY ON CAIRO, WHICH HE FELT WOULD MOST LIKELY BE ACCEPTABLE TO HANOI.

4. KAUL PREDICTED THAT WE WILL HAVE DIFFICULTY IN GETTING HANOI TO AGREE TO OUR ALLIES SITTING IN ON PRELIMINARY DISCUSSIONS BETWEEN NVN AND USG ALTHOUGH HE ASSUMED THERE WOULD BE NO DIFFICULTY ON THIS POINT ONCE MAJOR NEGOTIATIONS BEGAN. KAUL PROMISED TO GO TO WORK IMMEDIATELY AND SAID HE WOULD CALL ME BACK WITHIN A DAY OR SO.

~~SECRET~~

~~SECRET~~

-2- NEW DELHI 13617, May 2, 1968 ---NODYS

5. TWO HOURS LATER HE CALLED TO SAY THAT HE HAD ALREADY

PAGE 3 RUSSAE 13617 ~~SECRET~~

TALKED TO NVN CONGEN AND RECEIVED A NONCOMMITAL BUT
GENERALLY POSITIVE RESPONSE. KAUL TOLD ME HE HAD ALSO
SENT WORD TO INDIAN CONGEN IN HANOI ASKING HIM TO FOLLOW
THROUGH AT THE HIGHEST LEVEL OF NVN.

6. IN MY DISCUSSION WITH KAUL, I STRESSED THAT THIS
OPPORTUNITY FOR FORWARD MOTION WILL BE DESTROYED IF THERE
IS ANY PUBLICITY. HE AGREED AND ACCEPTED OUR SUGGESTION
THAT THE INITIATIVE SHOULD APPEAR NOT TO COME FROM USG
BUT FROM GOI.

7. KAUL PROMISED TO GET IN TOUCH WITH ME AS SOON AS HE
HAS FURTHER WORD EITHER FROM HANOI OR NVN CONGEN HERE
IN DELHI. BOWLES
BY

~~SECRET~~

406

FBIS 77 (SEE 43)

Restow

DRV EMBASSY IN VIENTIANE 'STATEMENT'

MOSCOW IN ENGLISH TO THE UNITED KINGDOM 1900 GMT 2 MAY 68 L

(TEXT) THE NORTH VIETNAM EMBASSY IN THE LAOTIAN CAPITAL HAS ISSUED A STATEMENT IN CONNECTION WITH INDONESIA'S PROPOSAL THAT THE PRELIMINARY CONTACTS BETWEEN NORTH VIETNAM AND THE UNITED STATES BE HELD ON AN INDONESIAN CRUISER. INDONESIA MADE ITS PROPOSAL IN NOTES SENT TO THE GOVERNMENTS OF THE TWO COUNTRIES.

A NORTH VIETNAM EMBASSY SPOKESMAN IN THE LAOTIAN CAPITAL DESCRIBED THE INDONESIAN INITIATIVE AS UNACCEPTABLE TO HIS GOVERNMENT. HE EXPLAINED THAT A MEETING ON BOARD A SHIP WOULD RULE OUT THE PARTICIPATION OF DELEGATES FROM OTHER COUNTRIES AND IT WOULD NOT GUARANTEE THE PROPER COMMUNICATIONS FOR THE PARTICIPANTS WITH THEIR GOVERNMENTS OR GIVE THE PRESS A CHANCE TO COVER THE EVENTS. HE REPEATED THAT HIS GOVERNMENT STILL BELIEVES THAT THE MOST SUITABLE CONTACT SITE WOULD BE PHNOM PENH OR WARSAW. THE UNITED STATES HAS REJECTED BOTH OF THESE CAPITALS.

THE NORTH VIETNAM DIPLOMAT POINTED OUT THAT BY SETTING ONE PRELIMINARY CONDITION AFTER THE OTHER, WASHINGTON IS DELAYING THE ESTABLISHMENT OF CONTACTS, SINCE IT IS INTERESTED IN CONTINUING THE WAR. WHEN NORTH VIETNAM HAD SUGGESTED THE PRELIMINARY CONTACTS, IT PROPOSED DISCUSSING WITH THE UNITED STATES A COMPLETE STOP TO THE AMERICAN RAIDS AS A FIRST STEP TOWARD PEACE TALKS.

2 MAY 2045Z AL/CT

INFORMATION

~~SECRET~~

Thursday, May 2, 1968 -- 7:05 p.m.

Mr. President:

This memorandum to me from Bill Jorden on "any time, any place" could be helpful to you in your press conference tomorrow. I commend it to you.

Pres file

W. W. Rostow

~~SECRET~~

WWRostow:rlm

DECLASSIFIED
White House Guidelines, Feb. 24, 1983
By ng, NARA, Date 5-26-92

THE WHITE HOUSE

WASHINGTON

Thursday, May 2, 1968

~~SECRET~~

MEMORANDUM FOR WALT ROSTOW

SUBJECT: "Any time, any place"

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-284
By is, NARA Date 2-23-98

The first reference I have found to the "any time, any place" formula was in a Presidential press conference on March 25, 1965. Since then, the President and the Secretary of State have used the general formulation dozens of times.

I think it is fair to say that throughout this period -- early 1965 to early 1968 -- we had two things in mind in using this formula. One was the prospect of quiet and unpublicized discussions with the North Vietnamese on a formula for peace. The other was the possibility of a third party (or parties) arranging a formal conference of all the interested parties.

The record clearly shows not only that we were prepared to meet "any time and any place," but that in fact we did meet or contact the North Vietnamese in many places. The record also shows that our repeated efforts to arrange quiet discussions were unavailing and that the only notable response from Hanoi to our gestures was the steady drumbeat of their demand: "Stop the bombing."

In the period in question, our representatives met with representatives of North Viet-Nam in three capitals (Vientiane, Moscow and Rangoon). The fact that we had already had exchanges with the North Vietnamese in those capitals was one of the reasons we proposed Vientiane and Rangoon as logical sites for the proposed contacts. The fact we had already met there gave us good reason to think that Hanoi would find them acceptable.

There was certainly more reason for us to think those two sites -- where exchanges had taken place -- would be agreeable than for Hanoi to think Phnom Penh and Warsaw (where direct contacts had never occurred) would be acceptable to us.

In addition to direct exchanges, we have had indirect exchanges with representatives of Hanoi through third parties, governmental and private. Those exchanges, which gave both parties the opportunity to

~~SECRET~~

~~SECRET~~

advance their views and ideas, occurred in sixteen countries. The countries in which exchanges occurred were: North Viet-Nam, South Viet-Nam, Communist China, France, Switzerland, India, Italy, Czechoslovakia, Sweden, Mexico, Rumania, Pakistan, Britain, Poland, and Indonesia, as well as at the United Nations.

On March 31, with the President's major speech, the problem of dealing with Hanoi moved into a completely new phase. The President offered to send his representatives to "Geneva or any other suitable place." Hanoi's response was to suggest Phnom Penh or "another place to be mutually agreed upon."

Thus, it became clear that the matter of site had become a substantive issue. With public statements being made on both sides, we had entered into the first phase of negotiations. We understand this. Hanoi understands it. Both sides have certain criteria in mind in considering where talks should occur. The problem is to find a site that meets the requirements of both sides in a reasonable way.

We have suggested things we would like to see in a site. We believe, for example, that there should be adequate communications. We believe there should be reasonable and equitable access by the press. But basically, we have only one fundamental criterion. That is that the setting for talks should be one in which both sides can reasonably expect fair and even-handed treatment from the host authorities and where they and their friends most concerned with the matter will feel at ease in terms of the surrounding atmosphere.

Hanoi has suggested two places for contacts. The first was Phnom Penh, capital of Cambodia.

Hanoi knows that we do not have diplomatic relations with Cambodia. They know we have no embassy or other official office there. They know, too, that the leader of Cambodia has consistently taken a stand on the Viet-Nam war that is less than neutral.

Soon after Phnom Penh was suggested by Hanoi, Prince Sihanouk issued a public statement in which he said that the purpose of the meetings would be to find out "whether the United States sincerely wants peace in Viet-Nam" -- not whether both sides sincerely want peace, but whether we want peace. He also described the bombing

~~SECRET~~

~~SECRET~~

of military targets in North Viet-Nam as "criminal, illegal and unjustifiable." He said nothing about attacks on Saigon and Hue and other populated areas in the South by the forces of North Viet-Nam and the Viet Cong. He also urged that the United States recognize the Liberation Front as "the sole representative of the South Vietnamese people."

In short, the expressed view of the Cambodian leader was hardly even-handed or neutral or disinterested.

The second proposal by Hanoi was Warsaw, capital of Communist Poland.

The Polish authorities have consistently supported North Viet-Nam in its aggression against South Viet-Nam. They have sent weapons and other supplies to support that military campaign. They have left no doubt of its policy.

Moreover, as Hanoi well knows, the non-communist press operates in Poland under significant restrictions regarding the entry of reporters and their activities in the country.

The Government of the Republic of Viet-Nam and a number of other nations directly concerned with the conflict in Viet-Nam have no representation in Poland, no official communications, no facilities of any kind.

Finally, we had had some experience with the Poles earlier in trying to find a way to a peaceful settlement. When that effort failed -- and it failed primarily because North Viet-Nam was never willing to send its own representative for a direct meeting with our representative -- the Poles launched a vigorous campaign to put the full blame on us. In the process, they gave a number of governments and international figures a misleading and one-sided description of the events.

In sum, in the past we were prepared to have secret talks with Hanoi "any time, any place."

We did, in fact, deal with them, directly or indirectly, through a wide variety of channels and numerous capitals.

If a third party (or parties) had been able to arrange a wider conference of interested parties, we would have been prepared to go to any generally agreeable place at any time.

~~SECRET~~

~~SECRET~~

For the kind of contacts and talks that now are foreseen by both us and by Hanoi, we ask only that they take place at a site where both sides can be sure of equal and fair and disinterested treatment.

Bill

William J. Jorden

~~SECRET~~

INFORMATION

42

Pres file

Thursday, May 2, 1968 - 7:00 pm

Mr. President:

Herewith a letter to you from Nasser on the occasion of the UN resolution on the Jerusalem parade. It gives us an opening for a response at a critical moment, on which State is already at work.

W. W. Rostow

WWRestow:rla

42a

The President
The White House
Washington, D.C.

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-284
By is, NARA Date 2-23-98

Dear Mr. President:

I have the honour to convey to you my deep appreciation for the position you have taken by supporting the Resolution of the Security Council on April 27, 1968, which called upon Israel to refrain from holding the Military Parade which it intended to hold on May 2, 1968.

I have no doubt that your position was based on your disapproval of the actions taken by Israel in the City of Jerusalem and its refusal to comply with the Resolution adopted by the General Assembly at its special session on July 4, 1967 and upon your conviction that such an action by Israel is an illegal act. This illegal act on the part of Israel has its adverse effects on the efforts of the Special Representative of the Secretary General aiming at the realization of the peaceful settlement of the serious crisis in the Middle East which resulted from the Israeli aggression against Arab countries and the people of Palestine on June 5, 1967.

Israel's defiance of this Resolution which you have supported and which was adopted unanimously by the Security Council, and Israel's declaration of its intention not to implement that Resolution is a grave matter which seriously

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affects the prestige of the United Nations and its effectiveness, and in fact its future as an international organization set up for the maintenance of peace and justice. Israel's persistence in its defiance of the resolutions of the Security Council and the General Assembly underlines its insistence on pursuing the policy of force and the imposition of the fait accompli resulting from aggression to realize territorial expansion and perpetuate the disregard of the rights of the people of Palestine.

I would urge you, Mr. President, to exert all efforts to compel Israel to respect the resolutions of the United Nations, the organization which we all strive to strengthen, and thus insure the preservation of its prestige and the increase of its effectiveness and at the same time contribute to checking any further deterioration of the situation in the Holy City and the Middle East.

May I take this opportunity to renew to you, Mr. President, the assurances of my very high consideration.

Gamal Abdel Nasser

Cairo

May 1, 1968.

43
INFORMATION

~~TOP SECRET--TRINE~~

Thursday, May 2, 1968 - 3:15 pm

Mr. President:

Herewith the updated infiltration memorandum you requested of us.

W. W. Restow

~~TOP SECRET~~

WWRestow:fn

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ/RAC 00-331
By SJ, NARA, Date 26-03

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

43a

TOP SECRET/TRINE

Thursday, May 2, 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: North Vietnamese Infiltration

The following, as you requested, updates the information in my previous memorandum on North Vietnamese infiltration.

As of today, NSA has noted 154 infiltration groups start out from North Vietnam since November 1. The total strength comprising this infiltration ranges from 52,312 to 83,026. This is shown in the following table and Chart A (attached).

Infiltration Noted in North Vietnamese Communications

<u>Month</u>	<u>No. Groups</u>	<u>Strength</u>	
		<u>Known</u>	<u>Possible</u>
Nov.	8	3,292	
Dec.	7	3,483	- 4,033
Jan.	<u>22</u>	<u>6,781</u>	- <u>12,737</u>
Subtotal	37	13,556	- 16,770
Feb.	9	2,794	- 4,994
Mar.	54	15,328	- 29,078
Apr.	<u>54</u>	<u>20,634</u>	- <u>32,184</u>
Subtotal	117	38,756	- 66,256
GRAND TOTAL	154	52,312	- 83,026

Chart B (attached) attempts to project the known data into possible times of arrival in South Vietnam. This, of course, is illustrative since we do not have sufficient information on the final destinations of these groups to do more than interpolate on the basis of previous experience.

TOP SECRET/TRINE

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLI/RAC 00-831
By SJ NARA, Date 2-6-03

On this basis, then, I would conclude that it is possible that by the end of this week, a total of almost 41,000 men will have arrived in South Vietnam since November 1. By the middle of May, this total will have reached almost 50,000, and all of the infiltratees on the trail at the present time will have reached South Vietnam by mid-June.

We will be refining this and updating it as more information becomes available.

Arthur M. Cafferty
Arthur McCafferty

44

INFORMATION

~~CONFIDENTIAL~~

Thursday, May 2, 1968 - 1:20pm

Mr. President:

Herewith Porter reports soberly
the net positive effects in Korea of the
Honolulu meeting.

Pres file

W. W. Rostow

Secul 6043

~~CONFIDENTIAL~~

WWRostow:rla

DECLASSIFIED
White House Guidelines, Feb. 24, 1983
By ju/rq, NARA, Date 6-2-97



Department of State

44a
TELEGRAM

~~CONFIDENTIAL~~ 728

PAGE 01 SEOUL 06043 020934Z

19
ACTION SS 30

INFO /030 W

R 020700Z MAY 68
FM AMEMBASSY SEOUL
TO SECSTATE WASHDC 451

~~CONFIDENTIAL~~ SEOUL 6043

E X D I S

FOR BUNDY FROM AMBASSADOR

1. TWO WEEKS AFTER THE HONOLULU MEETING OF THE TWO PRESIDENTS, IT IS POSSIBLE TO ASSESS ITS EFFECT IN KOREA. IF THERE IS NO PRONOUNCED, OR EVEN NOTICEABLE CHANGE IN KOREAN THINKING AS A RESULT OF THE MEETING, IT CAN BE SAID THAT THE TOP ECHELON, ESPECIALLY PRESIDENT PARK, DERIVED A CONSIDERABLE SENSE OF ACHIEVEMENT FROM IT. DRAWING THEIR INSPIRATION FROM THE TOP LEVELS HERE AS USUAL, PRESS AND PUBLIC ALIKE SEEM TO FEEL CONSIDERABLY REASSURED IN THE EVER-VITAL MATTERS OF AMERICAN SUPPORT FOR THIS COUNTRY, AND THE SENSITIVITY OF THE AMERICAN PRESIDENT TO THEIR PROBLEMS. AS THIS IS THE EFFECT WE

PAGE 2 RUALOS 6043E ~~CONFIDENTIAL~~
WERE STRIVING TO ACHIEVE, SUCCESS OF THE MEETING SEEMS CLEAR.

2. THIS IS NOT TO SAY THAT SUCH SUCCESSES HAVE ANY PERMANENT CHARACTER. IT IS IN THE NATURE OF THIS PEOPLE AND THEIR LEADERS TO REQUIRE ASSURANCES AND GESTURES PERIODICALLY, AND THIS WILL BE ESPECIALLY TRUE WHILE NORTH KOREAN PRESSURE IS MAINTAINED, AND WHILE CANDIDATES FOR U.S. PRESIDENCY DISCUSS SOLUTIONS FOR VIET-NAM PROBLEM IN TERMS WHICH CAUSE UNEASINESS HERE AND IN OTHER PARTS OF FREE ASIA.

~~CONFIDENTIAL~~

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Department of State

TELEGRAM

~~CONFIDENTIAL~~

PAGE 02 SEOUL 06043 020934Z

3. THE FACT OF A DAY-LONG MEETING OF AMERICAN AND KOREAN PRESIDENTS WOULD HAVE ITS OWN CONSIDERABLE IMPACT HERE, BUT THIS WAS SUPPLEMENTED BY A COMMUNIQUE AT HONOLULU WHICH PROVIDED CONSIDERABLE SUPPORT FOR ROK GOVERNMENT IN MATTERS OF INTERNAL SECURITY AND INVESTMENT--CERTAINLY THE AREAS OF GREATEST CONCERN TO THE KOREAN PRESIDENT. PARK IS SAID TO BE IN SOMETHING OF A GLOW ABOUT THIS, AND IF THAT IS TRUE IT IS UNDERSTANDABLE

PAGE 3 RUALOS 6043E ~~CONFIDENTIAL~~
BECAUSE NO ONE ACCUSES HIM OF GIVING ANYTHING IN RETURN. EVEN THE OPPOSITION, NOT NOTED FOR ITS PERCEPTION OR OBJECTIVITY, FEELS REQUIRED TO STAND PUBLICLY ON THE POSITION THAT THE COMMUNIQUE CONTAINED NOTHING NEW, OR WAS MORE OR LESS THE SAME AS PREVIOUS PRONOUNCEMENTS. THIS IS HARDLY POLITICAL FARE TO AROUSE THE INTEREST, OR THE FEARS, OF THE KOREAN PUBLIC.

4. IN ROKG EYES, THE CONTRIBUTION OF THE COUNTRY, IE. FIFTY THOUSAND TROOPS TO THE VIETNAM PROBLEM HAS FOUND CLEAR EXPRESSION OF AMERICAN APPRECIATION IN THIS BILATERAL MEETING, PLACING AMERICAN/ROK RELATIONS ON THE SPECIAL PLANE THE ROKS THINK THEY MERIT. WHAT THE OTHER ALLIES THINK OF THIS IS OF LITTLE CONCERN TO ROKS AS LONG AS PROPER INFERENCE IS DRAWN HERE--AND ROKG HAS SEEN TO THAT. THE VIETNAMESE, THAIS AND AUSTRALIANS MAY NOW PROCEED SINGLY OR COLLECTIVELY TO WASHINGTON, BUT THE ROKS HAVE HAD THEIR DAY WITH OUR PRESIDENT AND THEY APPRECIATE IT.

PAGE 4 RUALOS 6043E ~~CONFIDENTIAL~~

GP-4.

PORTER

~~CONFIDENTIAL~~

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45

INFORMATION

~~CONFIDENTIAL~~

Thursday, May 2, 1968 -- 12:35 p.m.

Mr. President:

for file

We have found absolutely nothing in our files for March 1968 that bears any relationship to Drew Pearson's alleged memorandum from me to you.

As you will know, there was a systematic analysis in the government, at your request, of the nature and limitations of the U.S. commitment to Israel at the time of the Aqaba crisis preceding the June 5 war. That staff work, including the commitments made in 1957 by President Eisenhower and Secretary of the State Dulles, was done at your direction by the State Department. To the best of my knowledge, I have never underlined the complexities and limitations of our commitment to Israel for the simple reason that they were much in your mind.

W. W. Rostow

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-284
By is, NARA Date 2-23-98

WWRostow:rla

~~CONFIDENTIAL~~

ACTION

46

Thursday, May 2, 1968 -- ^{11:58} ~~9:45~~ AM

Mr. President:

Pres file

Attached, for your approval, is a proposed birthday greeting to King Moshoeshoe II of Lesotho. The King's birthday is today.

This is routine. I recommend you approve the message.

W. W. Rostow

Approve ____

Disapprove ____

Call me ____

RPM/vmr

Att: File #1463

462

Proposed Message to King Moshoeshoe II
of Lesotho

Your Majesty:

The American people join me in sending you
our greetings on your birthday. I want to take this
occasion also to express our continuing good wishes
to the Government and people of Lesotho.

Sincerely,

Lyndon B. Johnson



6761

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DEPARTMENT OF STATE

Washington, D.C. 20520

May 1, 1968

1463
466
1 - Hamilton
2 - R.T.


MEMORANDUM FOR MR. WALT W. ROSTOW
THE WHITE HOUSE

Subject: Telegram of congratulations to King Moshoeshoe II
on his birthday

We are informed that May 2nd is the birthday of King Moshoeshoe II, of Lesotho.

In view of the friendly relations existing between Lesotho and the United States, it is suggested that the President might wish to convey a message of congratulations.

A draft telegram is enclosed. The suggested draft is purposely routine in wording because of the unique status of King Moshoeshoe II. Shortly after independence, the King stepped out of his titular role, involved himself in politics and tried to oust the Jonathan Government. In a showdown, the Prime Minister forced the King to sign a pact promising to detach himself completely from politics or if he chose otherwise, to abdicate. The King has since remained virtually under house arrest. Last October Jonathan again had occasion to present the King with a Cabinet ultimatum that unless he behaved himself he must either return to school at Oxford, exile himself from Lesotho or abdicate. Anything more than a routine greeting might be construed by the Government as an indication of a change in our feelings or a cooling of the warm relationship which exists between the President and the Prime Minister.


Benjamin H. Read
Executive Secretary

Enclosure:
Suggested telegram

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DEPARTMENT OF STATE

Suggested Message

Your Majesty:

On behalf of the Government and the people of the United States I should like to take this occasion to send my congratulations on this anniversary of your birth and our best wishes to the Government and the people of Lesotho.

Sincerely,

Lyndon B. Johnson

His Royal Highness
Moshoeshe II,
King of Lesotho,
Maseru.

46d

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Amembassy MASERU PRIORITY

STATE

REF: MASERU 556

1. Please deliver the following message from the President to the King:

QUOTE Your Majesty: On behalf of the Government and the people of the United States I should like to take this occasion to send my congratulations on this anniversary of your birth and our best wishes to the Government and the people of Lesotho. Sincerely, Lyndon B. Johnson UNQUOTE

2. The White House does not plan to publish text, but has no objection to publication by recipient.

END

AFS:HFByrne:pk 5/1/63

7701

AF - J. Palmer 2nd

AFS - G. E. Clark

White House -

S/S -

LIMITED OFFICIAL USE

SANITIZED
E.O. 12958, Sec. 3.6
NLJ 97-287
By cb, NARA Date 9-25-00

Pres file

~~SECRET~~

Thursday, May 2, 1968

MEMORANDUM FOR THE PRESIDENT

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

The one subject that is new since your last talk with Abe is Prime Minister Eshkol's letter which I have sent you separately. Basically, it makes a pitch for making your decision on Phantoms now. Of course, we'll be going over the subject thoroughly again before answering.

However, as background for your talk with Abe, the following points might be useful:

1. No one is talking about an immediate danger to Israel. Our intelligence figures, which are close to Israel's, show that the combat aircraft balance between Israel and the Arabs is today at least as favorable for Israel as it was last June 5.

Figures show: June 4, 1967/ Current estimate

Lebanon	12/16	Israel	265/242
Saudi Arabia	22/22		
Algeria	155/157		
Iraq	117/151		
Jordan	24/12		
Syria	89/95		
Egypt	434/341		
Totals	853/794		

2. Through 1969, we will be sending Israel about 72 more Skyhawks. These include 48 from the 1966 sale (about 16 of which are already in Israel) and 40 more you agreed to sell when Eshkol was here. They more than cover Israel's war losses (49) and almost make up for the Mirages the French aren't selling (50), though the Mirages have a better interceptor capability.

*1.5(d)
3.4(b)(6)*

3. You have asked the intelligence people to take another look into the future. [REDACTED]

[REDACTED] Looking into the future is always hard, but we think Soviet shipments have leveled off for the time being. We just don't think the Arabs are well enough trained to absorb any more equipment for the time being.

~~SECRET~~

~~SECRET~~

- 2 -

Given the fact that Israel is not in immediate danger, you have to consider the following points:

1. The sooner we start sending Phantoms to Israel, the more will have to come out of our own Air Force's production. To oversimplify this, there is a 24-month lead time. We could begin taking planes off the production line for Israel in 12 months. But anything taken off for Israel in less than 24 months will have to come out of production initially designated for the USAF.

2. You feel a responsibility--for Israel's sake as well as ours--to try to come to some arrangement with the USSR to put a ceiling on the Mid-East arms race. If Soviet shipments are leveling off, we'd have to think hard before risking prodding them to another round of shipments.

With all this said, we fully sympathize with Eshkol's concern over the thinness of his margin and the pressures he faces in his Cabinet. But broader issues need to be considered.

W. W. Rostow

~~SECRET~~

48

ACTION

Thursday, May 2, 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Gorton visit

Pres file

On the last visit of Harold Holt (July 1967) you delighted the Australians by departing from the schedule, inviting Holt to share an unceremonious sandwich with you, and continuing the meeting well into the afternoon. The Australians remember this pattern. They hope it will be repeated.

We had scheduled a luncheon for Gorton at the State Department immediately after your first meeting with him. On instructions from Canberra, the Australians have asked that we cancel the lunch. They insist on keeping Gorton's schedule free, "just in case the President should wish to extend the meeting" beyond the scheduled one hour. The scheduled hour runs until 1:00 p.m., so it is clear they are hoping for another sandwich. (If you do not offer it, Gorton will lunch privately with his own party at Blair House.)

The turn-down of Secretary Rusk's luncheon is an unusual thing to do, and the Australians know it. It is my instinct that Gorton attaches considerable importance to creating the appearance of a Holt-like relationship with you. His ego will be bruised if he does not get some of the Holt treatment. (On the other hand, I do not much like the way they are attempting to dictate your schedule and to make a pattern out of your special relationship with Harold Holt.) On balance, I recommend that you plan and schedule a "spontaneous" luncheon invitation to Gorton, on Monday, May 27. However, the options are set forth below.

W. W. Rostow

1. I will "spontaneously" invite Gorton to lunch on May 27 _____
2. Inform the Australians discreetly that the President's schedule on May 27 makes impossible an extension of the meeting and suggest that they accept Secretary Rusk's lunch _____
3. Do nothing at this time. I will play the meeting by ear, depending on how Gorton and I get on _____
4. Call me _____

MWright:wpt

49
free file
Thursday - May 2, 1968

Mr. President:

I understand Secretary Rusk may be suggesting that you receive the US-Mexico Commission on Border Development and Friendship.

He told Bill Bowdler last evening, after his session with Dr. Abernathy's group earlier in the day, that he thought you would do well to get some publicity by meeting with the Mexicans. Bill got the impression that the Mexican-American members of the Abernathy group had given the Secretary a particularly hard time.

I opened the meeting of the Commission yesterday with the statement I showed you. Bill Bowdler met with the Commission last night. He reports that my talk was well received. The AP carried a good resume. Sarah McClendon was at the opening session so I imagine we got pretty good coverage in the papers of the Southwest.

W. W. Rostow

P. S. If the President is giving an East Room press conference tomorrow, he could invite the Mexican members of the Border Commission to attend, and, during the course of the press conference, refer to the fact that the Commission is meeting in Washington and that the Mexican members are present.

He might even leave the podium to go over and shake hands with Commissioner Vivanco.

This will not take more than 30 seconds, and will give the Mexicans more publicity than anything else he could do.

W. W. R.

50

Pres file

May 2, 1968

Mr. President:

Attached, for your approval, is a proposed message replying to President Tubman of Liberia. Tubman wrote you about the aid proposals he raised during his visit here last month. He also added a word of praise for your recent decision on Vietnam.

This message repeats the line you and Secretary Rusk took with Tubman in person: We'll look into the projects but money depends on the Congress.

I recommend you approve the message.

W. W. Rostow

Approve _____

Disapprove _____

Call me _____

WWR:EKH:RM:lw
att: File1384

50a

PROPOSED MESSAGE TO
PRESIDENT TUBMAN OF LIBERIA

Dear Mr. President:

I certainly appreciate your strong interest in the development of southeastern Liberia and Port Harper. We share your hope that Liberia can move ahead in developing all its resources.

We are in the process now of giving your proposals the careful and sympathetic consideration I promised during our recent meeting. I understand your Government has offered to furnish additional information to assist our study. As soon as that information is received and the study has been completed, we will be able to examine any way we might be of help. As I told you during our good talk, however, these matters must be considered in the light of current Congressional attitudes.

I am very grateful for your support and encouragement in the quest for peace. Mrs. Johnson and I carry warm memories of your recent visit with us.

With best personal regards.

Sincerely,

Lyndon B. Johnson

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-284
By us, NARA Date 2-23-98



DEPARTMENT OF STATE
WASHINGTON

1384
506
1- Hamilton
2- Rut

April 23, 1968

IN REPLY REFER TO: 62143

MEMORANDUM FOR MR. WALT W. ROSTOW
THE WHITE HOUSE

Subject: Response to Letter to the President
from President Tubman of Liberia

Enclosed is a suggested reply to a letter to the President from President William V.S. Tubman of Liberia concerning the development of Southeastern Liberia and the Port of Harper.

The letter from President Tubman, dated April 2, was forwarded earlier with my memorandum of April 12.

John P. Walsh
Benjamin H. Read
Executive Secretary

Enclosure:

Draft of suggested letter

50c
DEPARTMENT OF STATE

SUGGESTED REPLY

Dear Mr. President:

I appreciate receiving your letter of April 2 concerning the development of Southeastern Liberia and the port of Harper.

I understand that, following discussions here between representatives of our two governments during and after your visit, your representatives have offered to furnish additional information to assist in our study of your proposals. When that information has been received, we shall be able to consider what might be done in the light of current Congressional attitudes.

I am very grateful for your kind remarks concerning my recent decisions. Let me say again how much Lady Bird and I enjoyed your visit.

Sincerely,

Lyndon B. Johnson

His Excellency
William V.S. Tubman,
President of Liberia.

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-284
By us, NARA Date 2-23-98



5909

DEPARTMENT OF STATE

Washington, D.C. 20520

Hold
1281
1. Hamilton
2. Rel. 50d

April 12, 1968

LIMITED OFFICIAL USE Enclosure

MEMORANDUM FOR MR. WALT W. ROSTOW
THE WHITE HOUSE

SUBJECT: Letter to the President from
President Tubman of Liberia

There is enclosed a letter to the President from President Tubman of Liberia. The letter, dated April 2, was delivered to the Department today by the Ambassador of Liberia.

The Department's recommendation regarding a reply will follow.

Benjamin H. Read
Benjamin H. Read
Executive Secretary

Enclosure:
Letter from President Tubman

LIMITED OFFICIAL USE Enclosure

April 2, 1968

50e

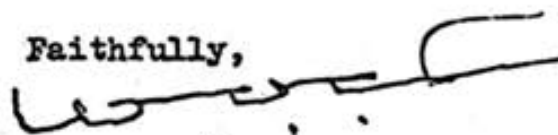
Dear Mr. President:

As you know, we have given our agreement to the draft joint communique prepared by your Department of State. Although we had hoped for a more positive statement regarding South East Liberia and the port of Harper, we decided we could accept the rather general and noncommittal wording of the draft because of your own broad perspective on this matter. We are not unaware of the inconclusiveness inherent in further study of the proposal. However, I feel you will allow me to communicate with you personally if action on this proposal should be unduly delayed or examination of it conducted on too restricted a basis; it is this belief which guided us in accepting the final wording.

Please let me add, Mr. President, an expression of my respect for the courage you have displayed in your recent decisions and actions. Your commitment to your nation's welfare and to the cause of world peace has been clearly and undeniably demonstrated and it is my sincerest hope that your singular courage will result in the benefits to peace which has so obviously motivated you.

With assurances of my highest esteem and consideration, I remain,

Faithfully,



His Excellency Lyndon B. Johnson
President of the United States of

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-284

By 110, NARA Date 2-23-98

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-287

ACTION

By cb, NARA Date 9-25-00~~SECRET/NODIS~~

Thursday, May 2, 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Letter from Eshkol and Some Personal Thoughts

*hang
2. Pres file*

Ambassador Rabin has just delivered to me the attached letter from Prime Minister Eshkol. He supplemented it with a strong pitch for making our decision on Phantoms now. State and Defense will have to staff this carefully since it reopens the whole Phantom decision.

Secretary Rusk asked that he meet with you before a Phantom decision is made. However, I promised to pass this to you immediately and wish to add some purely personal views.

Eshkol's letter replies to yours of April 6. In brief, he argues that Israel has "made every reasonable attempt" to facilitate a political settlement (most of us would not agree) and that the UAR is the main obstacle (true). He says that Israel is investigating fully the chance for a bilateral settlement with Hussein, but he does not know yet whether this is realistic. (In fact, Rabin was pessimistic.) Finally, he argues that Nasser will turn to political settlement only when he is convinced that he has absolutely no hope of a military victory. He urges that we begin delivery of the Phantoms in mid-1969 at the rate of 8-10 a month.

I agree with Eshkol and Rabin that Israel's security margin is thin. Our intelligence people are probably right in estimating that Israel could handle any Arab threat at least through 1969. But with the French refusing to deliver Mirages and literally no other suitable source of supply left but us, I can understand why Eshkol is worried about seeing our decision held up when delivery is still a year off at best.

Moreover, he faces real political pressures in his Cabinet to exert maximum pressure on us--a point Eppie made yesterday when I called, at your instruction, and told him pressure on the President was most unwise.

I also agree that Nasser no longer seems inclined to reach a political settlement. Hussein (and McCloy) say Nasser's internal base is too shaky to permit it. Some think he might have moved if the Israelis had been more forthcoming with Jarring in January; but we'll never know whether our not pushing them harder then lost a major opportunity. (I doubt this because I have come to the reluctant conclusion that Nasser is constitutionally incapable of settling down to peace.)

~~SECRET/NODIS~~

This raises two questions:

--whether we should now do all in our power to bring about an Israel-Jordan settlement--the next possibility;

--and whether our aircraft decision could play a role.

Although he asked not to have his name associated with it, Evron has hinted twice to Hal Saunders and me that if we strengthened Israel (with Phantoms) Eshkol might be able to stick his neck out farther in reaching toward a political settlement with Hussein.

Theoretically, it might be possible to use the Phantoms to bargain for enough of a marginal shift in Israel's position to improve chances for a settlement with Hussein. We could not expect Israel to give up anything major, and we could not guarantee success. But it is at least worth considering whether any US move would help.

Some of us believe that it would improve chances for a settlement with Hussein if Israel would:

--commit itself via a Cabinet decision to withdraw from most of the West Bank in the context of a Jordanian settlement and permit Hussein a civil as well as religious role in Jerusalem (Eban unhelpfully told Jarring Jerusalem is not negotiable; although there is some reason to believe that Israel might, in the end, be more flexible);

--let Hussein know of this decision;

--back off from its insistence on direct open negotiations and a formal peace treaty, at least at the beginning of negotiation.

I have been trying for several weeks to get State at least to judge whether these or any other such steps are worth our pressing on Israel. Nick Katzenbach is completing a review this Friday. So far, the State Department seems so divided that no concrete recommendation seems likely to emerge. Yet almost everyone agrees that positions are hardening and another round of fighting--perhaps with Soviet involvement--seems the most likely outcome.

I must also report that some responsible people feel it would be a major mistake to decide now to sell Phantoms. They point out that the Arab-Israeli military balance is no less favorable for Israel than it was last June. They also point out that Soviet arms shipments have leveled off

~~SECRET/NODIS~~

- 3 -

and that our Phantom decision would risk pushing the Soviets into additional shipments and ruin our best chance of getting a grip on the arms race. (You will have a paper from General Wheeler tomorrow and one from us.)

It will take State and Defense some days to review again all elements in the Phantom decision. I feel strongly, however, that we are approaching--if we have not already passed--a critical period in realizing our hopes for a political settlement.

You may wish, therefore, to consider a special meeting to go over this whole situation and, in particular, to hear argument on three points:

--should we press Israel to make a maximum try for a settlement with Hussein?

--should we relate the Phantoms to such an effort, as Evron suggests?

--if so, should we send a special emissary to Eshkol to put the proposition?

W. W. Rostow

Set up a meeting _____

No _____

Call me _____

~~SECRET/NODIS~~

51a

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-284
By jis, NARA Date 2-23-98

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

"Dear Mr. President:

"On receiving your letter of April 6, I gave Ambassador Barbour a full explanation of my views on both of the subjects you raised. The activities of terrorist organizations, openly encouraged by Arab Governments, present grave problems for our security. It is axiomatic that the solution does not and cannot lie in giving them free rein or impassively suffering their assaults on life, limb and property in Israel. No government could ever be expected to accept such a course. We are adopting various methods to cope with this terrorist campaign, bearing in mind the considerations which you have explained to me. We are also doing our best to secure international understanding of our dilemma and of the motives and necessities which govern our response. In the last resort our responsibility for the lives and security of our people must be overriding.

"In response to your message of April 6, I acted promptly to reassure Jordan in connection with Ambassador Jarring's efforts. My impression is that King Hussein is aware of our attitude on this matter, but is inhibited by Nasser from moving ahead. The fact is that Ambassador Jarring's conference proposal for meetings with our government was accepted by Israel, rejected by the U.A.R. and has not been accepted by Jordan.

"The critical state of the Jarring Mission is thus due to Cairo's attitude. We have made every reasonable attempt to promote a negotiated settlement. We offered a broad agenda for discussion.

We agreed to negotiate on all the matters included in the Security Council Resolution within the framework of the establishment of a permanent peace. We stated that the boundaries are negotiable in peace talks. We accepted the procedure suggested by Ambassador Jarring in the hope that his presidency of a peace conference would give assurance to the U.A.R. and Jordan and ensure an equitable procedure as well as an agreed neutral venue. Nasser's response was to reject all these openings, to insist on our commitment to return to the June 4 situation, for which there is no international authority whatever, and to reiterate that he wished to "implement" a Security Council resolution while rejecting its central principles -- namely, peace, agreement and recognition. His public utterances as well as the views conveyed to Ambassador Jarring make it clear that he is not seeking an honorable and peaceful settlement with Israel.

"On April 23, Ambassador Jarring told Foreign Minister Eban that by "implementation" the U.A.R. means unconditional withdrawal of Israel forces in the first place to the June 4 lines. This is the very proposal which you, Mr. President, through your official spokesman, have described as a prescription for the renewal of hostilities. Nasser's attitude is dictated by the negative principles of the Khartoum Conference: no peace, no agreement, no recognition. His policy is thus to refuse all progress towards peace, to accumulate armed strength, and to bide his time until he is in a position to renew his aggression which he unsuccessfully organized in 1967. This policy is totally opposed to that which you, Mr. President, proposed on June 19, 1967. So long as the U.A.R. policy is so sharply contrary to yours and ours, I doubt if any formulation can bridge the gap. There has to be a will for peace, and the test for such a will is readiness to negotiate.

"The question which we are now exploring is whether Jordan is willing, on its own account, to discuss a settlement with us. We are energetically seeking to clarify and promote this prospect. I do not know yet if it is a realistic one. I have myself had several talks with

Palestine Arab leaders who wish Jordan to take a positive step. We are also trying every means including the good offices of Ambassador Jarring to bring about meaningful negotiations which, as Secretary Rusk wrote to Minister Eban on February 13, are the crux of our problem. Despite disappointment, it is important that Ambassador Jarring remain available in the coming weeks while efforts are under way to clarify the possibility of a Jordan-Israel negotiation. King Hussein seems to be oscillating between two pressures -- that of Cairo and the terrorist movements which desire to escalate the present tension, and that of his own objective interests. He has not always acted in his own true interests, as we all learned last June.

"The central cause of the deadlock created by Cairo is Nasser's intention to launch a successful war as soon as he is ready. So long as he believes this, he will not allow any peaceful process to mature. It follows that our principal aim should be to diminish his belief in the prospect of Israel becoming weak. We come back to the fact that the balance of strength in the coming months is the critical issue. Is it not a matter for further action and concern? This issue is immediate. It is Nasser's conviction that he is in the process of overtaking Israel's armed preparedness that leads him to refuse negotiation and to work for the frustration of the Jarring Mission. As we survey the Middle Eastern scene, we cannot forget for a moment the threat to Israel's very existence which developed overnight last May and June against all the prevailing estimates at the time that Nasser would not and could not raise the tension in the area for some years.

"The matter which we discussed in your home in Texas last January has thus become very acute. When we spoke of the Phantom aircraft, you said that you would make a decision on the matter, one way or the other, during the course of 1968, in the light of developments, if necessary, even within the next few months. At the same time, you requested a review of the requirements for the training of personnel and information on the latest date on which you could make a decision to supply Israel with Phantoms and for Israel to be in a position to fly them in January 1970.

"On the broad Middle Eastern level, you told me that you were investigating Nasser's posture and situation, the Soviet role, and the French policy on the supply of 50 Mirage aircraft ordered by us.

"I hear that these three questions have now been clarified with disturbing results. Nasser has refused peace and opted for war preparations, with his eyes fixed on a growing decline in Israel's deterrent power. The Soviet Union has rejected all approaches designed to induce restraint in arms supplies to Arab states. The U.S.S.R. is certainly not promoting attitudes of peace. The French Government, to our deep regret, has made it clear that we have no reason to expect delivery of the Mirage aircraft. Moreover, they have lately decided to supply Iraq with 50 Mirage aircraft. In these circumstances, Nasser's policy of refusing peace and preparing for a new round of war derives a certain rationality from the concrete prospect of a changing balance in air strength. The postponement of a United States decision on the Phantoms now becomes very grave. The decision is vital on logistic grounds, but it is even more urgent for political and psychological reasons which affect the immediate prospect of a peaceful accommodation.

"May I submit, Mr. President, that it is vital your decision be made now. May I urge that the 50 Phantoms be supplied from the middle of 1969, and not from the beginning of 1970, in batches of 8 to 10 a month and not of 4 to 5 a month. Training arrangements should be replanned accordingly. We wish to avoid another war just as ardently as we wanted and tried to avoid the last one. If we are to succeed, our deterrents must be credible, and if deterrence fails, our strength must be adequate. An American decision of this kind, far from disrupting any attempts at peace-making, would by demonstrating the futility of further war, give the peace effort the stimulus which it is now objectively lacking. I do not believe that we shall get peace unless we move to foreclose the other alternatives.

"Mr. President, I write to you on the eve of Israel's 20th anniversary. Israel came into being against the background of the destruction of a third of our people at the hands of the Nazis. In the twenty years of its existence, it had to fight three wars for its survival. Throughout this period only the maintenance of the minimum arms balance has saved it from destruction. I appeal to you on behalf of my people to grant us the weapons necessary to prevent further war and to encourage the process towards peace which though it tarries will - with God's help - surely come.

"In conclusion, Mr. President, may I send you my fervent wishes for the success of your statesman-like effort to bring an honorable peace to Southeast Asia and to the world. History will salute your efforts and bless your toil."

"Yours sincerely,

Levi Eshkol
Prime Minister"

"Jerusalem
30 April 1968"

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

Washington, D.C.
30 April 1968

ACTION

Thursday - May 2, 1968

*1. [unclear]
2. Profile*

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Guest List for Luncheon for OAS Secretary General
Mora

Attached is a suggested guest list for the farewell luncheon you have agreed to give for departing OAS Secretary General Mora and his Deputy, William Sanders, on Friday, May 10, at 1:00 p.m.

The list has been prepared for a stag luncheon in the family dining room. It contains 47 names.

If this meets with your approval, I will ask Bess Abell to handle the invitations.

W. W. Rostow

Attachment

Suggested luncheon guest list.

Approve

☒

Disapprove

☐

Call me

☐*add 10 press
20 business men*cc - Jim Jones
Bess Abell

52a

Guest List for Stag Luncheon
for

OAS Secretary General Jose Mora and Assistant Secretary General William Sanders

Friday - May 10, 1968 -- 1:00 p.m.

Guests of Honor

OAS Secretary General Jose MORA

OAS Assistant Secretary General William SANDERS

OAS Ambassadors

Argentina	-	Eduardo Alejandro ROCA
Bolivia	-	Raul DIEZ DE MEDINA
Brazil	-	Ilmar PENNA MARINHO
Chile	-	Alejandro MAGNET
Colombia	-	Carlos HOLGUIN
Dominican Republic	-	Enriquillo A. DEL ROSARIO
Ecuador	-	Rodrigo JACOME M.
Haiti	-	Fern D. BAGUIDY
Mexico	-	Rafael DE LA COLINA
Panama	-	Eduardo RITTER Aislan
Peru	-	Luis ALVARADO
Uruguay	-	Emilio N. ORIBE
Venezuela	-	Pedro PARIS-MONTESINOS

White House Ambassadors

Argentina	-	Alvaro C. ALSOGARAY
Barbados	-	Hilton A. Vaughan
Bolivia	-	Julio SANJINES-GOYTIA
Brazil	-	Vasco LEITAO da CUNHA
Chile	-	Charge d'Affaires Jorge BURR
Colombia	-	Dr. Hernan ECHAVARRIA
Costa Rica	-	Fernando ORTUNO Sobrado
Dominican Republic	-	Hector GARCIA-GODOY
Ecuador	-	Carlos MANTILLA-ORTEGA
Guatemala	-	Francisco LINARES Aranda
Haiti	-	Arthur BONHOMME
Honduras	-	Ricardo MIDENCE SOTO
Mexico	-	Hugo B. MARGAIN
Nicaragua	-	Dr. Guillermo SEVILLA-SACASA
Panama	-	Jorge T. VELASQUEZ
Paraguay	-	Dr. Roque J. AVILA
Peru	-	Celso PASTOR
Trinidad and Tobago	-	Sir Ellis E. I. CLARKE
Uruguay	-	Juan Felipe YRIART
Venezuela	-	Dr. Enrique TEJERA-PARIS

Executive Branch Officials

The Vice President

Secretary Rusk

Assistant Secretary of State Covey T. Oliver

Ambassador to the OAS Sol Linowitz

Walt Rostow

Inter-American Organizations

IADB President Felipe HERRERA

CIAP Chairman Carlos SANZ DE SANTAMARIA

PAHO Director Abraham Horowitz

Congressional

Senator Wayne Morse

Senator Bourke B. Hickenlooper

Congressman Armistead I. Selden, Jr.

Congressman William S. Mailliard

53

Pres file

May 2, 1968

Mr. President:

Attached, for your approval, is a proposed message in reply to Prime Minister Egal of Somalia. Egal wrote you a very warm letter thanking you for your hospitality during his recent visit.

I recommend you approve the message.

W. W. Rostow

Approve _____

Disapprove _____

Call me _____

WWR:EKH:RM:lw
Att: File 1347

53a

PROPOSED MESSAGE TO
PRIME MINISTER EGAL, SOMALIA

Dear Mr. Prime Minister:

I was deeply moved by your very warm and thoughtful letter. America draws strength and inspiration from friends such as you. Your visit was a great honor and pleasure for us.

I know you are indeed devoted to building greater cooperation and harmony with Somalia's neighbors. You can be certain we shall be following your endeavors very closely. We wish you every success.

With warmest personal regards,

Sincerely,

Lyndon B. Johnson

His Excellency
Mohamed Haji Ibrahim Egal,
Prime Minister of the
Somali Republic.



SOMALI REPUBLIC

PRIME MINISTER

536
6016

4th April, 1968.

Dear Mr. President,

In attempting to thank you for your kind invitation and for the warm and the cordial welcome accorded to us by your wife, yourself and everyone in America, I find great difficulty in suppressing an outburst of emotion which tradition has taught us to efface from official State communication. This much, however, I must confess: my visit to America and the personal contact with its leaders has opened for me horizons of limitless perspectives. I have found a people who remained uncorrupted by power, who learnt to wear greatness with humility and who found pleasure in service without the rewards of acclaim or praise. In this, I feel, is the strength of America, and in this is the seed of the leadership of the free world, its example and its inspiration. I am happy we have been given the opportunity to see it and both my wife and myself tender you, Mr. President, our most sincere thanks.

As regards our own particular problems in East Africa, we have sown the seeds of harmony between our countries and we are determined to continue this new spirit of understanding and co-operation. The East African Economic Community offers us a perfect form for this co-operation and we hope the effort and the resources which were being squandered in the past on hostile activities between neighbours will now be used for the economic advancement and the welfare of the peoples of East Africa. I assure you, Mr. President, that I shall do everything possible to further this new and timely spirit between Somalia and its neighbours.

Once again, Mr. President, please accept this humble expression of thanks from a man who aspires to be

Your friend,

(Mohamed Ibrahim Egal)
Prime Minister

Lyndon B. Johnson, Esq.,
President of the United States of America,
Washington, D.C.

ACTION

~~TOP SECRET--SENSITIVE~~

**Wednesday, May 1, 1968
7:25 p.m.**

Mr. President:

**Herewith a redraft of the
message to Kossyga. I am making
a copy available to Sec. Rusk.**

Free file

W. W. Restow

~~TOP SECRET~~

DECLASSIFIED

White House Guidelines, Feb. 24, 1983

By 19, NARA, Date 5-26-92

WWRestow:rla

DECLASSIFIED

Authority NLJ 95-174
By ju/irp NARA, Date 6-5-97

54a

TOP SECRET

Draft -- May 1, 1968

Dear Mr. Chairman:

I have endeavored to use this channel only when I consider that the matters to be discussed are ^{important and urgent.} ~~of emergency and importance.~~ In that spirit I communicate with you now on the following subjects: (1) The question of ^{Limitation} an arms embargo to the Middle East, and (2) the long overdue question of our discussion in regard to offensive and defensive ballistic missiles. DR/awr

The question of limiting arms from outside to the Middle East has been the subject of correspondence between us recently. Your last communication, which was delivered by Ambassador Debrynia to Secretary Rusk on February 27, indicated that you thought it would be "pointless" to consider an arms limitation so long as there was no political settlement in the area. The United States has been most assiduous in trying to bring about a peaceful settlement along the lines of the Security Council resolution of November 22, 1967. Despite all our efforts, it cannot be said that much progress has been made. It remains my opinion that the limitation of arms from outside the area would not, as you seem to think, confirm the failure of the two sides to reach any agreement; but, on the contrary, such a limitation would facilitate a settlement. This is all the more true because, according to our information, due to the delivery which you have effected to the Arab countries, there is now a situation of approximate parity in the level of the armaments between the Arab states on the one hand and Israel on the other.

~~TOP SECRET~~

-2-

For these reasons I consider it worthwhile and urgent that we reexamine the question of whether our two countries might discuss a limitation of delivery of arms to the Middle East.

I would also suggest that we consider the wisdom of registering with the United Nations our arms sales and deliveries to this region.

I can tell you in confidence that I am faced with important decisions about the supply to Israel of the very latest military fighter aircraft. So far I have not taken action on this step. Agreement between our two countries concerning the reduction and/or limitation on the supply of arms to the area will greatly affect what action may be required here. I hope that you will give this matter your earnest and prompt consideration.

The other subject I wish to take up with you again is my proposal, which goes back to December 1966, in regard to holding discussions with the aim of controlling the strategic arms race. I understand from Ambassador Thompson that Foreign Minister Gromyko told him on March 26 of this year that the Soviet Government was still studying the problem and that it attaches great importance to this subject. As the United States Government has noted in previous communications, each passing month increases the difficulty of reaching agreement on this matter as, from a technical and military point of view, it is becoming more complex. But there is an additional consideration which leads me to raise this matter with you now.

~~TOP SECRET~~

~~TOP SECRET~~

-3-

As you are aware, the United Nations General Assembly has begun its deliberations on the draft Non-Proliferation Treaty. This draft represents the joint product of the efforts of our two governments. I am confident that you share my earnest hope that it will obtain the maximum number of adherents. During the resumed General Assembly session our efforts to achieve a treaty that can be opened for signature in the near future with the prospect of obtaining a maximum number of adherents will face a critical test. Efforts undoubtedly will be made by some states to postpone the opening of the treaty for signature at least until after the conference of non-nuclear-weapon states has been held in the fall of this year. It is important that our two governments do everything possible to give the greatest impetus to world sentiment favorable to opening the treaty for signature at an early date.

To this end, I propose that our two governments announce early in the course of the General Assembly debate that they have agreed to begin bilateral negotiations on an agreement to limit strategic offensive and defensive missiles within a specific time from the date of the announcement, as well as proceeding to discuss the related matters mentioned above. I am convinced that such a declaration, of primary importance in itself, would do much to ensure the successful completion of work on the Non-Proliferation Treaty.

~~TOP SECRET~~

~~TOP SECRET~~

-4-

I very much hope you will reexamine the question of holding these discussions, whose importance I hardly need emphasize in this communication. I very much hope to hear from you in the near future.

Sincerely,

State:WWRostow:ms:rla

~~TOP SECRET~~

ACTION

Wednesday, May 1, 1968
7:15 p. m.

Pres file

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Message to the Australian-American Association on the Coral Sea Celebrations in Australia

Since Australia was saved by the Battle of the Coral Sea the anniversary of the Battle has been lavishly celebrated in Australia and has become an important symbol of Australian-American friendship. The Embassy and the State Department have requested a message from you to the sponsors of the celebration. A suggested draft follows:

To the Australian-American Association:

More than a quarter century has passed since the Battle of the Coral Sea. The changes have been great. With the passage of time the partnership which joined us together in those dark days has broadened and deepened. Today, Australian and American fighting men again stand shoulder to shoulder fighting for the cause of freedom. But with time our partnership has extended to many other fields. There is a flourishing and expanding trade between us. We are cooperating closely in scientific research, including the exploration of man's newest frontier, outer space. We share a common vision of a New Asia, an Asia which consists of progressive, prosperous, independent states, working together to provide and to protect a better life for their people. In the effort to make this great vision come true the old friendships grow firmer, and the old enmities are submerged.

In our growing partnership, the Australian-American Association continues to play an important role -- through educational scholarships, through its work in connection with the Rest and Recreation Program for Vietnam servicemen, and through many other activities promoting ever closer relations between our two countries on opposite sides of the Pacific.

I salute you for your fine contribution. I would like to extend my personal greetings and warm good wishes to the Australian-American Association and all the people of Australia on the occasion of this year's Coral Sea Celebration. Lyndon B. Johnson.

I recommend that you approve the message.

W. W. Rostow

Approve _____

Disapprove _____

Call me _____

STATE:MWright:wpt

Pres file

Wednesday - May 1, 1968 - 6:10pm.

Mr. President:

As farewell gifts from you to OAS Secretary General Mora and Assistant Secretary General Sanders I propose:

For Mora - a silver box with a map of the hemisphere and an appropriate inscription engraved on the top.

- Approve ☐
- Disapprove ☐
- Call me ☐

For Sanders - an inscribed photograph in either a silver or blue leather frame.

- Approve with silver frame ☐
- Approve with leather frame ☐
- Disapprove ☐
- Call me ☐

W. W. Rostow

cc - Bess Abell

INFORMATION

~~CONFIDENTIAL--SENSITIVE~~*Pro file*

Wednesday, May 1, 1968 -- 6:10 p.m.

Mr. President:

Eppie Evron took me aside in the course of the delivery of Eshkol's letter by Rabin, and reported as follows:

"Your Senators are aggravating. They have a double standard. Both Percy and Gruening are prepared to tell you that Warsaw is a bad place to negotiate; but they are unwilling to say it in public because it might damage their 'dove' image.

"Abe Feinberg and I are working to generate letters to The New York Times and The Washington Post. After our experience, we are not sure the editorial boards will print them."

I asked him: What about Javits? He said they are trying with Javits.

W. W. Rostow

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-284
By jis, NARA Date 2-23-98

WWRostow:rla

~~CONFIDENTIAL--SENSITIVE~~

ACTION

Pres file

Wednesday, May 1, 1968 -- 6:10 p.m.

Mr. President:

Apparently you told Cabot Lodge it was all right for him to brief Rockefeller on Vietnam. He now plans to do so on Friday, May 3.

Is that still all right?

Go ahead_____

No_____

Call me_____

He also thought he might brief Nixon before he leaves for Bonn.

Yes_____

No_____

Call me_____

W. W. Rostow

WWRostow:rla

59

ACTION

per file

Wednesday, May 1, 1968 -- 6:05 p.m.

Mr. President:

Sec. Rusk would like your agreement that Amb. Bunker take off about 5 days, May 9-15, to visit in Katmandu.

Amb. Bunker believes that Berger can hold the fort over this period.

W. W. Rostow

Agreed_____

No_____

Call me_____

WWRostow:rla

60
ACTION

~~TOP SECRET~~

Wednesday, May 1, 1968 -- 4:50 p.m.

Mr. President:

Herewith Sec. Rusk's draft of the proposed message to Keesygin. At his request, I discussed it with him.

1. I questioned the wisdom of discussing with Keesygin the possibility of our supply of aircraft to Israel, on two grounds: he knows about the Phantoms; and there is a flavor of ultimatum; and there are ways in which he could pin you down by endless talk and force a holding up of the decision, if you judge such a decision wise in the future. My own recommendation would be to add at the end of the first paragraph on page 2, after the word "worthwhile": and urgent.

2. There is no reference to the proposal for registering Middle East arms sales in the UN. As you know, we have been unable to overcome the reservations in the Department of State on this matter. Do you wish a passage inserted?

3. You should know that one phrase in Kuznetsov's statement on the NPT in the UN General Assembly has given us some hope that the Soviet Union may respond positively to your proposal for talks on strategic offensive and defensive weapons. For the first time he talked of holding such weapons at their present level "and subsequent reduction." Hitherto they have been unwilling to consider a freeze.

W. W. Restow

DECLASSIFIED

Authority NLS 95-174
By fwf/arp NARA. Date 6-5-97

WWRostow:rla

602

~~TOP SECRET~~

DRAFT

May 1, 1968

Dear Mr. Chairman:

I have endeavored to utilize this channel only when I consider that the matters to be discussed were of real urgency and of importance. It is with these considerations in mind that I communicate with you now on the following subjects: (1) The question of the arms embargo to the Middle East, and (2) the long overdue question of our discussion in regard to offensive and defensive ballistic missiles.

I would like to revert to the question of the possibility of some limitation on arms from outside to the Middle East, which has been the subject of correspondence between us recently. Your last communication, which was delivered by Ambassador Dobrynin to Secretary Rusk on February 27, indicated that you thought it would be "pointless" to consider an arms limitation so long as there was no political settlement in the area. I would like now to revert to this subject since despite all of our good efforts, and I can assure you the United States has been most assiduous in endeavoring to bring about a peaceful settlement along the line of the Security Council resolution of November 22, 1967, it cannot be said that much progress has been made. It remains my opinion that the possibility of a limitation of arms from outside the area would not, as you seem to

~~TOP SECRET~~

DECLASSIFIED

Authority NLJ-95-174
By gwl/jmp NARA Date 6-5-97

~~TOP SECRET~~

-2-

think, be a confirmation of the failure of the two sides to reach any agreement but on the contrary would in my opinion facilitate the achievement of such a settlement. This is all the more true because, according to our information, thanks to the delivery which you have effected to the Arab countries there is a situation of approximate parity in the level of the armaments between the Arab states on the one hand and Israel on the other. For these reasons I would consider that a reexamination of the question as to whether or not our two countries might discuss the feasibility at this stage of a limitation of delivery of arms to the Middle East is worthwhile.

and urgent
UW
I can tell you in the strictest of confidence that I am faced with some important decisions about the supply to Israel of the very latest military fighter aircraft. So far I have resisted this step, but I can assure you that some form of agreement between our two countries or between the four countries mentioned concerning the limitation on the supply of arms to the area will greatly ease this problem and render my task much easier. I hope that you will give this matter your earnest consideration.

The other subject I wish to take up with you again is my

~~TOP SECRET~~

~~TOP SECRET~~

-3-

proposal, which goes back to December 1933, in regard to holding discussions with the aim of control of the strategic arms race. I understand from Ambassador Thompson that Foreign Minister Gromyko told him on March 26 of this year that the Soviet Government was still studying the problem and that it attaches great importance to this subject. As the United States Government has noted in previous communications, each passing month increases the difficulty of reaching agreement on this matter as, from a technical and military point of view, it is becoming more complex. But there is an additional consideration which leads me to write you this letter.

As you are aware, the United Nations General Assembly has begun its deliberations on the draft Non-Proliferation Treaty. This draft represents the joint product of the efforts of our two governments. I am confident that you share my earnest hope that it will obtain the maximum number of adherents. During the resumed General Assembly session our efforts to achieve a treaty that can be opened for signature in the near future with the prospect of obtaining a maximum number of adherents will face a most critical test. Efforts undoubtedly will be made by some states to postpone the opening of the treaty for signature

~~TOP SECRET~~

~~TOP SECRET~~

-4-

at least until after the conference of non-nuclear-weapon states has been held in the fall of this year. It is important that our two governments do everything possible to give the greatest impetus to world sentiment favorable to opening the treaty for signature at an early date.

To this end, I propose that our two governments announce early in the course of the General Assembly debate that they have agreed to commence bilateral negotiations on an agreement to limit strategic offensive and defensive missiles within a specific time from the date of the announcement. I am convinced that such a declaration, of primary importance in itself, would do much to ensure the successful completion of work on the Non-Proliferation Treaty.

I very much hope you will reexamine the question of holding these discussions, whose importance I hardly need emphasize in this communication. I very much hope to hear from you in the near future.

Sincerely,

~~TOP SECRET~~

Pres file

61

~~SECRET~~

Wed., May 1, 1968
3:00 p. m.

MR. PRESIDENT:

Sect. Rusk asks your clearance on the attached cable.

W. W. Rostow

~~SECRET~~ attachment

Approved _____

Disapproved _____

Call me _____

DECLASSIFIED

White House Guidelines, Feb. 24, 1983

By RG, NARA, Date 5-26-92

612

~~SECRET~~

Ambassy NEW DELHI IMMEDIATE

NODIS/CROCODILE

REF: State 155377, New Delhi 4943

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-281
By vo NARA Date 10-5-98

LITERALLY EYES ONLY FOR AMBASSADOR FROM THE SECRETARY

Please immediately approach Mrs. Gandhi along the following lines:

1. Since we have been unable to come to an agreement through direct communication with Hanoi on a site for preliminary contacts between the US and DRV, we are hopeful that the Government of India will be willing, as impartial Chairman of the ICC, to undertake to assist in finding a site that is mutually agreeable. As you know, we have proposed a number of sites, including New Delhi, which appear to be unacceptable to Hanoi. For their part, Hanoi has been rigidly adhering to Phnom Penh and Warsaw, which are unacceptable to us. It would appear useless to ~~make~~ attempt to review the reasons for the objections to these sites by either party, but to accept them as a fact.
2. Under these circumstances, we suggest the Indian Government get in touch with the DRV and put forward as its own proposal some alternative sites, which it is reasonable to believe would be acceptable

S/ AH:WAHarri-man:DRusk:ark

S - The Secretary

~~SECRET~~

Corrections made on original green MUST be made on this and other
flimsy work copies before delivery to Telecommunications Operations Division

~~SECRET~~

to the US, without, however, indicating that the USG has made any suggestion.

3. The public statements that have been made by both sides indicate that one requirement is that each have representation at the site to be selected. Therefore, the Government of India might suggest any one or all of the following: Bucharest, Algiers, Dar es Salaam, and Cairo. The Government of India should bear in mind that Paris presents serious difficulties for the USG and we request that that site not repeat not be suggested.

4. We do not know whether the Governments of these suggested sites would agree to the holding of the contacts in their capitals. This should, of course, be ascertained before any public statement is made. In addition, we would expect the host Government to agree in advance to permit the Governments of South Vietnam and any of our allies to send observers (we assume the North Vietnamese would wish the same courtesies for their friends), although they would not, of course, participate in the discussions between the DRV and the USG.

Reasonably free access for the press must also be permitted.

5. We trust that the Government of India will keep this exchange and its approach most confidential as we believe that public discussion would increase the difficulty of finding a mutually agreeable site.

6. The USG continues to desire to settle the selection of a site and early date for contacts between the representatives of the two Governments, just as soon as possible.

.End

62
Pres file

ACTION

Wednesday, May 1, 1968 -- 2:55 p.m.

Mr. President:

I forward to you again this draft memorandum on the U.S. Foreign Intelligence Effort, which Gen. Tayler commends to you for signature.

He is convinced -- and I agree -- that he should confer with the major users of intelligence, notably the regional Assistant Secretaries of State, to check on whether the intelligence material being generated is appropriate to their operational needs and being well and fully used. For that reason, as well as to give a general impetus to the President's Foreign Intelligence Advisory Board under its new Chairman, I recommend that you go forward with this memorandum.

W. W. Rostow

WWRostow:rla

62a

May 1, 1968

**MEMORANDUM TO THE SECRETARY OF STATE
THE SECRETARY OF DEFENSE
THE DIRECTOR OF CENTRAL INTELLIGENCE
THE CHAIRMAN, PRESIDENT'S FOREIGN
INTELLIGENCE ADVISORY BOARD**

SUBJECT: The U. S. Foreign Intelligence Effort

Pursuant to my appointment of General Maxwell D. Taylor to serve as Chairman of the President's Foreign Intelligence Advisory Board, as successor to Secretary Clark M. Clifford, I wish to emphasize the importance which I attach to the foreign intelligence function in government and to the mission of the Board. In this period of rapid political and economic change, the operation of government is more dependent than ever before on reliable, timely intelligence leading to a wise evaluation of the world situation. Under the coordination and guidance of the Director of Central Intelligence, all members of the U. S. foreign intelligence community contribute to this essential service.

I shall continue to look to the Board for a continuous review and assessment of all aspects of the activities of the foreign intelligence community and shall expect to receive recurrent recommendations from it for strengthening the effectiveness of these activities.

In accordance with the provisions of Executive Order 10938 of May 4, 1961 and of my memorandum of October 19, 1965 on this same subject, I wish the Board to be able to assure me at all times of the quality, responsiveness and reliability of the intelligence which reaches the decision-makers of Government. To assist it in this mission, I ask the heads of Departments and Agencies concerned to cooperate fully and freely with the Board in the discharge of its mission.

/s/ Lyndon B. Johnson

LBJ:Gen. Taylor:rla

Pres file

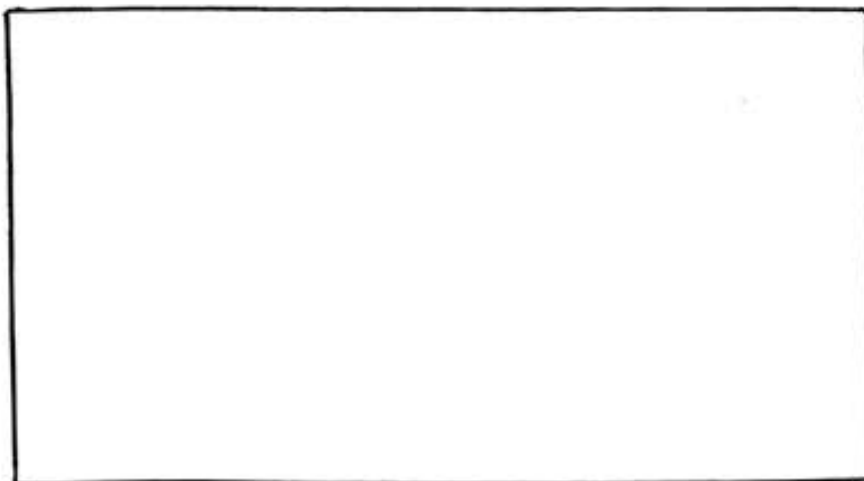
13

~~TOP SECRET~~

Wed., May 1, 1968
2:50 p.m.

Mr. President:

Herewith an indication that:



3.4(b)(1)(3)

W. W. Rostow

~~TOP SECRET TRINE~~ attachment

SANITIZED
E.O. 12958, Sec. 3.6
NLJ/RAC 00-331
By SJ, NARA, Date 2703

ACTION

ACTION

*L. [unclear]
2. Pres file*

Wednesday, May 1, 1968 -- 12:55 p.m.

Mr. President:

You should know that there is some urgency in connection with a decision about the Iranian arms package. There was considerable delay in the bureaucracy in developing an agreed position. Meanwhile, the Shah is becoming restless, having had reason to expect a response earlier.

You will recall that he mentioned the matter to John McCloy, underlining that he was, after all, willing to pay for these arms and that our common strategic interest in the area required him to be strong.

W. W. Rostow

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-284
By iss, NARA Date 2-23-97

~~SECRET~~

WWRostow:rla

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-284

ACTION~~SECRET~~By is, NARA Date 2-23-98

Monday, April 29, 1968

12:55 PM

Lump
2 Purple

MEMORANDUM FOR THE PRESIDENT

SUBJECT: New Military Credit Sale for Iran

Shortly after his visit last August, the Shah wrote you that he intended to embark on a new five-year \$800 million program for further modernizing his armed forces. He is now down to \$600 million for six years, and this will be uppermost in his mind when he sees you June 12.

There is no question that the Shah will go ahead with some such program. The issues are how to keep it from slowing his economic development and how to keep him from turning to other suppliers.

No one has serious reservations about going ahead with the proposed \$75-100 million program for FY 68. Nick Katzenbach recommends you approve this subject to satisfactory Congressional consultations. He would start at \$75 million and hold the additional \$25 million for you to throw in when the Shah comes.

The real issue is how we assure the Shah that we will participate in this program without actually committing ourselves. He says he has to know what he can count on. We can't say for sure, and we have good reason for not wanting to jump in all at once even if we could:

-- We don't know what military sales authority Congress will approve or how much it will appropriate. We don't want to tie up funds until we see how much we have to divide worldwide.

-- We're wary about Iran's committing so much to military expenditures so far ahead. We'd like to go year by year.

-- When the British withdraw from the Persian Gulf, Iran and Saudi Arabia face a number of difficult issues there. We want to be careful about how we build up a new sub-regional super-power.

Offsetting these reservations is our need to maintain a close relationship. Now that AID has phased out, our military program is the major concrete manifestation of that relationship. We look to the Shah to maintain a pro-western Iran and depend on him for even expanding our sensitive intelligence collection activities.

~~SECRET~~

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- 2 -

The Shah believes he must be strong enough militarily to deter any attack--overt or subversive--by the Arab radicals. He is worried, as he told John McCloy, about Soviet gains in the area. He knows the British are pulling out. He fears even more that our policy since last June indicates diminished US interest in the Mid-East. Therefore, he wants to modernize his forces but, perhaps even more important, he wants some reassurance of our continuing concrete interest in his security. It's quite possible that we may not be able to satisfy him.

To tread the narrow line between general assurance and specific commitment for the next five years, State and Defense have devised the finely worded paragraph under recommendation #2 in Nick Katzenbach's attached memo. Essentially, it says we'll do what we can to help with his five-year program but we just can't commit ourselves that far ahead. We'd declare Executive Branch intention to push ahead year-by-year toward accomplishment of the Shah's program. You will want to read the fine print.

The real problem is not the approval of this well-hedged formula. The problem will be whether you feel you can make this stick with the Shah when you see him on June 12. You will have the tough job of trying to persuade him of the continuity of the US-Iranian relationship without knowing either what the Congress will do or who your successor will be. Your line will have to be that (a) anyone who sits in your seat will be impressed with the necessity of a strong continuing US-Iran relationship and (b) we hope he will bear with us through this transitional period.

In the face of this difficulty, I recommend you approve this approach as a start. Regrettably, there seems little chance of devising a more flexible position for you, at least until Congress acts.

You will want to read the attached memos from Charlie Zwick and Nick Katzenbach.

W. W. Rostow

Approve the \$75-100 million sale for 1968 and the hedged assurance that we will try to help with the rest of the program _____

See me _____

Put on Tuesday lunch agenda _____

~~SECRET~~

THE SECRETARY OF STATE
WASHINGTON

1001
1-*Sanction*
2-*Ref.*
64b

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-281

April 19, 1968

~~SECRET~~

By id, NARA Date 10-5-98

MEMORANDUM FOR THE PRESIDENT

Subject: Approval of a Program of
Military Credit Sales to Iran

Recommendation:

With the concurrence of the Secretary of Defense, I recommend that you approve, subject to the satisfactory conclusion of Congressional consultations:

1. An offer to Iran of a military credit sales program for FY 1968 on concessional terms for a minimum of \$75 million and, subject to the availability of necessary additional funds, a maximum of \$100 million. (This is to be dependent on funding arrangements and global availability of funds.)

2. Informing the Shah that we recognize his desire to work toward a program of military modernization for the next five years and that we engage to cooperate with him in his attaining this goal on the following basis:

The United States Executive Branch declares its intention each year to seek Congressional authority and appropriations for such credit sales as both governments would agree were indicated to move toward accomplishment of the program mentioned above. On the part of the United States the amount of authority and funds sought, and the amount of sales made for cash, would be subject to the results of a yearly review, with the Government of Iran, including reviews of Iran's economic development and military programs, as well as an assessment of the effect of military purchases on the Iranian balance of payments and budgetary situation. The actual amount of

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Group 3

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not automatically declassified.

credit made available to Iran in each year will of course depend on the amount of credit authorization and appropriations approved by the Congress and on other U.S. requirements worldwide. If the amount of credit authorization and appropriations approved by the Congress proves in future years to be insufficient for the mutually agreed needs of Iran, the Executive Branch declares its intention to do what it can to help Iran obtain credits from non-Governmental banking sources.

Approve _____ Disapprove _____

Discussion:

Since military credit sales were introduced in 1964 as a way to shift Iran from grant aid to self-financed procurement, U.S. equipment costing some \$300 million has been sold to Iran. Two credit tranches of \$50 million each remain to be released under the 1964 U.S.-Iranian Memorandum of Understanding; recommendation 1 (above) proposes to combine them for release in FY 1968 as the first increment of a \$600 million, six-year procurement program developed by Iran to provide for Iranian military needs after U.S. grant aid terminates in FY 1969.

There are no political, economic or military reasons not to proceed with a \$75-100 million credit in FY 1968, and we recommend offering it to Iran at terms of 5 1/2 percent interest, with seven years to repay. Several possible funding alternatives are enclosed. Equipment to be purchased is designed to modernize the Iranian military forces and is planned to include F-5 aircraft, M60 and Sheridan tanks, armored personnel carriers, a surface-to-air missile unit for Iran's destroyer and self-propelled artillery.

Since last summer, the Shah has been pressing us for a new commitment on credit sales in the 1970's. The comprehensive program he has developed in conjunction with his U.S. advisers is a logical follow-on to our grant aid program, and we believe it essential, in order to protect our important interests in Iran and to assist the maintenance of stability in the Middle East, that we be forthcoming in response to his requests for military credits to support it. Our arms supply relationship is of decisive importance to our overall ties with Iran. These ties bring us important benefits, including collaboration on military and intelligence operations,

and the intangibles of friendly cooperation with an ally on the international scene. Moreover, the importance of our ties with Iran has increased as a result of the announced British withdrawal from the Persian Gulf, the growing Soviet threat in the Middle East, the continuing instability of the Arab world, and real doubts about long term continuance of U.S. facilities at Peshawar.

Nevertheless, I cannot recommend that the United States undertake at this time a firm commitment for the full \$500 million additional credit program (FY 1969-73). Uncertainties about Congressional authorization of future arms credits and the level of appropriations, about the effect of future defense spending on the Iranian economy and about the development of Iranian-Arab relations make it prudent to base the program after FY 1968 on the outcome of thorough annual political, military and economic reviews.

Some form of multi-year understanding for future years is, however, essential to meet our objectives in Iran, and we believe that recommendation 2 (above) should achieve this purpose while at the same time maintaining a requisite degree of flexibility. We are fully aware that, by adopting this cautious policy, we run the very real risk that the Shah may consider the proposed arrangement too indefinite and therefore insufficient. This could trigger another round of bargaining or, alternatively, might cause him to turn to other arms sources, including the USSR and Eastern European countries. Should the Shah react in this manner, we believe your June 12 luncheon with him could be critical, and we would, if it proves necessary, propose additional courses of action for your consideration prior to that date.

The foregoing recommendation has been submitted by the Interdepartmental Regional Group for the Near East and South Asian Affairs under Assistant Secretary Lucius D. Battle's chairmanship after a careful review of the factors involved and of our interest. The record of the IRG/NEA meetings on the subject is enclosed.

After satisfactory informal Congressional consultations, we will send a letter formally advising the

~~SECRET~~

4

Congress of your decision to increase the program for FY 1968 and the major reasons for doing so.

Richard L. Hall
for
Dean Rusk

Enclosures:

1. Illustrative Funding
Alternatives for
\$75-100 Million FY 1968
Military Credit for Iran
2. Record of IRG/NEA meetings
of March 21 and April 3, 1968
(Limited Distribution)

~~SECRET~~

ILLUSTRATIVE FUNDING ALTERNATIVES FOR
\$75-100 MILLION FY 1968 MILITARY CREDIT FOR IRAN

	<u>A</u>	<u>B</u>	<u>C</u>	<u>D</u>
<u>Level of Credit</u>	\$75 M.	\$100 M.	\$100 M.	\$100 M.
<u>Sources of Credit</u>				
1. ExIm Bank	50.00	50.00	50.00	50.00
2. Commercial	---	25.00	14.70	---
3. FMS Direct	25.00	25.00	35.30	50.00
4. FMS Guaranty	<u>12.50</u>	<u>18.75</u>	<u>16.20</u>	<u>12.50</u>
5. Total FMS (3 + 4)	37.50	43.75	51.50	62.50

Alternative A assumes that we fail to find any commercial bank financing and FMS funding is limited to \$37.5 million.

Alternative B adds \$25 million from commercial banks with a DOD guaranty.

Alternative C reflects a limitation that may be necessary to stay within the FAA ceiling of \$190 million for FY 1968 guarantees. It is possible that other guaranteed credit will total \$125.3 million--leaving only \$64.7 million for Iran.

Alternative D assumes no commercial financing and a credit program of \$100 million.

DECLASSIFIED

E.O. 12958, Sec. 3.6

NLJ 97-281

By iw, NARA Date 10-5-98

~~SECRET~~
~~LIMDIS~~

64d
ENCLOSURE 2

IRG/NEA 68-16
April 5, 1968

INTERDEPARTMENTAL REGIONAL GROUP
FOR NEAR EAST AND SOUTH ASIA

Record of IRG Meetings - March 21 and April 3, 1968

The IRG devoted both meetings to a consideration of proposed arms credit sales to Iran.

The IRG reviewed the analysis and recommendations of the various interested agencies as well as of Embassy Tehran, directed primarily to a proposal for a \$600 million, six-year (FY 1968-FY 1973), credit sales package. (See attachments to IRG/NEA 68-13 and 68-14 for pertinent papers.)

Political Factors. The IRG agreed that our arms supply relationship has a vital importance in our overall ties with Iran, and that--given the Shah's great concern over Iran's security problems--our response to the Shah's current request for arms sales in the years immediately ahead will have a decisive influence on the pattern of our overall relationship with Iran for the next several years. The benefits of our relationship with Iran run the gamut from valuable collaboration with our own military and intelligence endeavors based in Iran, to the intangibles of friendly cooperation of an ally on the international scene. Although the Shah has desired to evince a greater degree of "independence" in his foreign policy and has taken steps to improve Iran's relationship with the USSR, Iran remains a loyal supporter of CENTO, retains a realistic awareness of long-range Soviet intentions, and has made it clear it wishes to keep its close ties with the United States. It was noted that our relationship with Iran assumes added importance in light of the increased Soviet threat in the Middle East and the continuing instability in the Arab world. The Shah is concerned over the implications of strong Soviet support for the radical Arab states, with whom he sees Iran potentially in conflict. It was noted that the forthcoming British withdrawal east of Suez will enhance Iran's importance in future developments in the Persian Gulf area, in which the United States has key strategic and economic interests.

Military Factors. The CIA member cited various recent developments which have affected the Shah's view of Iranian security problems and which have impelled him to modernize and strengthen Iran's security forces. These developments include the USSR's supply of the radical Arab states with modern weapons; the UK's announced withdrawal from the Persian Gulf by 1971; increased Soviet naval activity in the Mediterranean, and the assumption that the Soviets will seek to extend their influence

SANITIZED

E.O. 12958, Sec. 3.6

NLJ 97-281

By is, NARA Date 2-25-00

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GROUP 3

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not automatically declassified.

as broadly as possible East of Suez; the pressure on existing US military forces in connection with the situation in Southeast Asia and the Shah's probable concern as to our ability and willingness to provide rapid support to Iran in the event of an external aggression.

The JCS member noted that Iran must orient a large portion of its military defense against the potential Soviet threat, although no Soviet military action against Iran is foreseen in the years immediately ahead. The Shah's major external security concern is for the threat posed by the UAR and other radical Arab nationalists to the oil-rich Khuzistan area. The Shah is anxious to procure sufficient air defense aircraft, antiaircraft and naval equipment to counter a potential UAR or UAR/Iraqi air and naval threat to southeast Iran and the Persian Gulf. His reorganization of the Iranian Ground Forces, with greater emphasis on armor and mobility, stems from the size of his country and the diversity of the current threat in general--in particular the tank threat posed by a potentially hostile Iraq.

The IRG agreed that it was impossible to relate any projected level of arms supply precisely to any given threat or combination of threats. It is uncertain, for example, to what extent radical Arab forces constitute a real military threat; what combination of radical Arab forces might threaten Iran; and just what military capability Iran would require, at a given time, to counter such a threat. These questions involve both quantitative and qualitative issues. Recognizing these uncertainties, the JCS member concluded nevertheless that Iran needs solid US support, in the form of modern arms and equipment and appropriate military training and advice, in order effectively to deter or defend against potential military action by radical Arab forces.

The JCS member noted that the currently proposed program for modernizing and building up Iran's military establishment over the next half-decade has been developed in close consultation by the Chief of the US Military Assistance Advisory Group and Iranian authorities. Iran's ability to absorb the equipment in question was implicit in the development of the program. In summary, the JCS member stated, the program made sense from a military viewpoint.

Economic Factors. The IRG devoted considerable attention to the question of Iran's economic situation and its ability to finance a major program of military reinforcement. It noted Iran's impressive record of an 8-9% annual economic growth in real terms in the last three years in a climate of price stability. Rising oil revenues have permitted a steady increase in expenditure for economic development as well as for defense. It noted that Iran's new Five Year Development Plan, which went into operation on March 21, 1968, aims at increasing GNP at an average annual rate of 9.3%. This Plan foresees a rise in the proportion of fixed public and private investment to GNP from 21% in 1967 to 25.3% over the 5-year period.

The members agreed, however that many uncertainties and intangibles make it impossible to predict with assurance the precise course of Iran's economy over the next several years. A major uncertainty is the GOI's projection of oil revenues, which depends on the outcome of discussions now under way with the Oil Consortium. It was agreed that the GOI projection of a 17% average annual increase is too high, but that there would nevertheless be an appreciable rise in Iran's oil revenue, perhaps at a 12% annual rate. Doubts were also expressed as to whether Iran's non-petroleum exports will rise as fast as projected by the GOI, and whether the GOI could hold down its defense expenditures as planned. The AID member expressed particular concern that a shortfall of oil revenue could force a cutback in proposed development expenditure by Iran's Plan Organization; such a cutback could have internal political repercussions as well as economic implications, since it could reduce government investment for the next few years below the rate estimated for 1966 and 1967.

The IRG agreed that, although there was cause for optimism as a result of Iran's past record and that, although there was no cause for concern as to the \$100 million military sales program proposed for FY68, it is most important that the GOI arms program not interfere unnecessarily with Iran's economic development and progress. The actual course of Iran's economic expansion will have to be kept under careful review, particularly regarding Iran's ability to finance an arms buildup such as it proposes. The balance between economic progress and defense outlay will continue to be a prime factor in our consideration of Iran's specific request for arms each year.

Congressional Factors. The IRG noted recent Congressional concern over arms races and over possible excessive expenditure on defense by foreign countries with which we have an aid or supply relationship. It also took note of the fact that our ability to supply arms on credit to a country such as Iran after the end of this fiscal year will depend upon passage of new military sales legislation now before the Congress, and also on the availability of appropriated funds to support annual credit sales programs. It was agreed that these factors tended to militate against our seeking to enter into any more or less firm "commitment," however hedged, involving precise credit sales levels for several years beyond the current fiscal year. The Chairman noted that any type of multi-year proposal would probably have to be discussed with Congressional leaders.

The AID member raised a question as to the need for a Presidential determination in the event of an increase in the military credit sales program for Iran in FY 1968, above the illustrative \$50 million presented to the Congress last year, under the final proviso in the military

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assistance item of the Foreign Assistance and Related Agencies Appropriation Act, 1968. There is a difference of view among legal experts in State, Defense, and AID on this question. It was agreed that this issue should be clarified, but that it was not substantively critical to the larger question before the IRG inasmuch as any recommendation on the FY 1968 credit sales tranche would require Presidential approval.

Annual Review. The members attached crucial importance to the annual review of political, military, and economic factors to be considered prior to a decision on each annual tranche of military sales to Iran. It will be necessary, for example, to have in mind the development of relations between Iran and Saudi Arabia and the other Persian Gulf entities; the development of the threat from the radical Arab states; the economic situation in Iran, and particularly the effect of defense outlay on Iran's economic development program; and our own military requirements, financial situation and credit availabilities. The Chairman emphasized that the annual review will be a key part of any multi-year arrangement with Iran. The precise level and composition of each annual sales program would be decided upon the basis of the annual review.

Conclusions and Recommendation. The IRG considered a proposal for a six-year (FY 1968-FY 1973), \$600 million military credit sales proposal for Iran, as well as various alternatives, in the light of the above factors. It was agreed that we have an overriding political interest in offering to the Shah an arms supply proposal that would be adequate to bolster the Shah's confidence in our desire to retain our intimate military relationship with Iran; to keep him from feeling that he had no choice but to turn to the Soviets for sophisticated arms; and to support continuance of our present close and constructive overall ties with Iran. It was agreed that some form of multi-year understanding is essential for this purpose. It was also agreed that it would be desirable, if possible, to conclude such an arrangement with Iran before the Shah's expected visit to Washington on June 12, 1968.

The IRG agreed to recommend to higher authority a proposal as follows:

To protect our important interests in Iran, to assist the maintenance of stability in the Middle East, and to ensure the continuation of the valuable U.S.-Iranian relationship in the military field, while at the same time maintaining a requisite degree of flexibility, the U. S. should before June 1:

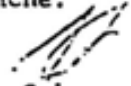
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~~LIMDIS~~

1. Offer Iran a credit sales program for FY 1968 on concessional terms for a minimum of \$75 million and, subject to the availability of necessary additional funds, a maximum of \$100 million. (This to be dependent on funding arrangements and global availability of funds.)
2. Tell the Shah that we recognize his desire to work for the five-year plan he developed with the Chief of our MAAG as Iran's program for modernization for the next five years, and engage to cooperate with him in his attaining this goal on the following basis:

Governed by an annual review by each government of the political, military, and economic factors bearing upon the size, nature, and funding of each annual program; the U. S. declares its intention each year to seek Congressional authority and appropriations for such cash and credit sales as both governments would agree were indicated to move toward accomplishment of the Shah's program.

The IRG also agreed that it would be necessary for the U. S. to undertake intensive annual internal studies on the political, economic, and military implications of the Shah's military program, commencing with timely preparation for the FY 1969 tranche.


Sidney Sober
Staff Director

Members present:

Executive Chairman: Mr. Battle

AID: Mr. Williams

CIA: 

DOD: Mr. Schwartz

JCS: Brig. Gen. Doyle

NSC: Mr. Saunders

USIA: Mr. Carter

ACDA: Mr. Van Doren

BOB: Mr. Clark

Eximbank: Mr. Middleton (3/21); Mr. Carlisle (4/3)

Treasury: Mr. Albright

State: Mr. Rockwell; Mr. J. Wolf; Mr. Eliot; Mr. J. Campbell (4/3)

DOD: Mr. Reed; Mr. Olney (3/21); Mr. Ligon (4/3)

SIG: Mr. Ruser

Staff Director: Mr. Sober

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DECLASSIFIED
E.O. 12958, Sec. 3.6

LIMDIS

NLJ 97-281
By us, NARA Date 10-5-98

SUBJECT: Military Credit Sales Program for Iran

1. The President has approved, Congressional consultation has been completed, and you are hereby authorized to inform the Shah of USG approval of the following Military Credit Sales Program for Iran:

a) USG offers to Iran a military credit sales program for FY 1968 on concessional terms for a minimum of \$75 million and, subject to the availability of necessary additional funds, a maximum of \$100 million. (This is to be dependent on funding arrangements and global availability of funds.)

b) You should tell the Shah that we recognize his desire to work toward a program of military modernization for the next five years and that we engage to cooperate with him in his attaining this goal on the following basis:

The United States Executive Branch declares its intention each year to seek Congressional authority and appropriations for

NEA/IRN:WIMcClelland:cal 4/17/68 2498

S - The Secretary

NEA/IRN-115110r, Jr.

OASD/ISA/ISA-115110r (draft)

C/PM-D. Junior (draft)

NEA-S. Rockwell

OASD/ISA/ISA-115110r (draft)

L/E-M. Alsborg (draft)

NEA/TA-SSober (draft)

AID/ISA-115110r (draft)

White House-M. Saunders

S/S

Treasury-M. Albright (draft)

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such credit sales as both governments would agree were indicated to move toward accomplishment of the program mentioned above. On the part of the United States the amount of authority and funds sought, and the amount of sales made for cash, would be subject to the results of a yearly review, with the Government of Iran, including reviews of Iran's economic development and military programs, as well as an assessment of the effect of military purchases on the Iranian balance of payments and budgetary situation. The actual amount ^{and terms} of credit made available to Iran in each year will of course depend on the amount of credit authorization ^{on prevailing credit market factors} and appropriations approved by the Congress ^{and} on other US requirements worldwide. If the amount of credit authorization and appropriations approved by the Congress proves in future years to be insufficient for the mutually agreed needs of Iran, the Executive Branch declares its intention to do what it can to help Iran obtain credits from non-Governmental banking sources.

2. As previously discussed with the Shah and Governor Samii of the Central Bank, the GOI in cooperation with USG plans to undertake negotiations with available private and/or government financial institutions to obtain agreed upon credits under this program. You should tell the Shah that, depending on the results of our review of credit sources negotiations in either the US or Tehran may be appropriate and that we will be in touch with Governor Samii.
3. You should inform the Shah that the President's action is a token of our confidence in the Shah and in Iran, that the equipment we are providing will be responsibly employed to the maintenance of peace and stability in the area. We further hope, that with this arrangement made, Iran can devote the fullest possible

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Ambassy TEHRAN

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resources to economic development and social reform.

4. You should tell the Shah that as in former years we have carefully reviewed the economic data provided by the Central Bank and congratulate Iran on its continuing economic progress. Although we have concluded that Iran's economy is making good progress and warrants a large credit increment this year, there are a few points of concern. For example, we note that security expenditures have grown very rapidly over the last few years and we hope it will be possible ^{to increase close to the growth in the economy and, in any event,} for the GOI to keep ~~them at a level~~ no higher than that projected in the Central Bank figures (11.6 percent increase per year) in future years. We are also concerned that increasing payments for arms purchases may reduce total public investment and thus reduce the rate of economic growth. We believe economic improvement and social betterment are best assurance of security in long run against threats to Iran and urge that Iran's economic progress not be adversely affected by her military expenditures.

GP-3.

END

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

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APR 27 1968

MEMORANDUM FOR THE PRESIDENT

Subject: Arms Sales to Iran

State, with the concurrence of Defense, recommends that you approve the following response to an Iranian arms request:

- a FY 1968 credit sales program on concessional terms of \$75-100 million depending on availability of funds;
- a promise that annually over the next five years (FY 1969-73) the Executive Branch will seek funds (as agreed by the two governments) for credit sales to support the Shah's program of force modernization, based upon joint reviews of Iran's military and economic situation.

The proposed approach is in lieu of a \$600 million, six-year commitment (FY 1968-1973) proposed by our mission in Iran based on the Shah's original \$800 million request.

1968 program

I have little problem with the 1968 sales proposal. We have the funds and authorization to cover the \$75 million, and possibly up to the \$100 million. The 1968 program would complete our 1966 sales commitment to Iran. Iran's economy now appears able to handle this financial commitment. In FY 1968, Iran is exempted from the Conte-Long amendment. Since we are not providing economic aid or P.L. 480 sales, the Symington amendment does not apply.

Longer-term commitment

I agree with State and Defense that we are in no position to meet the Shah's longer-term request for the 6-year, \$600 million dollar program.

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E.O. 12958, Sec. 3.6

NLJ 97-284

By lis, NARA Date 2-23-98

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- . We face uncertainties as to congressional action on our new military sales legislation (Congress terminated key elements of our existing sales program as of June 30, and we expect cuts in our \$296 million 1969 program.)
- . There are serious questions (discussed below) as to the military and economic justification of sales of this magnitude to a developing country like Iran.

I have two concerns with the proposed, longer-term approach: (1) that our representatives in Iran make clear to the Shah that the level and credit terms of future year programs will vary based on annual reviews, and (2) that U.S. agencies undertake the economic and military studies necessary to make the "joint" reviews meaningful.

Although Iran's recent growth rate in GNP has been 8-9 percent, looking to the future there is cause for concern as to the impact of military sales on economic development.

- . Military spending has been rising 20 percent per year or more in 1966, 1967, and 1968, a rate of increase double their early projections to us.
- . Iran devotes over 8% of GNP to defense compared with 5% for Turkey and 3 1/2% for India (see attached table). In absolute terms, Iran spends more of its own resources for defense than Turkey, but has less than one-third as many men under arms.
- . Iran's current economic forecasts hinge on highly optimistic projections of increases in oil revenues which are not borne out by recent negotiations with the oil consortium.
- . In the past when revenues have not come up to expectations and defense costs have risen, Iran has let its development plans slip and put defense spending first.

For 1969 and beyond, the new arms sales bill would require us to be sure before making a sale that a country is not

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diverting either our aid or its own resources to unnecessary military expenditures to a degree which materially interferes with its development.

On the military side, if we follow the Shah's 6-year program Iran will have in the early 1970's over 1,100 modern tanks and 177 combat jet aircraft, of which 64 would be F-4's with considerable offensive capability. Approval of future arms sales should be based upon a rigorous U.S. assessment of the military need for such weapons relative to conceivable threats to Iran; the consequences of an Iranian buildup on the Shah's neighbors (e.g., Saudi Arabia and Arab oil kingdoms); and the ability of Iranian forces to operate sophisticated arms effectively.

In this light, Walt Rostow and I believe that we should initiate economic and military studies now in order to affect the FY 1970 budget this fall and to be ready for the first joint review with Iran next spring. We will pursue this matter with State, Defense, and AID.

Charles J. Zwick

Charles J. Zwick
Director

Attachment

Approve the \$75-100 million sale for 1968 and the longer-term supply relationship, without commitment to specific program levels and credit terms. _____

Disapprove _____

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ATTACHMENT

64g

SELECTED DEFENSE EXPENDITURES
AND ARMED FORCES LEVELS INDICATORS

(Based on current fiscal year)

(\$ in millions)

A. Defense Expenditure Indicators

	<u>Total Budget</u>	<u>Defense Budget</u>	<u>% change over previous year</u>	<u>% of budget to defense</u>	<u>% of GNP to defense</u>
India	6788	1519	+5	23	3.4
Pakistan	2230	475	-4	21	3.5
Turkey - own re- sources (inc. US MAP)	2086	441 (528)	+6	21	5.0
Iran * - current	2309	508	+24	22	8.4
by 1973	3562	963	+11	27	8.9

B. Armed Forces Levels Indicators

	<u>Population</u>	<u># men</u>	<u># tanks</u>	<u># jet combat aircraft</u>
India	511,000,000	1,146,000	1,300	900
Pakistan	120,000,000	286,000	900	325
Turkey	34,000,000	518,000	2,289	369
Iran * - current	26,300,000	153,600	705	121
by 1973	30,100,000	172,000	1,110	177

* Iran figures for 1973 assume 1) Iranian 4th Plan projections and
 2) implementation of full \$600 million package requested.

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E.O. 12958, Sec. 3.6

NLJ 97-284

By us, NARA Date 2-23-98

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E.O. 12958, Sec. 3.6

~~CONFIDENTIAL~~

NLJ 97-284

Wednesday, May 1, 1968

12:55 p.m.

By *is*, NARA Date *2-25-98*

65

MR. PRESIDENT:

You may wish to consider calling in the members of the Vietnam negotiating team, plus the senior members of the government who will be backstopping the effort -- if it ever begins -- and talking to them along the following lines.

1. All members of the government must understand that in dealing with Hanoi -- and their Communist friends -- we are not dealing with diplomats in the old classical 19th Century tradition. They may well behave in formal diplomacy with correctness, skill, and lucidity. But they view diplomacy as the net outcome of their ability to influence the following factors during the negotiation itself:

- the military situation on the ground;
- the political situation inside South Vietnam;
- U. S. -GVN relations;
- "world opinion" and U. S. political forces that might bear on the Executive Branch.

2. As a government we shall, therefore, have to fight the battle on all these fronts, in addition to diplomacy itself. Our experience with the first month since the President's March 31st statement already demonstrates this fact beyond doubt. Therefore, the President wishes the government to think automatically in terms of all these dimensions of the negotiation in relationship to one another and to working towards a total U. S. policy which advances our interests.

3. Beyond that the President wishes those concerned to know that one major reason that he withdrew from candidacy was to assure that the positions taken in the months ahead on Vietnam would be positions that he judged right in the U. S. interest, freed of any short-run U. S. political pressures. The President wishes peace in Southeast Asia at the earliest possible moment. He wishes all members of the government to apply to this end all the imagination, skill, experience and insight of which they are capable. But this Administration will only settle for an honorable peace as we understand it.

4. Therefore, the President asks all members of the government to operate as a united team. There will, of course, be differences of view among us and debates on this move or that move at one time or another. These debates and discussions must be kept wholly within the family. We are negotiating with Hanoi, not with each other. That negotiation should take place between governments and not between the U. S. government and the press.

CONFIDENTIAL

W. W. Rostow

Wednesday, May 1, 1968
11:55 a. m.

MR. PRESIDENT:

Not knowing whom to talk to in the White House since Marv Watson left, Wayne Hays called me with the following message.

1. He has a number of Administration bills in his committee; but he won't move them until he gets satisfaction on three matters.
2. First, the Paris Embassy. He says that the State Department wants to renovate the present Embassy. He sees no sense in it. The Rothschild house which we own is deteriorating. We should get out of the Embassy and into the Rothschild house and it won't cost one new dollar.
3. The Embassy in Begeta. We are paying an excessively high lease. Using only two-thirds of our present Embassy residence, we will pay the total cost of the building in five years. Again, we ought to get into a new Embassy and, according to Congressman Hays, it would cost us nothing.
4. A man named George Renshard was promised consideration for an Ambassadorial appointment by the White House. An African post was mentioned. But nothing has happened. He wants to know what will happen.
5. After Hays called me, Bill Macomber called and said he was in the office when Hays phoned me. Macomber will get on to these three matters at State. He says that on the two Embassies, Hays "has a point." He also says that Renshard has other Congressional support.

I will report back to you what Macomber can move in these matters. I would be grateful for any interim guidance.

W. W. Rostow

67
INFORMATION

~~TOP SECRET TRINE--MARIA THREE~~

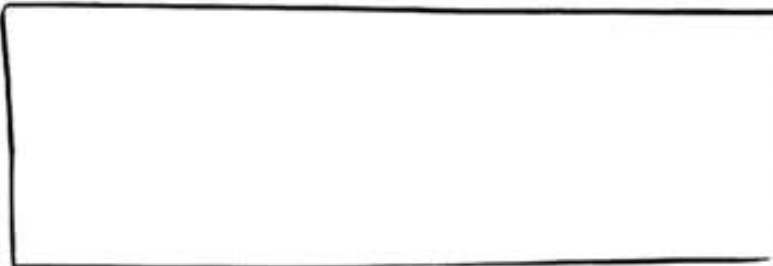
Wednesday, May 1, 1968 -- 9:10 a.m.

Mr. President:

These two sensitive pieces of intelligence --
one from a French source, [redacted]

3.4(b)(1),(3)

[redacted] indicate Hanoi was engaged
almost simultaneously in high-level discussions
with Peking and Moscow round about April 20.



3.4(b)(1),(3)

W. W. Rostow

Paris 13331
Intercept
Paris 13321

~~TOP SECRET~~

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E.O. 12958, Sec. 3.6
NLJ/RAC 00-331
By SJ, NARA, Date 2-7-03

WWRostow:rla



Department of State

12
TELEGRAM 670

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NODIS/MARIA THREE

SUBJ: FRENCH CHARGE'S CONVERSATION WITH DRV AMBASSADOR PEKING

SOURCE PROVIDED EMBASSY WITH FOLLOWING REPORT DATED APRIL 26 FROM PEKING:

BEGIN TRANSLATION:

I REFER TO MY TELEGRAM 914.

YESTERDAY, AT A RECEPTION, I SAW MR. LOAN AGAIN. THE DRV REPRESENTATIVE MENTIONED AGAIN, SPONTANEOUSLY, AS HE ALREADY DID ON APRIL 12 (SEE MY TELEGRAM UNDER REFERENCE), THE PROBLEM OF THE SITE FOR THE MEETING BETWEEN AMERICAN AND NORTH VIETNAMESE DELEGATES. HE INDICATED TO ME THAT IN HIS OPINION THERE WAS NOW PRACTICALLY NO LONGER A CHOICE EXCEPT BETWEEN PARIS AND WARSAW.

THE AMBASSADOR APPEARED TO BE MORE RELAXED AND LESS OCCUPIED THAN LAST WEEK. THE OPINION IS HELD HERE IN DIPLOMATIC CIRCLES THAT

PAGE 2 RUFNCR 13331 ~~SECRET~~

THE SECRET CONVERSATIONS BETWEEN THE CHINESE AND VIETNAMESE AUTHORITIES (SEE MY TELEGRAMS 943-47) WITH A HIGH PERSONALITY OF THE LAO DONG PARTICIPATING, ALLEGEDLY WERE CONCLUDED AROUND APRIL 20.

OUR COLLEAGUES GENERALLY AGREE IN BELIEVING THAT THE REPRESENTATIVES OF THE NLF WERE ASSOCIATED WITH THESE DISCUSSIONS AND THEY TEND TO DISCARD AS BASELESS THE RUMORS CONCERNING THE EXISTENCE OF DIFFERENCES BETWEEN HANOI AND THE FRONT ON THE QUESTION OF THE OPENING OF TALKS.

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DECLASSIFIED

Authority RAC 32696

By us NARA Date 5-11-99

~~SECRET~~

-2- 13331 FROM PARIS, APRIL 30, 1968 (NODIS)

THE CHARGE D'AFFAIRES OF CUBA ASSURES ME THAT THE EFFORTS UNDERTAKEN BY THE CHINESE TO MANIPULATE THE SOUTHERN ORGANIZATION (VIET CONG) HAVE NOT, UP TO NOW, GIVEN THE HOPED FOR RESULTS. HE NOTES THAT HIS INTERLOCUTORS FROM HANOI, WHERE HE WAS FOR A LONG TIME AMBASSADOR, ALWAYS JUSTIFIED TO HIM THEIR REFUSAL TO DEAL UNDER CONDITIONS DESIRED BY MOSCOW BY THEIR CONCERN NOT TO CUT THEMSELVES OFF COMPLETELY FROM SOUTH VIETNAM.

THE AMBASSADOR OF CAMBODIA, WHO MAINTAINS HERE CLOSE CONTACTS WITH THE MISSION OF MR. NGUYEN VAN QUANG, ASSERTS THAT THE NLF IS SIMPLY A BRANCH OF THE LAO DONG AND THERE IS ONLY A DIFFERENT DISTRIBUTION OF ROLES BETWEEN THE TWO ORGANIZATIONS.

NATURALLY, I LEAVE TO OUR DELEGATE GENERAL IN HANOI

PAGE 3 RUFNCR 13331 ~~SECRET~~
TO EVALUATE THE ACCURACY OF THESE COMMENTS.

END TRANSLATION.

GP-1. WALLNER

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Department of State

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1968 APR 30 PM 5 01

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Authority RAC 16568
By iso NARA, Date 5-11-99

3

NODIS MARIA THREE

SUBJECT: CHICOMS ON HANOI'S WILLINGNESS TO MEET US

SOURCE PROVIDED EMBASSY WITH FOLLOWING UNDATED REPORT FROM HANOI:

1. THE CONSEQUENCES ON RELATIONS BETWEEN PEKING AND HANOI OF THE VIETNAMESE DECISION TO AGREE TO NEGOTIATIONS ARE ALL THE MORE DIFFICULT TO DETERMINE SINCE FOR SEVERAL WEEKS, THE PRESS HAS BEEN VERY DISCREET REGARDING CHINA. ONLY TWO ITEMS OF INFORMATION WERE NOTED ON THIS SUBJECT.

2. "THE NEWSPAPERS PUBLISHED APRIL 15 A DECLARATION BY THE:

PAGE 2 RUFNCR 13321 ~~SECRET~~

ASSOCIATION OF CHINESE NATIONALS RESIDING IN VIETNAM DEMANDING OF THE UNITED STATES THE DEFINITIVE AND UNCONDITIONAL CESSATION OF BOMBINGS, THE END OF THE AGGRESSION, AND THE WITHDRAWAL OF AMERICAN TROOPS. IN THE DECLARATION, THE CHINESE NATIONALS COMMIT THEMSELVES TO FIGHT TOGETHER WITH THE VIETNAMESE PEOPLE UNTIL THE FINAL VICTORY. THIS DOCUMENT MAKES NO REFERENCE TO THE VIETNAMESE GOVERNMENT'S APRIL 3 DECLARATION. THIS DECLARATION WAS PUBLISHED, ALONG WITH OTHER RESOLUTIONS ADOPTED BY CULTURAL GROUPS AND MASS MOVEMENTS, UNDER THE TITLE 'THE POPULAR GROUPINGS OF VIETNAM APPROVE THE APRIL 3 DECLARATION OF THE GOVERNMENT.

3. "FURTHERMORE, THE CHINESE-LANGUAGE NEWSPAPER, 'TAN-VIET HOA' ('NEW VIETNAM AND NEW CHINA') PRINTED IN ITS APRIL 16 ISSUE LONG EXTRACTS FROM THE APRIL 15 ARTICLE IN 'THE PEOPLE'S DAILY' REJECTING ANY IDEA OF NEGOTIATION AND URGING THE VIETNAMESE TO CONTINUE THE FIGHT UNTIL THEY HAVE COMPLETELY EXPELLED THE AGGRESSOR FROM THE NATION'S TERRITORY.

4. "A HIGH-LEVEL DELEGATION REPORTEDLY LEFT FOR PEKING AFTER

~~SECRET~~

~~SECRET~~

-2- 13321 FROM PARIS, APRIL 30, 1968 (NODIS)

PAGE 3 RUFNCR 13321 ~~SECRET~~

APRIL 3 TO EXPLAIN THERE THE VIETNAMESE DECISION. HOWEVER, IT IS NOT POSSIBLE TO OBTAIN CONFIRMATION OF THIS TRIP OR THE LIST OF THOSE MAKING THE JOURNEY.

5. "THE OPINION GENERALLY PREVAILING IN SOCIALIST DIPLOMATIC CIRCLES IS THAT CHINA MAINTAINS, FOR THE MOMENT, THE ATTITUDE WHICH SHE HAS ALREADY DEFINED. SHE WILL REPORTEDLY REAFFIRM TO VIETNAM HER OPPOSITION IN PRINCIPLE TO NEGOTIATIONS AND WILL REPORTEDLY UNDERLINE TO THE VIETNAMESE THE DANGERS TO WHICH THE ARRANGEMENT WITH THE IMPERIALISTS EXPOSES IT. ALSO, CHINA WILL REPORTEDLY VIGOROUSLY DISCOURAGE VIETNAM FROM PURSUING THIS COURSE BUT SHE WILL NOT REPORTEDLY EXERCISE ANY MATERIAL PRESSURE TO PREVENT TALKS WITH THE AMERICANS. SHE WILL REPORTEDLY RESERVE HER LIBERTY OF ACTION FOR THE FUTURE."

GP-1

WALLNER

BT

~~SECRET~~

68

INFORMATION

~~—SECRET—CROCODILE~~

Wednesday, May 1, 1968 -- 8:45 a.m.

Mr. President:

Herewith two conversations in Saigon that may interest you:

-- Bunker and Thieu, with Thieu analysing Hanoi's intentions; stating that "in ten days or so we shall know whether Hanoi means to talk"; and raising a problem we may face down the line about the resumption of bombing in the Hanoi-Haiphong area.

-- A conversation with Do who suggests the beginnings of U.S.-GVN discussions of negotiations on a systematic basis; stating his view that it was unlikely that Hanoi would in fact engage in large-scale attacks during talks.

W. W. Rostow

Saigon 26022
Saigon 26094

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-284
By us, NARA Date 2-23-98

~~—SECRET—CROCODILE~~

WWRostow:rla



Department of State

TELEGRAM

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1968 MAY 1 AM 12 42

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NODIS

NODIS/CROCODILE

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-281
By LCR NARA Date 10-5-98

REF : STATE 194614

1. WHEN I TOLD THIEU THIS MORNING THAT HANOI HAD RESPONDED TO OUR LAST MESSAGE AND PROPOSED WARSAW AS PLACE TO NEGOTIATE ON SITE FOR EXPLORATORY CONTACTS AND THAT WE HAD REJECTED THIS (REFTEL), HE ASKED HOW LONG WE ESTIMATED HANOI WOULD CONTINUE THESE DELAYING TACTICS. I ASKED WHAT HE THOUGHT.

PAGE 2 RUMJIR 26022-~~SECRET~~

2. HE SAID THE PRESIDENT'S BOMBING LIMITATION ANNOUNCEMENT HAD COME AS A SURPRISE TO HANOI AND THEY WERE NOT READY. THEY SEIZED ON IT AND RESPONDED AFFIRMATIVELY HOWEVER, FOR TWO REASONS:

A. THEY WOULD HAVE BEEN CONDEMNED BY WORLD OPINION IF THEY IGNORED THE OFFER TO TALK, AND WOULD HAVE BEEN HELD RESPONSIBLE FOR THE RESUMPTION OF BOMBING.

B. MORE IMPORTANT, HANOI NEEDED A RESPITE TO REBUILD ITS FORCES WHICH WERE BADLY HURT IN THE TET OFFENSIVE.

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PAGE -2- SAIGON 26022, APR. 30, 1968

NODIS/CROCODILE

3. HANOI WILL STRETCH OUT EACH MOVE IN OUR EFFORT TO GET NEGOTIATIONS GOING AND EVEN AFTER TALKS START, BECAUSE IT HAS THREE GOALS:

A. TO USE THE TIME GAINED TO MAKE A MAXIMUM EFFORT TO RESUPPLY MEN AND MATERIEL IN ORDER TO STRENGTHEN ITS NEGOTIATING POSITION.

B. TO PREPARE FOR A NEW MILITARY OFFENSIVE, FOR HANOI HAS NOT GIVEN UP HOPE OF A MILITARY VICTORY, EVEN THOUGH THIS IS NOW IMPOSSIBLE.

PAGE 3 RUMJIR 26022 ~~SECRET~~

C. TO TALK AND FIGHT AT THE SAME TIME IN THE EXPECTATION THAT IT WILL HAVE AN ADVANTAGE IN THE NEGOTIATIONS IF IT MAINTAINS MILITARY ACTION.

4. THIS PRESENTS "US" (I.E. SVN AND U.S.) WITH A DILEMMA. HOW LONG CAN "WE" AFFORD TO LET THE BOMBING PAUSE CONTINUE, WITH ITS HIGH LEVEL OF INFILTRATION? IT IS NOW A MONTH. IN TEN DAYS OR SO WE SHALL KNOW WHETHER HANOI MEANS TO TALK. HE ASKED WHAT WERE THE VIEWS OF THE U.S. ON THIS POINT. I SAID MY PERSONAL FEELING IS THAT THE TIME IS APPROACHING WHEN WE SHALL HAVE TO LET HANOI KNOW THAT WE ARE NOT GOING TO WAIT INDEFINITELY.

5. THIEU ASKED IF IT WAS GOING TO BE POSSIBLE FOR U.S. TO RENEW THE BOMBING NORTH OF THE 20TH PARALLEL IN VIEW OF THE "SENSITIVITY" OF THE AMERICAN PEOPLE. FROM SOUTH VIETNAMESE POINT OF VIEW, THEY WOULD BE HAPPY TO SEE THE BOMBING RENEWED, IF THE TALKS ARE MUCH LONGER DELAYED. PEOPLE HERE WILL BEGIN TO DISCUSS THIS VERY SOON, AND THE U.S. WOULD COME IN FOR CRITICISM AS BEING "TOO PATIENT" AND "TOO SOFT". OUR SPOILING OPERATIONS HAVE DELAYED HANOI'S EFFORT TO LAUNCH ANOTHER OFFENSIVE, BUT IT IS COMING, AND CANNOT BE DELAYED. IF NOT MAY THEN JUNE. WHAT IS MORE, IF THE ATTACK COMES WITHOUT ANY TALKS IN PROGRESS AND THE BOMBING RESTRICTION IS MAINTAINED, PEOPLE WILL BEGIN TO ASK HERE WHY THE U.S. PERSISTS IN SUCH A ONE-SIDED POLICY.

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PAGE -3- SAIGON 26022, APR 30, 1968

NODIS/CROCODILE

6. I ASKED THIEU WHERE HE NOW THOUGHT THE ATTACKS WOULD COME. HE SAID HE THINKS THE MAIN EFFORT WILL BE DIRECTED AGAINST HUE, AND POSSIBLY THE HIGHLANDS. HANOI CANNOT DO MORE THAN PUT ON A SHOW IN SAIGON, AND THIS WILL BE A SECONDARY THEATRE. BUT THEIR AIM REMAINS THE SAME: TO OBTAIN A COLLAPSE OF THE GVN AND THE ARVN FORCES. IT WILL NOT COME OFF. THE COUNTRY IS FAR READIER THAN IT WAS AT TET, AND THE ENEMY WILL PAY A HEAVY PRICE FOR THEIR ATTACKS.

7. COMMENT: IT WAS CLEAR THAT THIEU WAS PROBING AS TO OUR INTENTIONS AND AT THE SAME TIME WAS CONCERNED WITH WHAT HE SEES IS A PROBLEM LOOMING AHEAD IN TERMS OF HIS PUBLIC AND OUR RELATIONS. I DID NOT THINK IT USEFUL TO SPECULATE ABOUT HYPOTHETICAL POSSIBILITIES. THIS MORNING'S TALK GIVES YOU SOMETHING OF THE QUALITY OF THIEU'S ORDERLY THINKING AND THE QUIET SELF-CONFIDENCE WITH WHICH HE VIEWS THE NEXT ENEMY OFFENSIVES.

BUNKER

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Department of State

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DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-281
By W, NARA Date 10-5-99

NODIS/CROCODILE

REF: SAIGON 26022

1. AS A FOLLOW-UP TO CONVERSATION BETWEEN AMBASSADOR AND PRESIDENT THIEU REPORTED REFTEL, FOREIGN MINISTER ASKED POLITICAL COUNSELOR TO CALL TO DISCUSS NEXT STEPS IN US/GVN CONSULTATION PROCESS. AMBASSADOR HAD SUGGESTED TO THIEU THAT WE COMMENCE THE INFORMAL DISCUSSIONS IN RESTRICTED GROUP AS SOON AS POSSIBLE. IT WAS AGREED THAT FIRST MEETING OF GROUP WOULD TAKE PLACE LATE AFTERNOON MAY 2.
2. POLITICAL COUNSELOR SUGGESTED THAT FIRST MEETING COVER PRELIMINARY EXCHANGE OF VIEWS ON FIRST TWO OR THREE POINTS LISTED IN SUGGESTED OUTLINE GIVEN TO DO APRIL 19 (SAIGON 25167).

PAGE 2 RUNJIR 26094-~~SECRET~~

DO SAID THAT THIEU WISHED TO TALK PRIMRILY ABOUT SUBSTANCE OF US/DRV CONTACT TALKS BASED ON THE INSTRUCTIONS TO HARRIMAN WHICH HAD BEEN REVIEWED SEPARATELY WITH THIEU, KY AND DO. HE ADDED THAT GVN WISHED TO EXPRESS CERTAIN VIEWS ON US/DRV TALKS BUT AGREED THAT A PRELIMINARY EXCHANGE ON (1) PARTICIPATION AND (2) AGENDA OF SUBSEQUENT TALKS MIGHT FIT INTO THIS DISCUSSION. DO EMPHASIZED, HOWEVER, THAT THEY WISHED THIS FIRST EXCHANGE TO BE RELATED TO PRELIMINARY US/DRV TALKS.

3. IN COURSE OF CONVERSATION DO SAID HE DIFFERED SOMEWHAT WITH THE ANALYSIS OF ENEMY INTENTIONS BY THIEU AND OTHER GVN MILITARY LEADERS. HE THOUGHT IT WAS UNLIKELY THAT THERE WOULD BE A LARGE ENEMY ATTACK DURING THE PERIOD OF TALKS. HE BELIEVED THAT HANOI PLACED SUFFICIENT IMPORTANCE ON INTERNATIONAL REACTIONS SO THAT THEY WOULD NOT WANT TO RISK WIDESPREAD

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-2- SAIGON 26094, May 1, 1968

NODIS/CROCODILE

CRITICISM THROUGH A MASSIVE ATTACK ON SAIGON OR OTHER KEY URBAN AREAS IN SVN. DO THOUGHT THE ENEMY WOULD INSTEAD KEEP UP ITS HEAVY RATE OF INFILTRATION OF MEN AND SUPPLIES, CONTINUE TO SPREAD RUMORS OF ATTACKS AS PART OF A PSYCHOLOGICAL CAMPAIGN, AND KEEP UP A REASONABLY HIGH LEVEL OF MILITARY PRESSURE AROUND THE COUNTRY.

PAGE 3 RUMJIR 26094 ~~SECRET~~

BUT WOULD NOT AT A LEVEL WHICH COULD MAKE THEM EASILY VULNERABLE TO CHARGES OF BAD FAITH. HE CITED RECENT HANOI COMMENTARY CLAIMING MASSIVE US AND GVN MILITARY ACTIVITIES AS AN INDICATION OF THEIR CONTINUING EFFORT TO DEPICT OUR SIDE AS EXHIBITING BAD FAITH.

4. DO WAS MUCH CONCERNED WITH THE POSSIBLE EFFECT IN SVN OF THE NEW "VIET NAM ALLIANCE OF NATIONALIST, DEMOCRATIC, AND PEACEFUL FORCES" (SAIGON 25825). HE FEARED THAT THIS NEW HANOI/NLF EFFORT WOULD BE NOT ONLY MISLEADING TO AMERICAN AND OTHER OPINION ABROAD, BUT MIGHT ALSO ATTRACT CERTAIN SOUTH VIETNAMESE WHO DID NOT UNDERSTAND ITS PURPOSE AND REALITY. (TRAN VAN TUYEN EXPRESSED THE SAME CONCERN TO POLITICAL COUNSELOR EARLIER IN THE DAY, SAYING THAT HE FEARED CERTAIN DISCONTENTED STUDENTS AND INTELLECTUALS MIGHT BE DRAWN INTO THIS NEW EFFORT TO CREATE THE APPEARANCE OF AN ORGANIZATION SEPARATE FROM THE NLF AS A COUNTER TO THE GVN AND OTHER GENUINE NATIONALIST GROUPS. TUYEN REMARKED THAT THE VC WERE STILL HAVING SOME SUCCESS WITH CERTAIN STUDENT CIRCLES IN THE SAIGON AREA.) DO SAID THAT HE KNEW LAWYER THAO WHO HAD LONG BEEN IDENTIFIED WITH PRO-COMMUNIST

PAGE 4 RUMJIR 26094 ~~SECRET~~

ACTIVITIES, AND CONSIDERED THAT HE AND OTHERS HAD BEEN TAKEN IN BY THE NLF. IN RESPONSE TO A QUERY, DO SAID THAT GVN EFFORTS TO CONTACT THE NLF/VC QUIETLY HAD STILL BROUGHT NO RESPONSE. HE REITERATED HIS VIEW THAT THE FORMER SOUTHERN NATIONALIST INDIVIDUALS IN THE NLF LEADERSHIP WERE TOO FAR GONE IN THEIR INVOLVEMENT WITH THE COMMUNISTS TO HAVE ANY REAL FREEDOM OF ACTION AT THIS TIME. BUNKER
BT.

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INFORMATION

Profile

~~SECRET~~--CROCODILE

Wednesday, May 1, 1968 -- 8:40 am

Mr. President:

Herewith Sec. Rusk's outgoing to Bowles and Bowles' reply.

Bowles is confident Mrs. Gandhi would act and urges us to authorize him promptly to approach her.

The problem is that it would be preferable to hear from Rumanians on the question we put to them about our allies before unleashing Mrs. Gandhi.

W. W. Rostow

State 155877 to New Delhi
New Delhi 13492

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-284
By ics, NARA Date 2-23-98

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WWRostow:rla

OUTGOING TELEGRAM Department of State

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Origin ACTION: Amembassy NEW DELHI IMMEDIATE

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E.O. 12958, Sec. 3.6

NLJ 97-281

By 10, NARA Date 10-5-98

NODIS/CROCODILE

LITERALLY EYES ONLY FOR AMBASSADOR FROM SECRETARY

1. We would like your urgent judgment -- without repeat without consulting GOI in any way, ~~unpublished~~ -- on Mrs. Gandhi's possible reaction to a proposal that GOI play a third-party role in finding a mutually agreeable site for contacts between Hanoi and ourselves.

2. The kind of proposal we might put to her would be for GOI to get in touch with Hanoi through its established communications and Consul General to propose/a site for contacts. as its own idea

Examples of the kind of site we might suggest they propose would be Bucharest, Algiers, Dar-El-Salam, and Cairo. Proposal for GOI action would stress appropriateness of India acting in view of its chairmanship of ICC, its resident representation and direct communications with Hanoi, and its long-established reputation as a neutral nonaligned country.

Drafted by	Tel. No.	Telegrapher's authorization and classification approved by
EA: W2B:ady:bam 4/30/68	4235	The Secretary
Location		S/S-Mr. Walsh
White House - Mr. Rostow (subs.)		
S/AH - Governor Harrison		

~~SECRET~~

Page 2 of telegram to NEW DELHI~~SECRET~~

3. Please give us your immediate reply, mentioning any factors in the form of message from us that in your judgment might affect her willingness to act. In any such message, we would of course stress the absolute necessity for security if Easof is to respond favorably, so that a part of your judgment should be GOI capacity to maintain such security.

GP-3

END

RUCX

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Department of State

TELEGRAM

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TO SECSTATE WASHDC IMMEDIATE 4943
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NODIS/CROCODILE

REF: STATE 155877

1. I BELIEVE MRS. GANDHI WOULD WELCOME OPPORTUNITY FOR GOI TO PLAY A ROLE IN ASSISTING US OUT OF PRESENT IMPASSE.
2. ALTHOUGH SHE WOULD BE QUITE WILLING TO ACT WITHOUT ANY SPECIAL APPEAL APPROPRIATENESS OF INDIA (CHAIRMAN OF ICC COMMUNICATIONS WITH HANOI, NEUTRAL, ETC.) COULD EFFECTIVELY BE INCLUDED IN ANY MESSAGE SENT TO GOI.

PAGE 2 RUSBAE 13492 ~~SECRET~~

3. WHILE WE CANNOT GUARANTEE AGAINST LEAKS GOI WOULD MAKE A GENUINE EFFORT TO MAINTAIN TOTAL SECRECY.

4. MRS. GANDHI DEPARTS FOR BHUTAN EARLY MORNING MAY 3. SUGGEST THAT IF WE ARE TO GO AHEAD WITH THIS APPROACH WE BE AUTHORIZED TO DO SO TODAY.

BOWLES
B

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 97-281
By idw, NARA Date 10-5-98

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INFORMATION

Free file

~~CONFIDENTIAL~~

Wednesday, May 1, 1968 -- 8:30 a.m.

Mr. President:

I am working with my staff and appropriate State Department offices on a list of possible national security initiatives which could be taken during the next nine months.

The list excludes new major initiatives or actions which require the introduction of legislation. It will include new moves and efforts to carry forward earlier initiatives.

When the list is completed, I will send it to you for your decision as to how to proceed.

W. W. Rostow

DECLASSIFIED

White House Guidelines, Feb. 24, 1983

By kg, NARA, Date 5-26-92

WWRostow:rlm

~~CONFIDENTIAL~~