

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#2 memo	Rostow to President, 7:30 p.m. <i>open 3118103 NLJ 97-160(445)</i> C 1 p	8/21/68	A
#2a memo	Intelligence Memorandum <i>open 1-23-98 NLJ 96-276</i> C 3 p <i>[dup # 45a, Czechoslovakia, vol. 3, Box 179]</i>	8/21/68	A
#3 memo	Rostow to President, 7:00 p.m. <i>open 12-2309</i> C 1 p [Duplicate of #165, NSF, CF, France, Vol. 14]	8/21/68	A
#3a cable	Intelligence Cable C 1 p [Duplicate of #165a, NSF, CF, France, Vol. 14]	8/21/68	A
#4 memo	Rostow to President, 7:00 p.m. <i>open 7-25-97 NLJ 97-162</i> C 1 p	8/21/68	A
#5a memo	Intelligence Memorandum C 3 p <i>open NLJ 019-038-3-1(1/02)</i>	8/21/68	A
#8a cable	Prague 3057 <i>Open NLJ 97-158 11-17-98</i> C 2 p	8/21/68	A
#10 memo	Rostow to President, 12:45 p.m. S 1 p <i>open NLJ 019-038-3-2(1/02)</i>	8/21/68	A
#11a cable	President to PM Wilson TS 1 p	undated	A
#11b cable	PM Wilson to President TS 1 p	8/20/68	A
#12a cable	Paris 19703 S 2 p <i>dup #31a, NSF, CEVW, "HARVARD Chron. v. 19" Bx 112</i>	8/21/68	A
#14 memo	Rostow to President, 9:30 a.m. S 1 p <i>Open NLJ 97-334 8.20.98</i>	8/21/68	A
#15 memo	Rostow to President, 8:10 a.m. S 1 p <i>open 8/3/99 NLJ 97-334</i>	8/21/68	A

FILE LOCATION

NSF, Memos to the President, Walt Rostow, Vol. 91, August 11-21, 1968

Box 38

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#16 memo	Rostow to President, re: Israel 1:30 pm(?) open 12-23-09 C 1 p [Duplicate in NSF, CF, Israel, Vol. X, and in Diary Backup, "9/9-10/68"] [Sanitized NLJ 84-177]	8/21/68	A
#16a memo	Rusk to President, re: Israel open 12-23-09 C 1 p [Duplicate of #197c NSF, CF, Israel, Vol. X]	8/20/68	A
#17 memo	Rostow to President open 3/18/03 S 1 p	8/21/68	A
#18 memo	Rostow to President C 1 p [Duplicate of #140, NSF, CF, Philippines, Vol. 4] [Sanitized NLJ 86-140]	8/21/68	A
#18a rpt	"The Smith Case" S 4 p	undated	A
#19a memo	Rostow to Rusk open 1-14-94 NLJ 92-281 TS 4 p [Duplicate of #4a, NSF, Files of W. Rostow, "Trip to Soviet Union"]	8/20/68	A
#21 memo	Rostow to President, 12:55 p.m. S 1 p Open NLJ 97334 8.20.98	8/20/68	A
#21a cable	Oslo 6141 Open NLJ 97-407 9.21.98 S 1 p	8/20/68	A
#21b memo	Rostow to President, 11:30 a.m. open 12-23-09 S 1 p [Duplicate of #97, NSF, CF, VN, "2 C (14)--General Military Activity"]	8/20/68	A
#24 memo	Rostow to President C 1 p open 7-22-97	8/20/68	A

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#24a memo	Rusk to President <i>Open NLT 97-335 9.18.98</i> C 2 p	8/19/68	A
<i>Dupe of</i> #25 memo	25-256 in files of WWR, Box 2, MTGS July-DEC. '68, Doc #42, 42a, 42b Rostow to President, 7:50 p.m. S 1 p <i>open 6-8-95 NJ93-248</i>	8/19/68	A
#25a draft	"Statement by the President" S 3 p	undated	A
#25b draft	"Statement by the Secretary of State" S 2 p	undated	A
#26a rpt	"Tab A" <i>Dupe in file of WWR, Box 2, MTGS July-Dec. '68 - Doc #38c and 38f</i> C 1 p	undated	A
#26b memo	Shaw to Read <i>Dupe of #26a, Doc #38e</i> TS 1 p	8/19/68	A
#28 memo	Rostow to President <i>open 12-23-09</i> S 1 p [Duplicate of #17, NSF, Special Head of State Correspondence, "Panama-Pres. Correspondence"]	8/19/68	A
#28a ltr	President to Arias PCI 1 p <i>open 11-13-96</i> [Duplicate of #17a, NSF, Special Head of State Correspondence, "Panama-Pres. Correspondence"]	8/20/68	A
#30 memo	Rostow to President C 1 p <i>Open NLT 97-334 8.20.98</i>	8/19/68	A
#34 cable	Rostow to President (CAP 82075) C 1 p <i>Open NJ 019-038-3-4 (1/02)</i>	8/19/68	A
#35 cable	Rostow to President (CAP 82074) TS 2 p <i>OPEN 7-28-98 NJ 97-337</i>	8/19/68	A
#38 cable	Rostow to President (CAP 82058) <i>open 2/10/03</i> S 5 p	8/18/68	A

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#39 cable	Rostow to President (CAP 82056) S 1 p <i>open 226-04 NLJ 03-137</i>	8/18/68	A
#41 cable	Rostow to President (CAP 82059) C 1 p <i>open NLJ 019-038-3-5(1/02)</i>	8/18/68	A
#42 cable	Rostow to President (CAP 82061) S 1 p <i>open NLJ 019-038-3-6(1/02)</i>	8/18/68	A
#44 cable	Rostow to President (CAP 82047) <i>Open RAC 11.21.97</i> TS 1 p	8/17/68	A
#47 cable	Rostow to President (CAP 82043) <i>open 3/18/03</i> S 4 p	8/17/68	A
#48 cable	Rostow to President (CAP 82044) <i>open 3/18/03</i> C 1 p <i>[Dup. in WHCF, CF, IV 1]</i>	8/17/68	A
#49 ltr	Rostow to President <i>open 3/18/03</i> TS 1 p	8/17/68	A
#53 memo	Rostow to President TS 2 p <i>Sanitized 9-8-93 NLJ 93-58</i> <i>also see NLJ 019-038-3-7(1/02)</i>	8/16/68	A
#53b memo	Rusk to President <i>open 8-4-93 NLJ 93-57</i> TS 2 p	8/15/68	A
#53d memo	Rusk and Foster to President " TS 5 p	8/15/68	A
#53e memo	Clifford to President <i>open 12-23-09</i> TS 4 p [Duplicate of #52a, Papers of Clark Clifford, -Box 22 "Kosygin-Talks with Soviet Union"] [Sanitized NLJ 89-85] <i>Duplicate - Papers of Motation Halperin</i> <i>"STRATEGIC MISSILE TALKS"</i> <i>Box 7, doc 24</i>	8/13/68	A

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#53g memo	Wheeler to President TS 7 p [Duplicate of #52c, Papers of Clark Clifford, <i>see also Ma</i> "Kosygin-Talks with Soviet Union"] [Sanitized NLJ 89-85] <i>EXEMPT NLJ 89-83</i> <i>Dupe in PAPERS OF MORTON HALPERIN. Box 7. "STRATEGIC MISSILE TALKS" Doc #28</i>	8/9/68	A
#53i rpt	"Tab D--Modification of the Proposal..." <i>see MC 3/5</i> TS 1 p <i>Dupe as for 53g, #32</i>	undated	A
#55 memo	Rostow to President <i>open 31/8/03</i> C 1 p	8/16/68	A
#60 cable	Rostow to President (CAP 82013) <i>open 12/23/09</i> S 10 p [Duplicate of #24, NSF, CF, VN, "8B(3)[A]"] [Sanitized NLJ/CBS 10]	8/15/68	A
#62 cable	Rostow to President (CAP 82003) <i>open 31/8/03</i> S 1 p	8/15/68	A
#63 cable	Rostow to President (CAP 82004) TS 1 p	8/15/68	A
#65 cable	Rostow to President (CAP 82002) <i>Exempt NLJ 97-68</i> S 2 p <i>Op #39, NSF, CF, "Czech, Vol. 2" Box 129</i>	8/15/68	A
#67 cable	Rostow to President (CAP 81999) <i>open 31/8/03</i> C 1 p	8/15/68	A
#68 cable	Rostow to President (CAP 81991) S 3 p <i>OPEN 7/14/95 NY 93-42</i>	8/14/68	A
#71 cable	Rostow to President (CAP 81983) S 1 p <i>open 31/8/03 with guidelines + FEUS 64-68</i> [Duplicate of #55a, NSF, CF, Peru, Vol. 3] [Duplicate of #92, NSF, CF, Korea, Vol. 6]	8/14/68	A
#72 cable	Rostow to President (CAP 81984) <i>Open RAC 11.21.97</i> TS 1 p	8/14/68	A

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#73 cable	Rostow to President (CAP 81982) open 3118103 S 2 p	8/14/68	A
#76 cable open 6.6.03 NLJ 03:150	Rostow to President (CAP 81974) S 1 p	8/14/68	A
#77 cable	Rostow to President (CAP 81976) S 2 p [Dup #149, NSF, CF, VN, "HARUAN Paris Todel... V.11"]	8/14/68	A
#79 memo	Rostow to President, 2:00 p.m. S 1 p (Dup of #1, Files of WWR - "marcos" Box S) open 1-19-96 NLJ 94-461	8/14/68	A
#79a memo	Intelligence Memorandum open 10-19-95 NLJ 94-462 S 1 p (Dup of #1a, see above)	8/14/68	A
#79b memo	Intelligence Memorandum S 2 p exempt RAC 5703	undated	A
#80 memo	Rostow to President, 2:30 p.m. open 1-19-96 NLJ 94-461 S 1 p (Dup of #1, Files of WWR - "Taylor, Rufus," Box S)	8/13/68	A
#80a memo	Intelligence Memorandum open 10-19-95 NLJ 94-462 S 2 p (Dup of #1a, see above)	8/12/68	A
#83 cable open 6.6.03 NLJ 03:149	Rostow to President (CAP 81960) C 3 p	8/13/68	A
#84 cable	Rostow to President (CAP 81956) C 1 p open 8-28-96 NLJ 94-171 [Duplicate of #54, NSF, CF, Peru, Vol. 3]	8/13/68	A
#85 cable	Rostow to President (CAP 81954) S 1 p open 12-17-93 NLJ 93-249 [Duplicate of #61a, NSF, CF, VN, "7E(6), Public Relations Activities, 7/68-8/68"]	8/13/68	A
#86 cable	Rostow to President (CAP 81953) C 1 p open 12-17-93 NLJ 93-249 [Duplicate of #62a, NSF, CF, VN, "7E(6), Public Relations Activities, 7/68-8/68"]	8/13/68	A

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#87 cable	Rostow to President (CAP 81952) S 1 p open 2-23-93 NLJ 91-343	8/13/68	A
#88 cable	Rostow to President (CAP 81945) open 3/18/03 S 1 p	8/12/68	A
#92 memo	Rostow to President, 7:00 p.m. open 3/18/03 C 1 p	8/12/68	A
#92a memo	Rusk to President open 3/18/03 C 1 p	8/1/68	A
#93 memo	Rostow to President, 6:30 p.m. S 1 p open NLJ 019-038-39 (1/02)	8/12/68	A
#93a memo	Intelligence Memorandum S 4 p exempt NLJ 019-038-3-10 a/100	8/12/68	A
#94b map	Attachment #1 open 12-23-09 PCI 1 p	undated	A
#94h map	Attachment #1 TS 1 p	undated	A
#95 cable	Rostow to Jones (CAP 81937) S 1 p open 12-23-09 [Duplicate in NSF, CF, Israel, Vol. X; Exempt NLJ 84-168] [Duplicate of #97]	8/12/68	A
#97 memo	Duplicate of #95 open 12-23-09		
#98 memo	Smith to President C 2 p	8/10/68	A

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#10a rpt	Intelligence Memorandum <i>sani per RAC 7/05</i> 3pp S	8/21/68	A
#15a rpt	Intelligence Memorandum <i>exempt per RAC 3/04</i> 4pp S	8/21/68	A
#21c cable	MAC 11266 <i>sani per RAC 4/04</i> 1p C	8/20/66	A
#23 memo	Rostow to the President 1p C <i>OPEN 3-16-05 NW 00-147</i>	8/20/68	A
#23a ltr	LBJ to Glenn Seaborg 1 p PCI	8/21/68	A
#33 cable	CAP 82073 <i>sani per RAC 3/04</i> 2 PP TS	8/19/68	A
#56 cable	CAP 82024 (MAC-11017) <i>open 11/3/09 RAC</i> 5 pp S (duplicate, #30c, NSF, Country File, Vietnam, "2 C (13) General Military Activity")	8/16/68	A
#58 note	Rostow to the President 1 p S <i>OPEN 6-6-03 NW/KAL03118</i>	8/16/68	A
#59 cable	CAP 82019 <i>exempt per RAC 5/03</i> 2 PP TS	8/16/68	A
#94c map	Attachment #2 <i>open RAC 11/3/09</i> 1p TS (duplicate, #49e, NSF, Country File, Vietnam, "2 C (13) General Military Activity")	[8/68]	A
#94d map	Attachment #3 <i>open RAC 11/3/09</i> 1 p TS (duplicate, #49f, as above)	[8/68]	A
#94e map	Attachment #4 <i>open RAC 11/3/09</i> 1 p TS (duplicate, #49g, as above)	[8/68]	A

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#94f map	Attachment #5 1 p TS (duplicate, #49h, as above) <i>open RAC w/3/09</i>	[8/68]	A
#94g map	Attachment #6 1 p TS (duplicate, #49i, as above) ''	[8/68]	A
#96 cable	CAP 81935 4pp TS ''	8/12/68	A

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INFORMATION

LITERALLY EYES ONLY FOR THE
PRESIDENT -- EXTREMELY SENSITIVE

Pres. file

Friday, August 16, 1968
4:20 p. m.

Mr. President:

Sec. Rusk asked me to assure that
this interesting memorandum of
conversation with Dobrynin be handled
with the greatest security.

Therefore, it comes by pouch.

W. W. Rostow

~~TOP SECRET~~

WWRostow:rln

DECLASSIFIED
White House Guidelines, Feb. 24, 1983
By *act/ag*, NARA, Date 11-2-92

EEA193
OO WTE10
DE WTE 3238

1968 AUG 16 20 15

51
FRIDAY
168 AUG 16 PM 7:56

FROM WALT ROSTOW
TO THE PRESIDENT
CITE WH32238

See file

UICBAS

AUGUST 16, 1968

FOLLOWING IS THE FULL TEXT OF SECRETARY FOWLER'S PRESS CONFERENCE STATEMENT ON THE BALANCE OF PAYMENTS.

STATEMENT OF THE HONORABLE HENRY H. FOWLER
SECRETARY OF THE TREASURY
ON SECOND QUARTER BALANCE OF PAYMENTS RESULTS, 1968

THE UNITED STATES IS MAKING VERY SUBSTANTIAL PROGRESS TOWARDS ACHIEVING EQUILIBRIUM IN ITS INTERNATIONAL BALANCE OF PAYMENTS.

THE SECOND QUARTER RESULTS SHOW ONLY A SMALL DEFICIT OF \$150 MILLION WHEN MEASURED ON A SEASONALLY ADJUSTED LIQUIDITY BASIS AND A LARGE SURPLUS OF \$1,450 MILLION IN THE OFFICIAL RESERVE TRANSACTIONS BASIS.

BUT THIS PROGRESS, HOWEVER WELCOME, IS UNBALANCED AND SOME FEATURES MAY BE TRANSITORY. IT SHOULD NOT AND MUST NOT EXCUSE AND LET UP IN AN ALL OUT EFFORT TO PRESS FORWARD AND TO CARRY OUT ALL THE ELEMENTS OF THE BALANCE OF PAYMENTS PROGRAM ANNOUNCED ON NEW YEARS DAY BY PRESIDENT JOHNSON.

THIS PROGRESS WAS ACHIEVED:

- DESPITE THE SIGNIFICANT -- AND, I BELIEVE, TEMPORARY -- DETERIORATION IN OUR TRADE ACCOUNT, ON WHICH CONSTRUCTIVE EFFORTS ARE NOW IN MOTION;
- DESPITE THE CONTINUED LARGE DEFICIT IN THE TOURIST ACCOUNT, WHICH CANNOT BE ARRESTED OR REDUCED UNTIL CONGRESS ACTS ON PROPOSALS BEFORE IT TO FINANCE A COMPREHENSIVE LONG TERM PROGRAM TO PROMOTE FOREIGN TRAVEL TO THE UNITED STATES BY COMBINED PRIVATE AND GOVERNMENT EFFORT.

A COMPREHENSIVE PROGRAM TO PROMOTE FOREIGN TRAVEL TO THE UNITED STATES IS CALLED FOR, AMONG OTHER THINGS, IN ORDER THAT OTHER SECTORS OF THE ECONOMY, SUCH AS DIRECT INVESTMENT, DO NOT CARRY A DISPROPORTIONATE SHARE OF THE EFFORT.

THE DESIRABILITY OF THIS TRAVEL PROGRAM IS ALSO SUGGESTED BY SECOND QUARTER DEVELOPMENTS AFFECTING ANOTHER ELEMENT IN THE ACCOUNTS -- FOREIGN PURCHASES OF U.S. CORPORATE BONDS AND STOCKS.

THE CAPITAL INFLOW IN THE SECOND QUARTER, RESULTING FROM THESE PORTFOLIO PURCHASES BY FOREIGN INVESTORS, IS THE HIGHEST IN HISTORY FOR ANY SINGLE QUARTER. THIS IS NOT JUST A FLASH IN THE PAN. THE INFLOW FROM THIS SOURCE HAS BEEN INCREASING OVER THE LAST YEAR AND A HALF. IT RESTS FUNDAMENTALLY ON THE STRENGTH

AND DYNAMIC QUALITY OF THE U.S. ECONOMY AND THE CONFIDENCE OF INVESTORS THE WORLD OVER IN THE PROSPECTS OF THIS ECONOMY. A FACTOR CONTRIBUTING TO THIS INFLOW WAS THE PROGRAM LAUNCHED SEVERAL YEARS AGO TO PROMOTE FOREIGN INVESTMENT IN U.S. CORPORATE SECURITIES, HIGHLIGHTED BY THE PASSAGE OF THE FOREIGN INVESTORS TAX ACT.

THERE WERE OTHER ELEMENTS OF PROGRESS IN THE CAPITAL ACCOUNT THIS YEAR. THEY INCLUDED:

- THE REDUCTION IN THE SCALE OF CAPITAL OUTFLOWS BY REASON OF THE COOPERATION OF THE PRIVATE BUSINESS AND FINANCIAL COMMUNITY IN THE FOREIGN DIRECT INVESTMENT AND THE FEDERAL RESERVE PROGRAM;
- SUCCESS IN NEGOTIATING BILATERAL ARRANGEMENTS WITH OTHER GOVERNMENTS TO NEUTRALIZE THE BALANCE OF PAYMENTS EFFECTS OF U.S. MILITARY EXPENDITURES WITHIN THEIR BORDERS.

SPECIAL TRANSACTIONS, REPRESENTING INVESTMENT IN LONG-TERM SECURITIES BY FOREIGN OFFICIAL HOLDERS, ARE RUNNING SOMEWHAT LOWER IN 1968 THAN THEY WERE IN A COMPARABLE PERIOD IN 1967. INVESTMENTS OF THIS TYPE, WHILE RECORDED IN THE LIQUIDITY FIGURES, DO NOT AFFECT THE OFFICIAL RESERVE TRANSACTIONS BASIS IN ANY WAY.

LIQUIDITY MEASURE

ON THE LIQUIDITY MEASURE, OUR DEFICIT DECLINED BY \$510 MILLION, TO A DEFICIT OF \$150 MILLION, ON A SEASONALLY ADJUSTED QUARTERLY BASIS. THE FIRST QUARTER DEFICIT OF \$660 MILLION WAS ITSELF DOWN SUBSTANTIALLY FROM THE FOURTH QUARTER 1967 DEFICIT OF \$1,742 MILLION.

ON THE BASIS OF A YEAR-TO-YEAR COMPARISON, THE SECOND QUARTER SEASONALLY ADJUSTED LIQUIDITY DEFICIT OF 1968 WAS WELL BELOW THE \$522 MILLION DEFICIT SHOWN IN THE SECOND QUARTER OF 1967. ON A SIX-MONTH SEASONALLY-ADJUSTED BASIS, THE 1968 DEFICIT OF \$310 MILLION IS DOWN \$217 MILLION FROM THE \$1,027 MILLION OF THE FIRST SIX MONTHS OF LAST YEAR.

OFFICIAL TRANSACTIONS

SUBSTANTIAL PROGRESS HAS BEEN SHOWN IN THE OFFICIAL RESERVE TRANSACTIONS MEASURE OF OUR INTERNATIONAL PAYMENTS POSITION. IN THE SECOND QUARTER, OFFICIAL TRANSACTIONS SHOWED A SURPLUS OF \$1,453 MILLION, SEASONALLY ADJUSTED, A LARGE SWING FROM THE \$533 MILLION DEFICIT OF THE FIRST QUARTER AND A STILL LARGER SWING FROM THE FOURTH QUARTER 1967 DEFICIT OF \$1,082 MILLION.

ON A SIX-MONTH BASIS, THE OFFICIAL RESERVE TRANSACTIONS MEASURE CARRIED A SURPLUS OF \$926 MILLION AS COMPARED WITH A DEFICIT IN THE FIRST SIX MONTHS OF 1967 OF \$2,570 MILLION.

THE PROGRESS THESE STATISTICS REVEAL IS PRIMARILY THE RESULT OF ACHIEVEMENTS AFFECTING THE CAPITAL ACCOUNT. CAPITAL MOVEMENTS, HOWEVER, ARE BY THEIR NATURE LESS CONSISTENT TRANS-

ACTIONS THAN THOSE OF THE CURRENT ACCOUNT, SUCH AS TRADE, INVESTMENT INCOME AND TOURIST EXPENDITURES. NEVERTHELESS, THE SAVINGS THE UNITED STATES HAS RECEIVED IN THE DIRECT INVESTMENT PROGRAM AND IN THE FEDERAL RESERVE PROGRAM SERVE A VITAL PURPOSE IN CONTRIBUTING TO A SUBSTANTIAL IMPROVEMENT IN OUR BALANCE OF PAYMENTS POSITION PENDING THE BENEFICIAL RESULTS OF OTHER MEASURES DESIGNED TO IMPROVE OUR CURRENT ACCOUNT.

IMPROVING THE CURRENT ACCOUNT

THE RESTORATION OF A HEALTHY TRADE SURPLUS IS FUNDAMENTAL TO A BALANCED, LONG TERM SOLUTION OF OUR PAYMENTS PICTURE. SEVERAL MEASURES ARE ALREADY LAUNCHED AND UNDER WAY TO REVERSE THE TREND OF OUR BALANCE OF TRADE. THE MOST IMPORTANT OF THESE IS THE TAX SURCHARGE AND EXPENDITURE CUT LEGISLATION WHICH CONGRESS PASSED ONLY AT THE END OF JUNE. NO DOUBT THE DELAY IN THIS MEASURE MEANS THAT WE WILL HAVE TO RECOVER FROM A LOWER POINT THAN WOULD OTHERWISE HAVE BEEN THE CASE AND THAT THE FORCES OF INFLATION WILL HAVE HAD MORE TIME TO BE AT WORK. MOREOVER, EXPERIENCE SHOWS THAT A FLOOD OF IMPORTS, ONCE IN MOTION, TAKES TIME TO REDUCE OR MODERATE.

NEVERTHELESS, THIS COURAGEOUS BIPARTISAN ACTION ON THE PART OF THE CONGRESS IN AN ELECTION YEAR MADE A VITAL CONTRIBUTION TO OUR INTERNATIONAL FINANCIAL POSITION. IT DEMONSTRATED THE CAPACITY OF THIS DEMOCRACY TO DO WHAT IS NECESSARY TO PRESERVE THE POSITION OF THE DOLLAR. PASSAGE OF THE FISCAL PACKAGE LED TO THE OUTLOOK FOR A MORE NORMAL CONDITION IN OUR MONEY MARKETS AND TO HEIGHTENED CONFIDENCE IN THE LONG-TERM APPRAISAL OF OUR STABILITY. IT HAS PERMITTED RESTORATION OF MORE HEALTHY CONDITIONS FOR BALANCED GROWTH. THE IMPACT OF THIS ACTION WAS ESPECIALLY PRONOUNCED ABROAD, AMONG PEOPLE WHO HOLD OUR DOLLARS AND WHO LOOK TO US FOR LEADERSHIP AND PRUDENCE IN THE MANAGEMENT OF OUR FINANCIAL AFFAIRS.

SETTLEMENT OF THE COPPER AND STEEL BARGAINING DISPUTES GIVES RISE TO ANOTHER CONDITION THAT CAN DO MUCH TO RESTORE A HEALTHY TRADE SURPLUS. THIS IS THE AVOIDANCE OF WORK STOPPAGES OR ANTICIPATED WORK STOPPAGES WHICH DISTORT OUR NORMAL TRADE PICTURE BY ACCELERATING OR ADDING TO IMPORTS.

THREE OTHER MEASURES, OUTLINED IN THE PRESIDENT'S PROGRAM, WILL HELP OUR TRADE ACCOUNT:

- FIRST IS THE NEW EXPORT EXPANSION FACILITY, CREATED WITHIN THE EXPORT-IMPORT BANK, TO EXPAND THE EXPORT FINANCING OPPORTUNITIES AVAILABLE TO AMERICAN BUSINESS.
- SECOND IS THE EXPANDED REDISCOUNT SYSTEM PUT INTO EFFECT BY THE EXPORT-IMPORT BANK TO ENCOURAGE PRIVATE BANKS ACROSS THE NATION TO HELP FIRMS EXPORT.
- THIRD IS THE INAUGURATION OF THE JOINT EXPORT ASSOCIATION, THROUGH WHICH THE DEPARTMENT OF COMMERCE, WORKING WITH INDUSTRY, WILL SERVE TO FIND NEW EXPORTERS AND ADD TO OUR EXPORTING OPPORTUNITIES IN THE FUTURE.

THESE LONG-TERM MEASURES COULD NOT HAVE HAD AN EFFECT UPON OUR TRADE ACCOUNT IN THE FIGURES WE ARE DISCUSSING TODAY. BUT WE WILL BENEFIT FROM THEM IN THE FUTURE.

IN ADDITION, THE TIMING OF THE KENNEDY ROUND CUTS HAS ADVERSELY AFFECTED OUR TRADE IN THE FIRST HALF OF THIS YEAR BUT WILL BENEFIT OUR TRADE POSITION DURING THE SECOND HALF OF THE YEAR. WE PUT INTO EFFECT THE FIRST OF FIVE ANNUAL ARIFF CUTS ON JANUARY 1. MOST OF OUR TRADING PARTNERS PUT INTO EFFECT A DOUBLE CUT AS OF JULY 1. CONSEQUENTLY, AMERICAN PRODUCTS WILL BE REDUCED IN PRICE IN OUR MAJOR MARKETS DURING THE SECOND HALF OF THIS YEAR.

HOWEVER, LET ME MAKE ONE THING CLEAR: WE CANNOT EXPECT TO FEEL SATISFIED WITH THE LEVEL OF THE CURRENT ACCOUNT UNTIL WE DEAL EFFECTIVELY WITH THE PROBLEM OF OUR LARGE TOURIST DEFICIT -- WHICH THREATENS TO BECOME EVEN LARGER OVER THE FUTURE UNLESS SOMETHING IS DONE ABOUT IT.

WITH RESPECT TO THE TRAVEL DEFICIT, MUCH REMAINS YET TO BE DONE. WE HAVE TAKEN SOME COMPREHENSIVE ACTION. THE IMAGINATIVE RECOMMENDATIONS OF THE PRESIDENT'S TRAVEL TASK FORCE, HEADED BY AMBASSADOR MCKINNEY WERE FOR THE MOST PART, PUT INTO EFFECT -- INSOFAR AS THEY COULD BE -- THROUGH ADMINISTRATIVE AUTHORITY. BUT TO BE TRULY EFFECTIVE AND POSITIVE, A LONG-TERM PROGRAM, DESIGNED PRIMARILY TO PROMOTE FOREIGN TOURISM IN A VARIETY OF WAYS, MUST BE ASSURED OF A SUFFICIENT SOURCE OF FUNDS. THIS IS THE THINKING BEHIND THE AMENDMENT I OFFERED TO SENATOR LONG ON AUGUST 1 ON H.R. 16241, PERTAINING TO THE TEMPORARY TAX BASED ON EXPENDITURES MADE BY U.S. TRAVELERS OUTSIDE THE WESTERN HEMISPHERE. THIS AMENDMENT WOULD PROVIDE FOR A PORTION OF THE TICKET TAX REVENUE (A PROVISION ALREADY PASSED BY THE HOUSE) AND A PORTION OF THE EXPENDITURE TAX REVENUE TO BE PLACED IN A SPECIAL FUND TO FINANCE THE TRAVEL PROMOTION NEEDED TO CARRY OUT THE FAR-REACHING RECOMMENDATIONS OF THE TRAVEL TASK FORCE.

GOVERNMENT EXPENDITURES ABROAD

THE UNITED STATES MUST CONTINUE TO TAKE EVERY STEP AVAILABLE, WITHOUT ENDANGERING OUR NATIONAL SECURITY, TO REDUCE THE IMPACT ON THE BALANCE OF PAYMENTS OF GOVERNMENT EXPENDITURES OUTSIDE THE UNITED STATES AND ITS TERRITORIES. THESE EXPENDITURES HAVE BEEN AND MUST CONTINUE TO BE REDUCED OR NEUTRALIZED.

THIS IS AN ON GOING, MANY FACETED, PROGRAM.

FOR EXAMPLE, SECRETARY CLIFFORD STATED IN HEARINGS IN MAY BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE CONCERNING THE REDEPLOYMENT OF TROOPS FROM WESTERN EUROPE TO THE UNITED STATES:

"AS YOU MAY KNOW, AT THE PRESENT TIME WE ARE BRINGING 34,000 OF THEM BACK, BUT THEY ARE TO BE TICKETED FOR USE IN NATO.... NOW THERE WILL ALSO BE A SUBSTANTIAL BALANCE OF PAYMENTS SAVINGS AS A RESULT OF REDEPLOYING THIS GROUP OF 34,000 MEN AND THEIR FAMILIES. AN ESTIMATED \$75 MILLION A YEAR WILL BE SAVED BY BRINGING THOSE MEN BACK."

OF COURSE, A BIG OPPORTUNITY TO REDUCE GOVERNMENT, AND ESPECIALLY MILITARY EXPENDITURES OVERSEAS, WILL COME WHEN THE FIGHTING STOPS IN SOUTH VIETNAM AND A TRANSITION TO LONG TERM SECURITY ARRANGEMENTS WITH OUR ALLIES IN THE FAR EAST BECOMES POSSIBLE.

IN THE MEANTIME, THE SECRETARIES OF STATE, DEFENSE AND TREASURY ARE VIGOROUSLY EXECUTING THE PRESIDENT'S MANDATE OF LAST JANUARY 1 TO INITIATE PROMPT NEGOTIATIONS WITH OUR ALLIES TO NEUTRALIZE THE FOREIGN EXCHANGE COSTS OF MILITARY EXPENDITURES ABROAD BY BILATERAL UNDERTAKINGS FOR THE PURCHASE IN THE UNITED STATES OF MORE OF THEIR DEFENSE NEEDS, AND INVESTMENTS IN LONG-TERM UNITED STATES SECURITIES.

INDEED, SOME OF THE SPECIAL TRANSACTIONS TO WHICH I ALREADY REFERRED ARE THE RESULT OF SPECIFIC NEGOTIATIONS WITH ALLIES ABROAD. THE PRINCIPLE BEING FOLLOWED HERE IS THAT OUR ALLIES SHOULD NOT RECEIVE WINDFALL BALANCE-OF-PAYMENTS GAINS AS A RESULT OF OUR FORCE COMMITMENTS UNDERTAKEN IN THE CONTEXT OF OUR MUTUAL SECURITY ARRANGEMENTS. WITHIN THIS MULTI-LATERAL POLICY, WHICH IS UNDERSTOOD BY OUR ALLIES, WE NEGOTIATE, BILATERALLY, MEASURES TO NEUTRALIZE THE BALANCE-OF-PAYMENTS COST THROUGH LONG-TERM INVESTMENTS IN U.S. SECURITIES, TO THE EXTENT TO WHICH MORE PERMANENT OFFSETS, SUCH AS THE PURCHASE OF ADDITIONAL MILITARY EQUIPMENT, CANNOT BE ARRANGED.

DIRECTIVES BY THE PRESIDENT ISSUED EARLIER THIS YEAR TO REDUCE THE FOREIGN EXCHANGE COSTS OF CIVILIAN GOVERNMENT EXPENDITURES ARE ALSO BEING IMPLEMENTED.

THE TYING OF BILATERAL AID PROGRAMS TO PURCHASES IN THE UNITED STATES HAS BEEN FURTHER TIGHTENED.

THE REDUCTION IN NUMBERS OF PEOPLE SERVING AT OUR EMBASSIES ABROAD IS ALREADY WELL UNDERWAY; A FIRST BITE HAS BEEN TAKEN AND A SECOND IS UNDERWAY. THIS ACTION SHOULD BE REFLECTED IN REDUCED GOVERNMENT EXPENDITURES ABROAD BOTH IN THIS AND IN LATER YEARS.

SUMMARY

THE SECOND QUARTER RESULTS AND THE OUTLOOK AHEAD UNDERSCORE SEVERAL POINTS.

THE FIRST IS THAT PRESIDENT JOHNSON'S NEW YEARS DAY ACTION PROGRAM TO BRING OUR BALANCE OF PAYMENTS TO -- OR CLOSE TO -- EQUILIBRIUM IN THE YEAR ABROAD IS PRODUCING RESULTS.

HIS STATEMENT THEN THAT "THE NEED FOR ACTION IS A NATIONAL AND INTERNATIONAL RESPONSIBILITY OF THE HIGHEST PRIORITY" HAS BEEN CLOTHED WITH MEANING.

THE COMBINED EFFORT OF THE PRESIDENT AND THE BIPARTISAN COOPERATION OF THE CONGRESS, EXEMPLIFIED IN THE ENACTMENT OF THE REVENUE AND EXPENDITURE CONTROL ACT OF 1968, HAVE MADE THE FIRST ORDER OF BUSINESS THE DEFENSE OF THE DOLLAR AND THE RESTORATION OF A BALANCED NON-INFLATIONARY ECONOMY.

THE SECOND POINT IS THAT, ALTHOUGH VARIOUS ELEMENTS OF THE ACTION PROGRAM ARE BEING ACCOMPLISHED, THERE ARE SOME AREAS IN WHICH THE NATION IS ONLY GETTING UNDERWAY.

AS THE EXPERIENCE OF OTHER YEARS HAS PROVEN, THIS IS NOT ENOUGH TO ASSURE BALANCE OF PAYMENTS EQUILIBRIUM. ALL -- NOT ONE -- OR TWO -- OF THE ELEMENTS OF THE ACTION PROGRAM MUST BE CARRIED THROUGH INCLUDING:

- RESPONSIBLE ACTION BY LABOR AND MANAGEMENT IN WAGE PRICE DECISIONS, WHICH SO DIRECTLY AFFECT OUR COMPETITIVE POSITIONS AT HOME AND IN WORLD MARKETS;
- THE TEMPORARY MEASURES CONCERNING DIRECT INVESTMENT, LENDING BY FINANCIAL INSTITUTIONS, TRAVEL ABROAD;
- THE REDUCTION AND NEUTRALIZATION OF THE FOREIGN EXCHANGE IMPACT OF GOVERNMENT EXPENDITURES ABROAD;
- THE ENCOURAGEMENT OF EXPORTS THROUGH SPECIAL MEASURES FOR EXPORT PROMOTION AND FINANCING, AND THE REDUCTION BY VIGOROUS NEGOTIATING EFFORTS, OF NON-TARIFF BARRIERS TO THE EXPORT OF OUR GOODS AND THE DISADVANTAGES TO OUR TRADE ARISING FROM DIFFERENCES AMONG NATIONAL TAX SYSTEMS.
- THE PROMOTION, BY WELL DESIGNED, COMPREHENSIVE LONG-TERM PROGRAMS, OF COMBINED PRIVATE AND PUBLIC EFFORT TO INCREASE FOREIGN INVESTMENT AND TRAVEL IN THE UNITED STATES.

THE PROGRAM TO DATE DEMONSTRATES THAT BOLD, WISE ACTION CAN INFLUENCE EVENTS AND DEVELOPMENTS. COMPLETE PURSUIT OF THE FULL PROGRAM, IN FULL BIPARTISAN PARTNERSHIP, IS THE ONLY COURSE THAT WILL ACHIEVE AND MAINTAIN EQUILIBRIUM IN THE U.S. BALANCE OF PAYMENTS AND THEREBY ASSURE THE SOUNDNESS OF THE FREE WORLD MONETARY SYSTEM.

DTG: 162044Z AUG 68

Friday, August 16, 1968

~~1. copy~~
2 Pres file

MR. PRESIDENT:

Attached for your signature is a Proclamation of U. S. accession to the convention relating to international exhibits, and the protocol modifying the convention of May 10, 1948.

The purpose of the convention is to assist in the organization of international exhibits.

The Senate gave its advice and consent to U. S. accession on April 30, 1968, and you signed the instrument of accession on May 6, 1968. The convention and protocol entered into force for the United States on June 24, 1968.

W. W. Rostow

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

Disapprove _____

Call me _____

ERF:mst

~~TOP SECRET/SENSITIVE~~

Friday, August 16, 1968

3:45 p. m.

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J00053

MR. PRESIDENT:

In the attached memorandum, Secretary Rusk submits for your approval a strategic arms limitation proposal (Tab A) for discussion with the Soviets. The proposal has been unanimously agreed upon by the Committee of Principals (Rusk, Clifford, Wheeler, Foster, Helms, Taps for Seaborg, Hornig, and myself).

In the JCS review, Generals Wheeler, Westmoreland, and McConnell concurred in the proposal as submitted to you; however, Admiral Moore and General Chapman recommended certain modifications favorable to the Navy that were not acceptable to the other Chiefs. Paul Nitze and the Secretaries of the Army, Navy, and Air Force also concur in the proposal as submitted.

I regard the agreement reached -- and the collegial way it was accomplished, on a most difficult issue -- as the functioning of the U. S. Government at its best.

Attached to Rusk's memorandum are more detailed memoranda to you from Rusk and Foster (Tab B) and Clifford (Tab C) to which are also attached the Chiefs' position and General Wheeler's personal recommendation against the Navy position.

In view of the great importance of this proposal, I urge that you read these attachments in their entirety.

I have also attached, for your information, ^{25X1A} [redacted] concerning U. S. intelligence capabilities to monitor such an agreement, which is a critical issue in evaluating this proposal.

1.3
(a2x4)

This proposal represents the coordinated effort of the community to define a reasonable package, which might be negotiable with the Soviets, within the following basic ground-rule: that the agreement be verifiable by external means alone to the extent necessary to protect U. S. security interests; that is, it goes as far as we can safely go without on-the-ground inspection.

Although there is now agreement that the proposal is in a form that can be discussed with the Soviets, there are still certain important unresolved features of the proposal and underlying issues of which you should be aware:

~~TOP SECRET/SENSITIVE~~

(DP)

Approved For Release 2000/09/11 : NLJ-019-038-3-7-3

SANITIZED
Authority NLJ 019-038-3-7
By CP, NARA, Date 1/20/02

- The most important unresolved aspect of the proposal is the level of limitations that would be placed on ABM deployments. Our present position calls only for a "set and equivalent number" of ABM launchers, and we have not yet agreed internally on a preferred number. Our final decision will be influenced by the Soviet position on this subject.

- Closely related to this is the very difficult underlying intelligence problem of how we should deal with the Tallinn SAM system in defining its present capabilities and controlling future upgrading that might give it some ABM capability. While it is agreed that the relationship of radars to this question will have to be studied further and discussed with the Soviets, it is not yet agreed precisely how this should be handled and whether it should be formally dealt with in an agreement.

- There are also difficult tactical problems yet to be resolved, such as how to deal with "on-site inspections" in the proposal. Although the proposal has been developed on the assumption that it could be monitored by external means alone, there is no question that on-site inspection would be very helpful in building mutual confidence and greatly help unresolved issues such as those presented by the Tallinn system. Secretary Clifford and the JCS have asked that an effort be made to include on-site inspection in the agreement we finally reach with the Soviets. How this can be done effectively with any chance of success without jeopardizing the prospects for the talks presents a major challenge to our negotiators. The community is now working on basic instructions for the negotiating delegation which will deal with this and other tactical problems.

As I noted earlier, I believe that the preparation of this proposal is an example of intra-governmental cooperation at its best. If the talks prove fruitful, we will face many difficult issues that can only be successfully resolved if this cooperative attitude is sustained.

I recommend that you tentatively approve the proposal as a basis for additional preparations for the talks, subject to a meeting with the Principals as soon as we obtain agreement from the Soviets on the nature and timing of the talks.

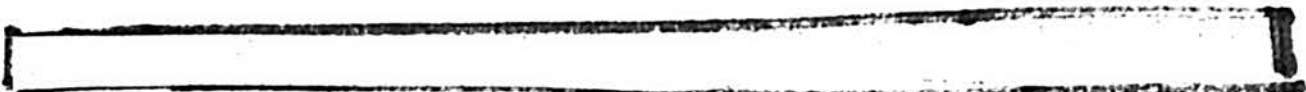
W. W. Rostow

Attachments

Approve proposal subject to final meeting with Principals _____

Disapprove _____

Call me _____



Aug. 16

53a

Lois,

This is a complete copy
of the SALT package,
except for the SNIE.

After this package comes
back from the President,
Mr. Keeny would appreciate
having the SNIE
returned to him.

Mr. Rostow's copy of
the SNIE was sent over
to you with Mr. Keeny's
memo to Mr. Rostow
of Aug. 12

Jean



DEPARTMENT OF STATE
WASHINGTON

August 15, 1968

~~TOP SECRET NODIS~~

MEMORANDUM FOR THE PRESIDENT

Subject: Strategic Arms Talks with
the Soviets

The Executive Committee of the Committee of Principals has developed and evaluated a U.S. proposal for Strategic Arms Limitation for discussion with the Soviets (Tab A). The recommended proposal would prohibit the initiation of further deployments of offensive strategic missile systems and limit the deployment of ballistic missile defensive systems. No reductions in forces would be called for, and qualitative improvements would be permitted. No limitation would be placed on strategic aircraft or on defenses against aircraft. The limitations in the proposal are proposed to be verified by external means.

The Executive Committee has unanimously concurred in this proposal as a basis for discussion with the USSR. They have concluded that within the terms of such an agreement the U.S. would be able to:

- a. maintain the U.S. deterrent posture;
- b. leave the Soviet Government and world opinion in no doubt as to the adequacy of the U.S. deterrent posture;
- c. be confident within the terms of the agreement that our deterrent posture could not be eroded by the action of the Soviet Union, or any other nuclear power, alone or in combination;

DECLASSIFIED

E.O. 12356, Sec. 3.4

NEJ 93-57

By ljg, NARA, Date 7-6-93

GROUP 1

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Mr. Rostain
536 501

SALT

d. maintain a U.S. capability to limit damage to the United States by Soviet forces if deterrence fails, at least as effective as that which we can expect to obtain in the absence of an agreement; and

e. provide a strategic capability that would prevent nuclear powers other than the Soviet Union from threatening the stability of the agreement.

The specific views of the Department of State and ACDA are appended at Tab B. The views of the Secretary of Defense and the Joint Chiefs of Staff are appended at Tab C.

I am preparing instructions for the U.S. Delegation based on this recommended proposal and would forward those instructions to you if you concur with the recommended proposal.

Recommendation

That you approve the attached proposal as a basis for discussion with the Soviet Union.

Approved _____ Disapproved _____

Dean Rusk
Dean Rusk

Attachments:

- Tab A - Strategic Missile Talks Proposal
- Tab B - Memorandum from Secretary Rusk and Mr. Foster
- Tab C - Memorandum from Secretary Clifford and views of JCS

TOP SECRET-NODIS

August 14, 1968

STRATEGIC MISSILE TALKS PROPOSAL

The elements of a U.S. proposal for the proposed U.S.-USSR strategic missile talks are outlined below. This proposal should be viewed as an entity since that is the basis on which it has been evaluated.

I. Fixed Land-Based ICBM Launchers

The proposal would require cessation of the initiation of construction of any additional strategic offensive land-based missile launchers as of September 1, 1968. The Soviet Union would be permitted to complete the launchers which it is constructing as of that date. Beyond that date, however, it would not be allowed to initiate further deployment of fixed ICBM launchers. Under no circumstances would either side be permitted to deploy more than 1,200 ICBM launchers. Building of additional silos, enlarging of existing silos, changing basic external configuration of silos and other launchers, and the relocation of launchers would be prohibited. No additional restrictions would be imposed upon technological improvements of launchers or missiles already deployed including increasing the hardness of existing silos and deployment of MIRV's, or the retrofitting of existing launchers with new missiles.

II. Fixed Land-Based IRBM/MRBM Launchers

Further construction of fixed land-based launchers for IRBM/MRBM (ranges greater than 1,000 km) would be prohibited. The retrofitting of existing IRBM/MRBM launchers to accommodate ICBM missiles would be prohibited. The installation of ICBM missiles on

GROUP 1.

TOP SECRET-NODIS

DECLASSIFIED

Authority 769 89-74
By sp/rg, NARA, Date 11-4-92

IRBM/MRBM launchers would be prohibited as would the conversion of IRBM/MRBM missiles to ICBM missiles. Building of additional silos, enlarging of existing silos, changing basic external configuration of silos and other launchers, further hardening of launchers and the relocation of launchers would be prohibited. No additional restrictions would be imposed upon technological improvements of launchers or missiles already deployed or the retrofitting of existing launchers with new missiles of intermediate or medium range.

III. Mobile Land-Based Strategic Offensive Missile Systems

The proposal would impose a complete ban on mobile land-based, strategic offensive missile systems (ranges greater than 1,000 km). Missile systems with such ranges carried by waterborne vehicles on inland waterways would also be prohibited. Any such existing systems would be destroyed.

IV. Mobile Sea-Based Strategic Offensive Missile Systems

A. The proposal would ban the construction of additional strategic offensive missile launching submarines or of additional launchers in existing submarines. This prohibition should apply to all submarines with ballistic missile or cruise missile launchers. Such submarines under construction as of September 1, 1968, could be completed, subject to agreement on their number. There would be no limitation on the characteristics of SLBMs or SLCMs, or on retrofitting missile submarines with new or larger missiles of the type with which they are equipped. The fitting out of surface ships with facilities for firing offensive ballistic missiles would be prohibited.

B. There would be no replacement of ballistic or cruise missile submarines within the first five years of the agreement. During that period the two sides would undertake to reach agreement on rules

governing subsequent replacement of submarines. In the absence of a supplementary agreement on such rules, each side may replace submarines after five years from the date of the initiation of the agreement provided that replacement does not increase the total number of submarines or of submarine-launched ballistic missiles or cruise missiles.

V. ABMs

The proposal would ban the deployment of more than a set and equivalent number of fixed, land-based anti-ballistic missile launchers and associated anti-ballistic missiles including reload missiles. A total prohibition on deployment of mobile ABM systems, both land-based and sea-based, would be imposed. There would be no other constraints on the characteristics of the ABM systems deployed.

VI. Aircraft and Anti-aircraft Systems

The proposal would not include limitations on aircraft or anti-aircraft systems.

VII. Technological Improvements

There would be no prohibition of technological improvement within the constraints of the agreement.

VIII. Verification

The limitations described in paragraphs I through V are proposed to be verified by external means.

IX. Provisions for Revision and Withdrawal

A. Either party may propose revision of the agreement if it believes that conditions affecting the agreement have changed. The two parties shall meet from time to time to discuss the operation of the agreement and possible revisions.

~~TOP SECRET-NODIS~~

-4-

B. Nine years after entry into force of this agreement the two parties shall meet for a formal review of the operation of the agreement with a view to assuring that the purposes of the agreement, with any revisions that may have been made during the period, are being realized. In the absence of agreement by the two parties on the continued operation of the agreement with necessary revisions, either party may withdraw by giving six months notice prior to ten years from the day of entry into force of the agreement. Otherwise, the agreement shall be automatically renewed for another ten years, at which time this review procedure shall be repeated.

C. Either party shall in exercising its national sovereignty have the right to withdraw from the agreement at any time if it decides that extraordinary events, related to the subject matter of the agreement, have jeopardized the supreme interests of its country.

~~TOP SECRET-NODIS~~

Tab B

53d

THE SECRETARY OF STATE
WASHINGTON

August 15, 1968

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 93-57
By WJ, NARA, Date 7-6-93

~~TOP SECRET - NODIS~~

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Strategic Arms Talks with the Soviets

The proposed strategic missile limitation agreement, which has been concurred in by the Executive Committee of the Committee of Principals, would, if successfully negotiated, be demonstrably in the net interest of the United States and, we believe, in the interest of the Soviet Union as well. By imposing limitations on the numbers of strategic offensive and defensive missiles which each side could deploy, the proposed agreement would contain the strategic arms competition and avert a likely dangerous and costly new spiral in the arms race between the two superpowers.

The achievement of such an agreement would also demonstrate to others the common determination of the U.S. and the USSR to fulfill their obligations under Article VI of the Non-Proliferation Treaty and thus contribute to the goal of preventing proliferation of nuclear weapons to additional countries. It would increase the chances of reaching more comprehensive agreements involving reductions in strategic arms and, hopefully, facilitate agreement on other bilateral and multilateral arms control measures.

The agreement could be a major factor in reducing the risks of the outbreak of nuclear war and in promoting a meaningful detente. Above all, an agreement between the U.S. and the USSR of this nature could profoundly alter the complexion of East-West relationships and provide a climate wherein cooperative efforts could be directed toward solving other critical world problems.

~~TOP SECRET - NODIS~~

GROUP 1

The agreement would specifically enhance strategic stability between the U.S. and the USSR because of two primary factors:

1. Each side would retain a secure deterrent force, with minimum incentive for launching a first strike in times of crises;
2. The foundation would be laid for a continuing exchange of views on strategic matters, thus helping to avert the mutual suspicions and overreactions which have characterized the past strategic situation.

The effect of the proposed agreement on the strategic balance should be compared with the future strategic environment which is most likely to prevail in the absence of such an agreement. Without the constraints imposed by the agreement, we estimate that the Soviet Union, by the middle 1970's, could have deployed at least 1,500 ICBM's, a submarine-launched ballistic missile fleet comparable to our present Polaris force, some new land-mobile offensive missiles, and an ABM system containing almost three times as many interceptor missiles as the planned U.S. Sentinel system. The Soviets are, of course, capable of deploying a strategic force even larger and more powerful.

While our presently programmed strategic forces are adequate to cope with the probable future Soviet threat, we might be obliged to procure substantial qualitative and quantitative additions to maintain our deterrent if we were to see signs that the Soviets were moving towards more extensive offensive and defensive programs.

If, however, the agreement were acceptable to the Soviet Union, Soviet strategic forces would be constrained in four important ways:

1. The rapid recent expansion of Soviet ICBM deployments would be halted at numbers of launchers essentially equal to the U.S.;

2. The number of new-generation Soviet Polaris-type submarines would be held to a level well below half of the U.S. force;
3. The otherwise very likely deployment of Soviet land-mobile ICBM's would be precluded;
4. The level of Soviet ABM's would be limited to an equivalent of a U.S. deployment.

At the same time, the proposed agreement, if accepted in its present form, would have no significant effect on present U.S. plans regarding strategic weapons systems. We would still have the options of going ahead with the current programmed improvements in our capabilities, including advanced offensive missiles with MIRV's (Poseidon and Minuteman III). However, with the constraints placed on Soviet strategic forces under the proposed agreement, the United States would not have to procure major new strategic offensive systems, or an extensive ABM system, in order to maintain an adequate deterrent.

Although we consider that limitations on radars for ABM systems is a most significant item in dealing with the ABM question, the present proposal does not provide any such limitation because of the JCS concern over possible erroneous categorization of radars. The Executive Committee agreed that the problems of limitations on ABM radars and the relationship of radars to preventing the upgrading of the Tallinn anti-aircraft system to provide it with a significant ABM capability must be studied further and will have to be among the subjects discussed with the Soviets during the negotiations.

Because of the strategic situation which would exist under the agreement, both our absolute and relative strategic deterrent posture vis-a-vis the Soviet Union or any other nuclear power or combinations thereof--in terms of our assured destruction and damage-limitation criteria--would be at least as good as, and in many circumstances considerably better than, would probably be the case in the absence of an agreement.

The United States Intelligence Board has prepared a Special National Intelligence Estimate which evaluates our external capabilities; i.e., those that do not depend upon agreed access to the USSR, to verify strategic arms control agreements. Using external means alone, we have in some instances very high confidence of detecting Soviet violations at an early stage; in all others, we are confident of detecting violations well before they could measurably alter the strategic balance. In those areas where our capabilities are lowest, it would still be in our interest to propose limitations since potential violations would not significantly affect our security and the limitations would provide inhibitions to Soviet actions which they might otherwise freely undertake if no agreement existed.

Thus, we conclude that our ability to verify the agreement by external means alone is adequate, even taking into account the margin of uncertainty in some of our external verification capabilities and our need for adequate safeguards against possible Soviet violation or abrogation. This is reinforced by the fact that the agreement would not affect present U.S. programs but would constrain Soviet forces below the threat levels used to justify these programs. Therefore, we estimate that the potential risks to our deterrent due to possible Soviet evasion of the terms of the agreement are less serious than the risks we would face in the absence of an agreement. All of this, however, does not exclude the possibility of probing Soviet receptivity to a supplementary verification arrangement which would increase confidence in the viability of the agreement.

No agreement dealing with the extraordinarily complicated question of limiting strategic armaments can be initially designed to solve all possible problems which could arise from technological or political changes which may occur after the agreement is reached. Recognizing this, the proposed agreement allows for mutually agreeable revisions to be made to the basic

agreement in order to preserve its stability and satisfy the security interests of each party. It also contains a withdrawal provision in the event that one side comes to believe that its vital security interests have become endangered by the agreement. It may also be desirable to create some bilateral consultative machinery to ensure the viability of the agreement on a day-to-day basis.

No recommendations are made at present as to tactics on how this proposal will be negotiated with the Soviets, but we do not believe that all elements in it should be presented to them at once.

We recommend that you approve the attached proposal as a basis for the initial discussions with the USSR on limiting the strategic arms race.

Dean Rusk

Dean Rusk
Secretary of State

William C. Foster

William C. Foster
Director, Arms Control and
Disarmament Agency

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DECLASSIFIED. DOD DIR 5200.10

~~TOP SECRET - SENSITIVE~~

THE SECRETARY OF DEFENSE
WASHINGTON

13 AUG 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Proposal for Limiting Strategic Offensive and Defensive Systems

I. We have examined the Arms Control Proposal as described in Tab A, and have found that, on balance, and subject to the assumptions and conditions set forth in Section III below, an agreement based upon it* would allow the actions necessary to preserve U.S. security. Specifically, we conclude that within the terms of such an agreement we would be able to:

- a. maintain the U.S. deterrent posture;
- b. leave the Soviet Government and world opinion in no doubt as to the adequacy of the U.S. deterrent posture;
- c. be confident within the terms of the agreement that our deterrent posture could not be eroded by the actions of the Soviet Union, or any other nuclear power, alone or in combination;
- d. maintain a U.S. capability to limit damage to the United States by Soviet forces if deterrence fails, at least as effective as that which we can expect to obtain in the absence of an agreement; and
- e. provide a strategic capability that would prevent nuclear powers other than the Soviet Union from threatening the stability of the agreement.

II. Our conclusions in regard to the agreement are based on an analysis of the next 8-10 years. However, we cannot predict new Soviet weapon systems more than a few years ahead; and, therefore, we must continually have the freedom to reassess and to revise the agreement, or withdraw. We know of no way to determine whether the agreement -- if it should remain unchanged -- will continue to be in our interest. It is contemplated that we would exercise our right to terminate the agreement if we conclude that our national interest can be better protected in a different way. We must be prepared to withdraw at any time if our security requires us to do so.

We also believe that the agreement proposed may well need modification from time to time if it is to continue to preserve our security. In particular, we are concerned that freezing the location and inhibiting our ability to harden existing land-based silos could over time lead to a situation of instability, in that our land-based missile force might be destroyed in a first strike by the Soviet offensive missile forces;

*The Chief of Naval Operations and the Commandant of the Marine Corps believe that the proposal should be revised as indicated in Tab D.

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Authority U.S. 010.011.002/1
By jc/cb, NARA, Date 12-21-09

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this situation could develop if the Soviets were to exploit their potential for substantially increasing their present advantage in throw weight and installing MIRV's, both of which are permitted under the agreement.

Over the next few years the proposed agreement cannot lead to major budgetary savings and could even require some increases in spending; over a longer period the savings could be substantial if we were able to forego the new programs that might be rendered unnecessary by Soviet acceptance of the agreement and the Soviets decided unilaterally to forego upgrading systems not limited by the agreement. Of greater importance, we believe that the agreement could lead to greater security for the United States over the next 8-10 years, provided that we take the necessary actions to maintain the effectiveness of our strategic forces and remain in a position to react promptly if the agreement is suddenly terminated.

III. Our conclusion that the agreement would preserve the security of the U.S. is based on the following assumptions and conditions:

a. We must be confident that we possess a means of verifying an adequate degree of compliance with the agreement. Based on both the assessment of the Intelligence Community concerning their capability to verify compliance and the sensitivity of U.S. security to Soviet cheating or abrogation, we believe that national means of verification would enable us to monitor the various specific limitations in the agreement, with varying degrees of effectiveness. We have confidence that we would be able to monitor the agreement in terms of numbers of fixed, land-based offensive and defensive missile system launchers of known characteristics. However, within the fixed offensive systems we have low confidence that we can verify the prohibition against upgrading IR/MRBM launchers to an ICBM capability and defensive missile systems to a BMD capability. We also have low confidence that national means of verification would permit us to monitor the terms of the agreement as they pertain to mobile offensive and defensive systems. We must therefore:

(1) make a concerted effort to secure Soviet consent to some form of inspection involving intrusion into each other's territory and air space to verify limitations on systems other than those which we have reasonable confidence of verifying through unilateral means alone. Such agreed inspection procedures would increase the confidence of each side in the other side's compliance with the agreement, as well as the general confidence of allies that the results of the agreement are likely to be beneficial. It would permit a more comprehensive agreement. It also is likely to increase the stability of conditions and relationships;

(2) be prepared to use the necessary information from intelligence sources to call possible violations to the attention of the Soviet Union;

(3) be prepared to withdraw from the agreement, if necessary, justifying our actions by the public disclosure of data from intelligence sources;

(4) be prepared to withdraw from the agreement if the Soviets take steps which erode our ability to monitor their compliance, since our verification capability would be significantly degraded by Soviet efforts at concealment, evasion, or interference.

b. An upper limit on ABM defense should be set at an equivalent number of fixed land-based BMD-capable launchers and associated missiles, including reload missiles. The exact ABM limits would be determined during the course of negotiations with the Soviet Union, based upon an assessment of Soviet ABM-capable launchers and missile levels and our overall security objectives as they relate to other nuclear powers and to all the provisions of the agreement. The number should take cognizance of the need to defend against a threat from the CPR or other nuclear power during the period of the agreement.

c. We must have satisfactory assurances that present and future antiaircraft missile systems are not and will not become BMD systems. We should take the initial position that, unless the Soviets can assure us that SA-5 (TALLINN) is not and will not become a BMD system, it must be included in the Soviet ABM launcher limit. The degree of assurance required will depend on the results of technical study of our ability to detect a Soviet program to upgrade TALLINN to achieve various degrees of BMD potential.

d. The recent CIA/DIA estimate that we might not be able to confirm the maximum range of new Soviet missiles gives us concern that they might be able to evade the terms of the agreement and clandestinely replace their IRBM/MRBM's with ICBM's. We must be assured that the Soviets do not replace existing IR/MRBM missiles unless they can satisfy us that the new missiles do not possess an ICBM capability. We would consider their failure to provide us with adequate assurances, as needed, as constituting grounds justifying our withdrawing from the agreement.

e. The agreement covers only what is prohibited and not what is permitted. Specifically, there will be no prohibition on the development or deployment of aircraft and air defense systems (except to prohibit their acquiring a BMD capability), on civil defense, or ASW, on research and development, or on the qualitative improvement of forces within the constraints specified in the agreement. The development and deployment of improved post-boost vehicles capable of delivering MIRV's to individual targets or on depressed trajectories would not be prohibited.

f. Our judgment of acceptability is based on examination of the proposal as a whole. We have not considered whether separate parts of it would constitute an acceptable agreement. We would want to examine any proposal which was confined to such separate parts, or which proposed an agreement of wider scope.

g. When and if a proposal is approved for negotiation with the Soviet Union, we would want the opportunity to comment on negotiating strategy and tactics, instructions to the delegation, and on the initial presentation and other statements of the U.S. position.

h. The agreement must be in the form of a treaty to be ratified by both countries.

i. The U.S. must make it clear to the Soviet Union that either party would have the right to withdraw from the agreement unless adequate revisions can be negotiated -- and in the absence of such revisions the United States must be prepared to exercise its right of withdrawal from the agreement -- under any of the following circumstances:

(1) if the capability of any third country reaches the point where either party to the agreement believes that its security is threatened;

(2) if events lead either party to believe that its deterrent capability is threatened;

(3) if there is evidence of substantial concealment of systems affected by the agreement or evidence of evasion of the terms of the agreement;

(4) if either party takes action which interferes significantly with the other's verification capability or otherwise adversely affects the capability of the other party to verify compliance with the agreement.

j. A system of unilateral safeguards must be established to insure that the agreement continues to be in our interest and to insure that if the Soviets violate or abrogate the agreement, or we decide for other reasons to withdraw from the agreement, that we are in a position to take the steps necessary to maintain our security.

IV. The Deputy Secretary of Defense and the Secretaries of the Army, Navy, and Air Force concur in this memorandum.

The Chairman, Joint Chiefs of Staff, the Chief of Staff of the Army, and the Chief of Staff of the Air Force concur in full in this memorandum. The Chief of Naval Operations and the Commandant of the Marine Corps concur in the memorandum except that they believe that the proposal should be modified as shown at Tab D. The views of the Joint Chiefs are at Tab B. The views of the Chairman, Joint Chiefs of Staff on the CNO/CMC position are at Tab C.

Carl W. Sigmond

Enclosures: 4
a/s

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See major TAB A above



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

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10 AUG 68 11 15

CM-3572-68
9 August 1968

SECRETARY OF DEFENSE

MEMORANDUM FOR THE SECRETARY OF DEFENSE

SUBJECT: Draft Presidential Memorandum on Draft
Proposal for Strategic Talks (U)

- References:
- a. Memorandums from the Deputy Secretary of Defense, dated 2 Aug 68 and 6 Aug 68, on the above subject.
 - b. JCSM 498-68, dated 9 Aug 68, subject as above, which responds to Reference a.

1. Reference b forwards the views of the Joint Chiefs of Staff in response to Reference a, and includes the presentation of a position supported by the Chief of Naval Operations and the Commandant of the Marine Corps which would modify the State/ACDA proposal with respect to limitations on sea-based strategic offensive and defensive missile systems. The position forwarded by the Chief of Naval Operations and the Commandant of the Marine Corps is not supported by the Chief of Staff, US Army, the Chief of Staff, US Air Force or the Chairman, Joint Chiefs of Staff.

2. Inasmuch as Reference b presents the argumentation forwarded by the Chief of Naval Operations and Commandant of the Marine Corps in support of their proposal but does not present argumentation for the opposing view, I am presenting herein the opposing view and a rationale therefor.

3. With respect to the CNO/CMC position regarding the desirability of maintaining flexibility to deploy, within an agreed total number of offensive missiles, any mix we wish of land-based or sea-based offensive missiles, such flexibility permits actions on the part of the Soviets which may develop to our serious disadvantage.

a. The United States presently has a decided advantage in technology, in numbers of missiles, in numbers of SSBNs, in throw-weight and in reentry vehicles in its

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By wp/ly, NARA, Date 11-4-92

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SLBM force as compared to the Soviet SLBM force. We use this advantage in a variety of ways in the fielding of our strategic deterrent; for example, in the composition of our assured destruction force and in the targeting of the Soviet IR/MRBMs which threaten our NATO allies. The proposal supported by the majority of the Joint Chiefs of Staff protects this advantage. The proposal forwarded by the CNO/CMC provides an opportunity for the Soviets to close this gap by continuing to build or in fact accelerating the building of their SLBM force.

b. The CNO/CMC proposal if adopted likely would influence the Soviets to move increasingly to sea with their own offensive missile forces and to increase substantially the capability of their submarine-launched missile force. This, in turn, would give the Soviets increasingly the sort of advantage which we enjoy with our SLBM force, a force which is mobile, relatively invulnerable, difficult to track and hard to locate.

c. The CNO/CMC proposal could act as an open invitation for Soviet cheating on the agreement should the Soviets so desire. It would be a simple matter for them to announce the construction of additional SSBNs and the deactivation of the required equal number of ICBMs in their hard silos. Without obtrusive on-site inspection, we would have no way to prove that the hard silo ICBMs had, in fact, been deactivated. The reverse of this would be for Soviets to build additional land-based missiles (and silos) asserting that a like number of sea-based missiles were destroyed. We would be unable to confirm destruction of either missiles or submarines.

d. While theoretically there is a desirable flexibility in a proposal to retain the option to shift additional offensive missile forces to sea-based launchers or conversely to land-based launchers, this matter is not likely to present problems for some time. To take such a step would require considerable advanced planning, reallocation of resources, additional funding and examination of strategic advantages

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and disadvantages in relation to a developing Soviet threat. It is doubtful that this issue will arise in the initial ten-year life of the treaty, short of a Soviet action of the sort which would lead to withdrawal from the treaty.

e. The geographical advantages and disadvantages set forth in the CNO/CMC rationale are theoretical at best and in this age of great technological progress may become of even less significance. The advantages which accrue to the Soviets should they elect to increase their SLBM force would not be jeopardized by any lack of access to the sea; their access for deployment of a submarine force now is literally unrestricted.

4. With respect to the desirability of retaining flexibility for a sea-based and land-based mix in ABM systems, the concept of a sea-based ABM which would intercept multiple reentry vehicles (MRVs) prior to the time they are dispersed to their separate tracks is very attractive. However, currently there is but minimal research and development funding for a sea-based ABM, and technically and resource-wise it would appear that such a system is ten years or more in the future. Further, however, and considering the attractiveness of the theory of a sea-based ABM, the majority position in Reference b specifically makes provision for research and development in this area. Thus, the circumstance which appears to be the basis for the CNO/CMC proposal in the case of a sea-based/land-based ABM mix is not likely to arise during the initial ten-year life of the proposed agreement. At the same time, research and development for such a system is encouraged.

5. Finally, I am firmly of the view that we must retain our three-pronged force mix; land-based systems, sea-based systems and airborne systems. This sort of force mix serves to compound and complicate enemy planning, offensive and defensive. It serves as a hedge against catastrophic failure in any one system and it provides a needed incentive for dynamic and aggressive research and development programs in all of the environments important to the national defense.

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6. In summary, and viewing the CNO/CMC proposal in total context, the disadvantages outweigh any potential advantages within the period under discussion. The United States currently has a decided advantage in its submarine-launched ballistic missile system, both quantitatively and qualitatively, and confidently can expect to retain these advantages provided we do not tie our own hands. We need to take action in this current proposal to retain our advantage.

7. I strongly recommend that you support the position of the Chief of Staff, US Army, Chief of Staff, US Air Force and the Chairman, Joint Chiefs of Staff as presented in JCSM-498-68.

Earle G. Wheeler

EARLE G. WHEELER
Chairman
Joint Chiefs of Staff

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TAB D

MODIFICATION OF THE PROPOSAL
PROPOSED BY
THE CHIEF OF NAVAL OPERATIONS AND
THE COMMANDANT OF THE MARINE CORPS

The Chief of Naval Operations and the Commandant of the Marine Corps believe that the following two changes should be made to the State/ACDA proposal:

(a) In Section IV, Mobile Sea-Based Strategic Offensive Missile Systems, delete in its entirety and substitute the following:

"IV. Mobile Sea-Based Strategic Offensive Missile Systems

"Mobile sea-based strategic offensive missile systems would be included as part of an agreement to limit the total of land-based and sea-based (SLBM and SLCM) missiles/launchers to an overall ceiling. The agreement would address the overall total of offensive missile/launchers; limitations of sea-based platforms would not be included. Each party would retain the option, within the agreed overall number, to vary the mix of land-based and sea-based offensive missiles/launchers to meet its needs."

(b) In Section V, ABM's, change to read as follows:

"V. ABM's

"The proposal would ban the deployment of more than a set and equivalent number of fixed, land-based anti-ballistic missile launchers and associated anti-ballistic missiles including reload missiles. A total prohibition on deployment of mobile land-based ABM systems; both land-based and sea-based would be imposed. There would be no other restraints on the characteristics of the ABM systems deployed. Each party would retain the option, within the agreed overall number, to vary the mix of land-based and sea-based ABM missiles/launchers and associated radars to meet their needs."

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Authority: RAK 52R-71-9.8
By: JPL SARA Date: 3-26-18

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Friday, August 16, 1968

Mr. President:

Attached for your signature is a Proclamation of a Treaty of Amity and Economic Relations with Thailand, together with two exchanges of notes relating thereto, signed at Bangkok on May 29, 1966.

The treaty is another in the series of commercial treaties, the purpose of which is to insure protection for American citizens and their property and interests abroad, in return for like protection in this country for nationals of the country with which the treaty is made.

Following Senate advice and consent on September 11, 1967, you ratified the treaty, together with the two exchanges of notes, on October 24, 1967. Instruments of ratification were exchanged on May 8, 1968. The treaty and exchanges of notes entered into force on June 8, 1968. Proclamation has awaited confirmation from the Thai Government that its ratification included the exchanges of notes, which confirmation was received on August 9.

W. W. Rostow

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

Disapprove _____

Call me _____

Schwartz 8/16

ACTION

CONFIDENTIAL

Friday, August 16, 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Oral Message from King Faisal

*1. sup
2. Pres file
4:00 pm 8/14/68
journal/notes*

Since it's always nice to have pleasant news however minor, I pass this along.

Hermann Eilts, your Ambassador to King Faisal, is here on leave and has brought the following personal message from Faisal:

The King continues to have the deepest personal respect for you. He wants you to know that, while he respects your March 31st decision, he greatly regrets the prospect of your leaving office. He sends his warm personal wishes for your future health and happiness.

Hermann says that, even when Faisal is disagreeing with our policy, he always makes clear his belief in your fairness and integrity.

It would be nice if Hermann could just take back your thanks for the King's kind message and say that you look back with pleasure on the King's visit, you take comfort from your continuing exchanges with him and you will continue to admire his leadership in pressing Saudi Arabia's progress toward a better future.

W. W. Rostow

Approve oral response ✓ 8/19/68 - Larry Temple telephoned
MWR Rostow.
Disapprove _____
Hal Saunders notified 8/19/68
at 10:30 AM - ref

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E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By pc, NARA, Date 3-4-03

CONFIDENTIAL

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FROM WALT ROSTOW
TO THE PRESIDENT
INFO GEORGE CHRISTIAN
CITE CAP82024

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AUG 16, 1968

Pres file

BECAUSE OF ITS CLARITY AND QUALITY, ESPECIALLY, BECAUSE OF HIS RECOMMENDATIONS IN PARA. 13, I COMMEND TO YOU THIS LONG MESSAGE FROM ABRAMS TO WHEELER.

THIS WAS MY CONTRIBUTION TO A MISSION MESSAGE NOW UNDER PREPARATION;
QUOTE

1. ANY SPECULATION REGARDING THE ENEMY'S FUTURE ACTIONS SHOULD PROBABLY BE BASED ON HIS VIEW OF THE SITUATION. FROM OUR STANDPOINT IT IS A BADLY DISTORTED VIEW. HIS DOCUMENTS REVEAL THAT HE CONSTANTLY OVERESTIMATES HIMSELF AND UNDERESTIMATES THE GVN AND OURSELVES. HE EXAGGERATES OUR LACK OF NATIONAL AND INTERNATIONAL SUPPORT FOR US PARTICIPATION IN THE WAR. HE CONTINUALLY OVERESTIMATES OUR CASUALTIES AND MATERIEL LOSSES. FINALLY, HE SEES US GROWING WEAKER, PARTICULARLY PSYCHOLOGICALLY, WHILE HE GROWS STRONGER. WE NOW KNOW THAT THE ENEMY LEADERSHIP MADE A SIMILAR ANALYSIS OF THE SITUATION IN JULY 1967 WHEN THEY DECIDED TO LAUNCH THE FINAL PHASE OF THE WAR - THE SO-CALLED GENERAL OFFENSIVE TO OBTAIN THE GENERAL UPRISING. ATTEMPTS TO REALIZE THIS GOAL BROUGHT ABOUT THE TET OFFENSIVE AND THE SECOND OFFENSIVE LAUNCHED ON 5 MAY. ALTHOUGH US PUBLIC OPINION IS AN IMPORTANT FACTOR IN HIS CALCULATIONS, HIS PRIMARY OBJECTIVE IS STILL THE GENERAL UPRISING - THE OVERTHROW OF THE SVN GOVERNMENT BY THE COMBINED USE OF POLITICAL, PSYCHOLOGICAL, AND MILITARY MEANS.

2. IT IS SIGNIFICANT THAT THE OVERTHROW OF THE GVN AND THE ATTRITION OF US WILL BOTH REQUIRE THE ENEMY TO ATTACK SVN CITIES AND TOWNS AND US AND GVN FORCES. ONLY A WIDE-SPREAD OFFENSIVE AGAINST THE CITIES AND TOWNS WILL BRING ABOUT THE GENERAL UPRISING; ONLY A MAJOR ATTACK WILL GAIN HIM THE NEWSPAPER HEADLINES BY WHICH HE STRIKES AT OUR WILL TO CONTINUE THE WAR.

3. THERE IS CONSIDERABLE HARD INTELLIGENCE REVEALING THE ENEMY'S INTENTION TO LAUNCH SUCH A MAJOR ATTACK - ONE HE CALLS THE THIRD OFFENSIVE. SOME OF THIS INTELLIGENCE FOLLOWS:

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By jc, NARA, Date 11-3-00

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4. A DOCUMENT CONTAINING THE MINUTES OF A 20 JUN 68 MEETING DISCLOSES THAT HIGHER HEADQUARTERS ORDERED THE SECOND GENERAL OFFENSIVE ENDED TO PERMIT THE ENEMY TO STRENGTHEN HIS FORCES AND MAKE PREPARATIONS FOR THE THIRD GENERAL OFFENSIVE.

B. A NOTEBOOK CONTAINS 6 JUN 68 ENTRIES SPECIFYING RECONNAISSANCE OF APPROACHES TO SAIGON, TO BE COMPLETED BY 5 AUG 68. A 13 JUN 68 DIRECTIVE STATES THAT BY THE FIRST PART OF AUG 68, AGENTS ARE TO BE SENT INTO EVERY PRECINCT IN SAIGON-CHOLON.

C. A NOTEBOOK FROM COSVN SUB-REGION 4 SPECIFIES COMPLETION OF PREPARATIONS FOR THE "CLIMAXING PHASE" BEFORE 30 JUL 68.

D. ANOTHER NOTEBOOK CONTAINS DETAILED PLANS FOR AN ATTACK AGAINST SAIGON, AND STATES THAT FROM 15 JUN TO 30 JUL 68, THE UNIT CONCERNED WAS TO PREPARE FOR THE "THIRD CLIMAX."

E. A LETTER REVEALS QUOTAS TO BE MET DURING JUL 68 IN PREPARATION FOR THE "UPCOMING CLIMAXING PHASE" OF THE GENERAL OFFENSIVE.

F. A PW, FORMERLY A BATTALION POLITICAL OFFICER, STATED THAT A MEETING WAS TO BE HELD 7 TO 9 JUL 68 TO PLAN FOR A THIRD OFFENSIVE WHICH HE ESTIMATED WOULD BEGIN AFTER MID-AUGUST.

G. AN AGENT IN IV CTZ REPORTS A 19 JUL 68 VC MEETING TO DISCUSS A "GENERAL OFFENSIVE" TO BEGIN ON 19 AUG 68.

H. A DOCUMENT CAPTURED IN II CTZ, PROBABLY PREPARED BY MR-5, SPECIFIES THAT "ALL CITIES, BASES, LOC, AIRFIELDS, SEAPORTS, AND LARGE ARVN ELEMENTS" WILL BE ATTACKED TO WELCOME THE 23RD REVOLUTION DAY (19 AUG) AND THE 23RD INDEPENDENCE DAY (2 SEPT). AN EXACT DATE FOR THE OFFENSIVE WAS NOT INDICATED.

I. IN II CTZ, A MASTER SERGEANT CAPTURED ON 9 AUG 68 HAD CLAIMED THAT ON 20 AUG 68 THE AUTUMN/SUMMER CAMPAIGN WILL BEGIN IN DARLAC PROVINCE, WITH THE OBJECTIVE OF TOTAL VICTORY IN SVN.

J. IN NUMEROUS INTERCEPTED MESSAGES THE ENEMY SPEAKS OF ATTACK PREPARATIONS, OF D-DAY AND N-HOUR.

K. HE HAS POSITIONED HIS UNITS TO ATTACK MOST OF THE PRINCIPAL CITIES IN SOUTH VIETNAM.

4. WHILE THE ENEMY'S INTENT TO LAUNCH THE THIRD OFFENSIVE IS CLEAR, INTELLIGENCE REVEALS THAT WE HAVE PRE-EMPTED OTHER PLANNED ATTACKS IN THE PAST.

A. A PW FROM THE 312TH REGT CAPTURED 10 JUL 68 STATED QUANG TRI CITY WAS TO BE ATTACKED BETWEEN 15 TO 21 JUL 68, AND ARDF ON 19 AND 20 JUL 68 SHOWED ELEMENTS OF THE 312TH REGT MOVE OUT OF BASE AREA 101 TOWARD QUANG TRI CITY. ITS 5TH BN WAS FIXED ON 20 JUL 68 JUST OUTSIDE THE CITADEL. HOWEVER, ON 24 JUL 68 WE FIXED ELEMENTS MOVING AWAY FROM THE AREA. A PW FROM THE 32ND MORTAR BN CAPTURED 12 AUG 68 STATED HIS UNIT WAS TO HAVE ATTACKED QUANG TRI CITY FIFTEEN DAYS EARLIER BUT HAD BEEN UNABLE TO DO SO BECAUSE OF ALLIED FORCES, AND A CAPTURED ENEMY REPORT BY THE CHIEF, ORDONANCE SECTION, 312TH REGT, DTD 13 JUL 68, DISCUSSED HIS UNITS INABILITY TO CARRY OUT ITS MISSION BECAUSE OF FREQUENT MOVES AND RICE SHORTAGES.

B. IN III CTZ, BOTH SAIGON AND THE OUTER PROVINCES WERE TARGETS FOR ATTACK IN LATE JULY. A CAPTURED ENEMY LETTER DATED 26 JUN 68 TOLD GROUP 10 IN THE RSSZ TO MAKE STRENUOUS PREPARATIONS FOR A ROCKET ATTACK ON SAIGON IN LATE JULY WHICH WOULD BE "CONCERTED" WITH OTHER ATTACKS THROUGHOUT THE REGION. A PW, THE XO OF THE 4TH LF BN, CAPTURED 17 JUL, STATED HIS UNIT WAS TO ATTACK SAIGON BETWEEN 19 JUL AND EARLY AUG 68. THIS WAS SUPPORTED BY NUMEROUS LOW LEVEL AGENT REPORTS PLUS A VERY RELIABLE PENETRANT AGENT WHO REPORTED THAT ATTACKS WERE SCHEDULED IN THE OUTLYING AREAS BETWEEN 15 TO 25 JUL 68 WITH THE GENERAL OFFENSIVE TO FOLLOW IMMEDIATELY THEREAFTER. HIS REPORT WAS BORNE OUT BY THE ACTIVITY OF ENEMY UNITS. ON 10 AND 11 JUL 68, INTERCEPTED MESSAGES FROM THE 96TH ARTY REGT DISCLOSED PREPARATIONS FOR COORDINATED FIRE MISSIONS. ON 17 JUL 68, THREE ENEMY REGIMENTS IN THE BINH LONG PROVINCE AREA WERE DISPOSED IN POSITIONS SIMILAR TO THOSE WE SAW BEFORE THE LOC NINH BATTLE IN NOV 67. ON 18 AND 20 JUL 68 FRIENDLY INITIATED CONTACTS WITH THE 32ND NVA REGT A FEW KILOMETERS FROM LOC NINH ATTESTED TO HIS POSITIONING FOR AN OFFENSIVE. POSSIBLE REASONS FOR HIS FAILURE TO ATTACK WERE NOT ONLY THESE PRE-EMPTIVE GROUND ACTIONS BUT ALSO B-52 STRIKES ON 29 AND 30 JUN 68 IN NORTHEAST BINH LONG/PHUOC LONG BORDER AREA WHERE THE 32ND REGT HAD BEEN FIRED BY ARDP ON 22 JUN 68 AND WHICH AN AGENT ON 7 JUL 68 REPORTED HEAVY CASUALTIES TO TWO OR THREE NVA BATTALIONS.

C. WE HAD OTHER EVIDENCE OF ATTACKS SCHEDULED FOR LATE JULY WHICH WERE SUBSEQUENTLY ABORTED. DURING THE WEEK ENDING 20 JUL 68 COMMUNICATIONS OF ARTILLERY ASSOCIATED ELEMENTS IN AND NORTH OF THE DMZ REFLECTED A HIGH PROBABILITY OF INTENSE ATTACKS BY FIRE, AND THE FORMER XO OF THE TAY DO II BN IN IV CTZ WHO RALLIED 13 JUL 68 STATED THAT ATTACKS WERE SCHEDULED THROUGHOUT MR-3 TO COMMENCE 20 JUL 68, BUT THAT THESE WOULD BE POSTPONED IF BETTER RESULTS COULD BE ACHIEVED BY DELAY.

D. A RELIABLE AGENT REPORTED ON 26 JUL 68 THAT ALL PREPARATIONS WERE TO BE COMPLETE BY 25 JUL 68 AND HE EXPECTED AN ATTACK ON TAY NINH CITY BY 28 JUL 68. MESSAGE ACTIVITY BETWEEN MAS COSVN AND TACTICAL UNITS SUPPORTED THE REPORT AS DID THE 33RD REGT'S MOVEMENT TOWARD TAY NINH CITY ON 30 JUL 68 AND THE 165TH REGT'S MOVEMENT TOWARD AN LOC A DAY LATER. HOWEVER, ANOTHER RELIABLE AGENT REPORTED ON 28 JUL 68 THAT THE ATTACK ON TAY NINH CITY WAS TO HAVE OCCURRED 30 JUL 68 BUT HAD BEEN POSTPONED BECAUSE OF A SUSPECTED COMPROMISE AND THE RESULTS OF B-52 STRIKES, AND ON 30 JUL 68 WE INTERCEPTED A MESSAGE FROM AN ARTILLERY ASSOCIATED NIE IN THE AREA WHO STATED, "THE TIME FOR THE MOVEMENT HAS BEEN TEMPORARILY POSTPONED."

5. AS THE INTELLIGENCE INDICATES, OUR PAST MILITARY ACTIONS HAVE FORCED THE ENEMY TO DEFER OR POSTPONE PLANNED OFFENSIVES. WE HAVE EVERY INTENTION OF REPEATING THAT PERFORMANCE BY SPOILING ATTACKS, PRECISION BOMBARDMENT AND INTERDICTION. ALTHOUGH OUR MILITARY MEASURES MAY AGAIN PREVENT AN OFFENSIVE OR REDUCE IT TO SOMETHING AKIN TO A "LOW ORDER DETONATION", WE MUST BE PREPARED TO COPE WITH ENEMY CAPABILITIES

TO STAGE AN OFFENSIVE HAVING THE EARMARKS OF A MAJOR SURGE. WE CANNOT RULE OUT HIS ACHIEVEMENT OF EARLY, BUT DECEPTIVE, SUCCESSES.

6. MACV AND THE JGS SEE THE ABOVE SITUATION FROM THE SAME VIEWPOINT, AND GAUGE THE ENEMY INTENTIONS SIMILARY. CONCURRENTLY, WE HAVE TAKEN EXTRAORDINARY MEASURES TO DEVELOP AND EXPLOIT THE SITUATION, TO PRECIPITATE ENEMY REACTION, TO KEEP THE ENEMY OFF BALANCE, AND TO DENY HIM THE INITIATIVE. I DO NOT BELIEVE THAT WE HAVE EVER SCoured THE COUNTRY SO THOROUGHLY SEEKING THE ENEMY.

7. GROUND RECONNAISSANCE PATROLS ARE ACTIVE DAY AND NIGHT. WE ARE USING ALL MEANS AVAILABLE FOR AERIAL RECONNAISSANCE TO PINPOINT THE ENEMY. IN COMBINATION, THESE MEANS ARE BETTERING OUR TARGETING. TO CAPITALIZE ON THIS, WE ARE EMPLOYING OUR FIREPOWER IN REPOSE TO OUR RECONNAISSANCE AND IN COORDINATION WITH OUR MANEUVER FORCES. OUR INTENSIVE TACTICAL AIR INTERDICTION PROGRAM IN RP-1 AND LAOS, STEPPED UP ON 26 JUN 68 AND STILL CONTINUING, IS HURTING THE ENEMY'S OFFENSIVE PREPARATIONS. REPORTS ON THE NAVY PROGRAM IN RP-2 AND RP-3 ARE CONSISTENT WITH THE RP-1 DAMAGE. THE ARC LIGHTS HAVE BEEN GETTING GOOD RESULTS THROUGHOUT THE COUNTRY; GOOD TARGETS ARE INCREASING IN NUMBER. WE HAVE EVIDENCE OF SERIOUS DAMAGE TO THE ENEMY; THE DAMAGE WE INFLICT THAT WE DO NOT KNOW ABOUT MAY BE EVEN MORE SERIOUS TO HIM.

8. OUR GROUND FORCES HAVE BEEN, AND ARE, IN PLACES WHERE WE HAVE SELDOM, IF EVER, PENETRATED. WE ARE IN HIS BASE AREAS, IN ASHAU VALLEY, AND TODAY (15 AUGUST) WE ARE RAIDING INTO THE SOUTHERN DMZ IN NORTH-EASTERN QUANG TRI.

9. FULLY RECOGNIZING THE ENEMY'S INTENT TO LAUNCH AN OFFENSIVE, HIS DECISION TO INITIATE IT MUST BE CONTINGENT ON HIS ABILITY TO OVERCOME OUR ACTIVITY TO BLOCK HIM--TO PREEMPT HIM. HE MUST BE DELIBERATING ON THIS EQUATION RIGHT NOW. HE KNOWS OUR ACTIVITY AND SHOULD HAVE AN APPRECIATION OF OUR POTENTIAL.

10. CRITICAL TO OUR COURSE HERE IN VIETNAM IS THE IMPACT ON PUBLIC OPINION IN THE UNITED STATES WHICH MIGHT RESULT INITIALLY FROM AN ENEMY OFFENSIVE, EVEN IF LATER PROVEN TO BE ABORTIVE. PICTORIAL COVERAGE AND BANNER HEADLINES MAY BRIEFLY DISTORT A SITUATION WHICH IS REALLY WELL IN HAND. THAT IS THE FIRST PROBLEM, GETTING OVER THE FIRST HURDLE OF PUBLICITY AND CONJECTURE BEFORE THE TRUE ASSESSMENT HAS TIME TO EMERGE. THE SECOND PROBLEM IS REMOTELY, BUT CONCEIVABLY, POSSIBLE. IN THE EVENT THAT THE ENEMY CAN NOT LAUNCH AN OFFENSIVE BECAUSE OF OUR PREEMPTIVE EFFORT, OR CHOOSES TO BIDE HIS TIME BELIEVING THAT TIME IS ON HIS SIDE, AN AWKWARD VOID COULD RESULT. THE MILITARY LEADERSHIP AND THE ADMINISTRATION HAVE TAKEN THE POSITION THAT AN ENEMY OFFENSIVE IS BREWING. IF THE PRESENT "LULL" DRAGS ON, PRESSURE WILL CONTINUE TO BUILD TO THE EFFECT THAT THE ENEMY HAS DEESCALATED, AND THAT WE SHOULD MAKE FURTHER CONCESSIONS--CESSATION OF THE BOMBING OF NORTH VIETNAM.

11. WE ARE CONFIDENT THAT THE ATTACKS CANNOT SUCCEED IN THEIR LOCAL OBJECTIVE OF SEIZING AND HOLDING FOR LONG ANY DISTRICT OR PROVINCIAL CAPITAL, OR THEIR PRIMARY OBJECTIVE OF PRODUCING THE COLLAPSE OF THE GOVERNMENT, ITS ADMINIS-

TRATIVE MACHINERY, A GENERAL DEFECTION OF THE ARVN FORCES, AND A GENERAL MASS UPRISING. BUT THE DAY-TO-DAY PLAY IN THE US PRESS AND ON TV OF THE FIGHTING, REFUGEES, SABOTAGE, DESTRUCTION, ETC. COULD HAVE A POWERFUL AND TRAUMATIC EFFECT ON AMERICAN PUBLIC OPINION.

12. WE FEEL THAT THE FRIENDLY FORCES ARE READY, AND INDEED THE SOUTH VIETNAMESE ARE ANXIOUS, FOR BATTLE. IN COMPARISON TO TET WE ARE MUCH STRONGER; AND THE ENEMY CASUALTIES WILL AGAIN BE VERY LARGE IF THE ENEMY SUCCEEDS IN MOUNTING LARGE-SCALE ATTACKS. IN ADDITION, OUR DAMAGE SHOULD NOT BE NEARLY SO GREAT AS BEFORE. WHEN THE OFFENSIVE SUBSIDES, AS IT WILL AFTER FOUR OR FIVE WEEKS-- WHICH WE THINK IS THE MAXIMUM THEIR SUPPLIES WILL ALLOW-- THE ENEMY WILL HAVE TO RETREAT AGAIN AS IT DID TWICE BEFORE THIS YEAR. ALL THIS IS PREDICATED ON THE ASSUMPTION THAT THE ENEMY WILL NOT ACHIEVE A BREAK-THROUGH OF DISPAIR AND PANIC IN THE UNITED STATES.

13. ACCORDINGLY, WE RECOMMEND THAT AS SOON AS WE HAVE EVIDENCE THAT THE ATTACKS ARE DEVELOPING ON A LARGE SCALE AND THAT A MAJOR OFFENSIVE IS UNDER WAY, THE AMERICAN PRESS SHOULD BE BRIEFED AND THE AMERICAN PEOPLE ADDRESSED NATIONWIDE, IN ORDER TO EXPLAIN THAT THE ENEMY'S OBJECTIVE IS NOT ONLY WHAT IT APPEARS, I.E., THE DEFEAT OF THE SOUTH VIETNAMESE GOVERNMENT, BUT IS AIMED AT THE LESSER INCLUDED TARGET OF AMERICAN PUBLIC OPINION, SUPPORT AND MORALE. WE SHOULD MAKE CLEAR OUR COMPLETE CONFIDENCE THAT THE SOUTH VIETNAMESE GOVERNMENT AND FORCES WILL STAND UP TO THE ATTACK, AND WITH OUR HELP AND THAT OF OUR ALLIES, DEFEAT IT. WE SHOULD EXPLAIN THAT HANOI IS ENGAGED IN A GIGANTIC GAMBLE AIMED, SECONDARILY BUT NONETHELESS PURPOSEFULLY, AT AMERICAN OPINION. WE SHOULD POINT TO THE HEAVY CASUALTIES THEY HAVE ALREADY SUFFERED IN THE FIRST TWO OFFENSIVES, THE SUICIDAL NATURE OF THE THIRD OFFENSIVE, THE HEAVY CASUALTIES CERTAIN TO BE INFLICTED ON THEM, AND THEIR INABILITY TO ACHIEVE A MILITARY, POLITICAL OR PSYCHOLOGICAL VICTORY HERE.

14. WE ARE NOT SUGGESTING THE FOREGOING AS THE WORDS TO BE USED, BUT RATHER THE THOUGHT AND THEME THAT SHOULD LIE BEHIND OUR PREPARATION OF AMERICAN PUBLIC OPINION FOR WHAT MAY BE COMING, FOR WE HERE NOW REGARD AMERICAN PUBLIC OPINION AS THE VITAL ELEMENT IN OUR SUCCESS OR FAILURE IN VIETNAM.

15. ALL THE FOREGOING WAS DISCUSSED WITH SECRETARY CLIFFORD, WHEELER AND BUNDY WHEN THEY WERE HERE, AND WE WERE ASSURED THAT STEPS WERE ALREADY BEING TAKEN TO DEAL WITH THIS CONTINGENCY. WE HERE ARE BRIEFING THE PRESS IN LOW KEY ALONG THESE LINES WHEN ASKED ABOUT THE SIGNIFICANCE OF THE NEXT OFFENSIVE. WE BELIEVE IT IS ESSENTIAL THAT STATEMENTS BE READIED IN ADVANCE AND THAT THEY BE USED VERY EARLY AFTER THE OFFENSIVE STARTS. WE SHOULD NOT CLAIM THAT THIS IS THE LAST CAMPAIGN, AND THAT WHEN IT IS OVER THE WAR WILL BE OVER. WE SHOULD MAKE A REASONED CASE THAT HANOI CANNOT INDEFINITELY SACRIFICE ITS MEN AND CADRES ON THIS SCALE AND WILL HAVE TO REEXAMINE ITS WHOLE STRATEGY. THE IMPORTANT THING IS TO EMPHASIZE OUR UNDERSTANDING OF WHAT THE ENEMY IS ABOUT AND OUR ABILITY TO DEFEAT HIS PURPOSE.

UNQUOTE.

~~SECRET~~

Friday, August 16, 1968

1. wrap
2. Pres file

Mr. President:

At Tab A is a proposed reply to a letter from 16 Senators urging that we (a) bring relief to the starving Biafrans, but (b) not get involved in the politics. The Senators are Senators McGovern, Harris, Mondale, Church, Clark, Young, Fong, Hart, Proxmire, Pell, Dodd, Ribicoff, Nelson, Harrison A. Williams, Percy and Morse.

The reply is addressed to McGovern because his is the first signature. The letter was sent before he announced as a Presidential candidate. If you prefer, the reply could be addressed to one of the others.

W. W. Rostow

Attachments: 2

WWR:EKH:lw

57a

August 17, 1968

Dear George:

I appreciate the very thoughtful letter on the situation in Nigeria in which you and other distinguished members of the Senate set forth your hopes for early relief of civilian suffering.

I want you to know that your letter in large part reflects my own thoughts on this tragic problem and my very deep concern for the millions of civilians on both sides so cruelly afflicted. I also appreciate your support for our policy with respect to the political questions at issue. The three principles of relief operations which you and your colleagues put forth are being vigorously pursued. Supplies are being stockpiled, other countries are contributing and governments are helping with transport to be used when the political impasse is broken. I have enclosed a memorandum outlining the current relief situation for your background information.

The response both in America and abroad to the needs of the starving civilian populations on both sides has been both moving and heartening. You may be certain that we are doing everything possible to work with others to establish ground and air relief corridors into the affected areas. I know that you and your distinguished colleagues join me in the fervent hope that the parties to this bitter dispute will soon agree to allow help to reach the hungry.

Sincerely,

/s/ Lyndon B. Johnson

The Honorable
George McGovern
United States Senate,
Washington, D. C. 20510

LBJ:WWR:EKH:lw
8/16/68

The Nigerian Relief Problem

The United States Government is actively participating in the international relief effort coordinated by the International Committee of the Red Cross (ICRC). The following provides information on the nature of the relief problem and the operations of the ICRC, including the contributions from the United States and other countries thus far.

The Dimensions of the Relief Problem

The area in Nigeria requiring relief includes the whole of the former Eastern Region, which proclaimed itself the Republic of Biafra in May, 1967, as well as certain areas of the present Mid-West State. The Federal Government now controls militarily about two-thirds of the former Eastern Region. According to the estimates of the ICRC, the Federal Military Government, and USAID there are 3 million in need of high protein dietary supplements in the Biafran area and 750,000 in need in the Federal controlled area. There are no reliable figures on the death rate, but it is estimated very roughly at 200-400 per day. Reports of 6,000 deaths a day appear greatly exaggerated. The persons hardest hit by the crisis are children, pregnant mothers and the aged.

The ICRC has been able to mount relief operations in the Federal controlled areas in tandem with the Nigerian Red Cross and voluntary agencies such as the Catholic Relief Services and Lutheran World Relief. However, in some areas of acute need such as the southeastern town of Ikot Ekpene, the Red Cross has been forced to withdraw temporarily because of continued fighting. In the areas where it can operate safely, the Red Cross has placed medical distribution teams and is conveying supplies to them.

The most serious problem exists in the Biafran controlled area. In the absence of agreement by both parties on the means of bringing in supplies, relief has been coming in only in small amounts through direct airlift from the offshore islands of Sao Tome and Fernando Po. The ICRC, Church World Services, Caritas and other charitable organizations have chartered nighttime flights which have encountered the hazards of the rainy season, inadequate landing facilities, and occasional ground fire.

The Relief Effort

The International Committee of the Red Cross has been involved in relief for Nigeria since early 1968. In July it named Ambassador Auguste Lindt, former Swiss Ambassador to Moscow, to head the overall relief operation. Ambassador Lindt has visited both the Biafran and Federal areas of need and is thoroughly aware of the dimensions of the problem. In Federal territory the Chairman of the Nigerian Red Cross is Director of Relief Action and provides liaison between the Nigerian Red Cross and the ICRC. Under him is the ICRC Chief of Operations. The ICRC directs its own medical-distribution teams, which work with local Red Cross Societies, missionaries and voluntary aid detachments. There are now 11 relief teams in Nigeria and the ICRC plans to have 30 teams there by September.

In Biafra the ICRC representative provides a direct link between the Biafran Government and the ICRC headquarters in Geneva. There are a few Red Cross personnel now in Biafra, who, with the assistance of the strong Eastern family system and the existing missionary network are distributing what supplies now reach Biafra. The ICRC is putting together 10 mobile distribution teams and 2 public health teams for deployment to Biafra when the relief routes open.

The ICRC has received contributions in cash and commodities amounting to many millions of dollars from 34 countries. The United Kingdom has allocated £250,000 for Nigerian relief. The German Red Cross has allocated 25 Mercedes trucks to the ICRC. Norway, for example, has provided 2,800 tons of stockfish, previously a basic food for the Eastern Nigerians.

The United States Government, the largest donor, has contributed a total of \$6.3 million to this effort in cash and surplus food commodities. Of this total \$1.1 million has been contributed to the International Red Cross. In June, \$100,000 was given to ICRC as a cash donation. In July, an additional \$1 million was provided ICRC as a reserve fund to draw on in financing urgent requirements of the relief effort.

In addition, the US Government has approved about \$4.8 million in PL 480 surplus food (dry milk, bulgur, high-protein blended food products and edible oil totaling over 11,300 tons) as donations to voluntary relief agencies for distribution throughout Nigeria. The Catholic Relief Services is receiving \$2.1 million of these foods; UNICEF is obtaining the balance of \$2.7 million. About 3,000 tons of the total food tonnage has now arrived in Nigeria; 6,000 tons left US shores this month with other shipments to follow.

The US Government has also provided \$100,000 to its AID Mission in Lagos to help finance other relief needs. These have included the cost of two airlifts of 60 tons of ICRC relief supplies from Europe to Lagos; the purchase of four trucks to be used for internal distribution; and the purchase of US drugs and cloth for clothing.

Apart from US Government contributions, the private voluntary organizations of the US have made substantial donations of food and other supplies totaling about \$2.5 million on behalf of the relief effort. The American organizations active in providing relief include the Lutheran World Relief, Catholic Relief Services, Church World Service, Seventh Day Adventists, American Red Cross, the Ford Foundation, and CARE. Often, the US Government pays the overseas transportation costs of shipping these relief supplies donated by the voluntary agencies; thus far, the US Government has contributed \$300,000 for this purpose.

Summary:

US Government	\$6,300,000
US Private Organizations	<u>\$2,500,000</u>
TOTAL	\$8,800,000

The Relief Impasse

Adequate distribution to Biafra has been held up by the failure of both sides to agree on the means of bringing in relief supplies. The Federal Military Government has basically insisted on the establishment of overland relief corridors transiting Federal territory, while the Biafrans have called for a direct airlift of supplies. Both sides have indicated some flexibility on the issue, but a mutually acceptable arrangement has not yet been reached despite the best efforts of the Red Cross and the Organization of African Unity. The ICRC believes that the only way to bring in sufficient relief is through overland corridors, but has sought the designation of a Biafran airstrip for its exclusive use to expedite the flow of relief. The Federal Government has stated that it is ready to open a relief corridor south of the former Eastern capital of Enugu. More than 500 tons of food are earmarked for this at Enugu, with additional amounts coming in steadily. Calabar, the main Eastern port, is also a depot for supplies. We understand that approximately 3,500 tons of ICRC food is stockpiled on Fernando Po to be brought in once regular airlifts can be established. There are about 4,000 tons of ICRC food in Lagos warehouses also ready for forwarding. It is clear that the food is available as soon as agreement can be reached on how to bring it in.

The Prospects

For the past ten days delegations from both sides have been negotiating on relief and peace in Addis Ababa, Ethiopia, under the chairmanship of Emperor Haile Selassie. In a message to the Emperor at the beginning of the talks on August 5 President Johnson called for speedy resolution of the relief impasse. The Pope on August 12 also appealed to both sides to give first priority to relief. In the last few days there have been some encouraging signs that agreement on the means of getting supplies in may be near, though no details are available as of this date.

On August 12 Secretary Rusk sent to Geneva a delegation headed by Ambassador C. Robert Moore, Deputy Assistant Secretary of African Affairs, for urgent consultations with the ICRC and other organizations concerned with relief. Ambassador Moore has been exploring every aspect of the relief problem with Ambassador Lindt. He and his party are seeking to determine how the US Government and American voluntary agencies can best assist in expediting relief to Biafra.

57c

August 6, 1968

Dear George:

Thank you for your letter of August 2 to the President in which you join with other Members of the Senate in expressing concern about the mass starvation that threatens Biafra.

Your letter is receiving attention and you may expect a further reply shortly.

Sincerely,

Mike
Mike Manatos
Administrative Assistant
to the President

Honorable George McGovern
United States Senate
Washington, D. C.

fs/jf

7.

ALLEN J. ELLENDER, LA., CHAIRMAN
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ERNEST F. HOLLINGS, S.C.

GEORGE D. AIKEN,
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J. CALES BOGGS, DEL.
JACK MILLER, IOWA
MARK O. HATFIELD, OREG.

COTYS M. MOUSER, CHIEF CLERK

57d

United States Senate

COMMITTEE ON
AGRICULTURE AND FORESTRY
WASHINGTON, D.C. 20510

August 2, 1968

Dear Mr. President:

mm

We are deeply concerned about the mass starvation that now threatens Biafra.

As you know, this area, which has attempted to secede from Nigeria, is now completely surrounded by Nigerian Federal troops, and is under a blockade that can only be penetrated by aircraft. It contains seven to ten million people who are traditionally dependent on food imports. The present blockade and the exhaustion of their reserves have forced them into a state of acute hunger and starvation.

The complex political issues responsible for the blockade are currently being discussed by the parties involved, but it may be several months before these negotiations can resolve the issues and lift the blockade. Medical authorities estimate that by that time several million people will have starved to death. A large majority of these will be children, since children are far more sensitive to dietary deficiencies than are adults. Thousands have already died, and the starvation rate is increasing rapidly.

We wholeheartedly support our government's present policy of strict political neutrality in this civil war. At the same time, we believe firmly that the resulting starvation should not occur if it is within our power to prevent it.

Therefore, we urge you to offer assistance through the United Nations or voluntary religious and humanitarian organizations to enable them to deal with the food shortage that has resulted from this conflict.

Gaylord Nelson

Harrison A. Williams

Charles Percy

Wayne Morse

Senators Signing:

Senator George McGovern
Senator Fred R. Harris
Senator Walter F. Mondale
Senator Frank Church
Senator Joseph S. Clark
Senator Stephen M. Young
Senator Hiram L. Fong
Senator Philip A. Hart
Senator William Proxmire
Senator Claiborne Pell
Senator Thomas J. Dodd
Senator Abraham Ribicoff
Senator Gaylord Nelson
Senator Harrison A. Williams, Jr.
Senator Charles Percy
Senator Wayne Morse

~~SECRET~~ SAVIN EYES ONLY

Aug. 16, 1968

58

FROM WALT ROSTOW

FOR THE PRESIDENT

COPY TO GEORGE CHRISTIAN

Because of its clarity and quality and, especially, because of his recommendations in para. 13, I commend to you this long message from Abrams to Wheeler.

(MAC 11017)

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ/RAC 03-118
By Sj, NARA, Date 6-2-03

~~SECRET~~

NODIS

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DE WTE 3215

FROM WALT ROSTOW
TO THE PRESIDENT
INFO GEORGE CHRISTIAN
CITE CAP 32013

DECLASSIFIED
E.O. 13292, Sec. 3.4
By *pt/dw* NARA, Date *12-21-09*

188 AUG 15 PM 7
THURSDA

~~SECRET~~ NODIS

Pres. files

THURSDAY, AUGUST 15, 1968

SUBJECT: CAPSULE VERSION OF AMBASSADOR BUNKER'S 62ND
WEEKLY REPORT (THIS IS AN INTERESTING REPORT.
TEXT WORTH READING).

A. GENERAL

--ALL AVAILABLE INFORMATION POINTS TO ENEMY THIRD WAVE
ATTACKS WITHIN RELATIVELY SHORT TIME. PROVINCE CAPITALS,
DANANG, EASTERN DMZ AND SAIGON ARE LIKELY TARGETS. MAIN
ENEMY OBJECTIVE IS POLITICAL/PSYCHOLOGICAL ONE OF INFLUENCING
US AND WORLD OPINION AND PROBABLY THE DEMOCRATIC CONVENTION.

--US AND SVN TAKING VIGOROUS MEASURES TO FORESTALL, MEET
AND BREAK UP EXPECTED ATTACKS. NO QUESTION ALLIES CAN
HANDLE THEM IN MILITARY TERMS.

--MISSION SEEKING PUT SITUATION IN PERSPECTIVE FOR PRESS
TO AVOID SENSATIONAL, MISLEADING ACCOUNTS. IN EVENT
PROLONGED LULL, INTEND EMPHASIZE SUCCESS OF ALLIED
SPOILING OPERATIONS.

--ARVN EFFORTS ESPECIALLY HEARTENING. INCLUDED MAJOR
ROLES OF ARVN FIRST DIVISION IN A SHAU VALLEY AND HUE
AREA AND SIGNIFICANT ARVN SUCCESSES IN DELTA.

--SVN MOBILIZATION EFFORT MOVING WELL WITH TOTAL MILITARY
PERSONNEL OF 755,000 PLUS 40,000 CIDG, UP 120,000 THIS YEAR.

--SVN'S CIVIL DEFENSE PROGRAM GATHERING MOMENTUM
WITH INAUGURATION BY HUONG AND THIEU OF "SELF-DEFENSE
MONTH," AND WITH RELEASE OF 54,000 WEAPONS TO UNITS.
20,000 MORE WEAPONS ARE PROMISED. 23,000 SELF-DEFENSE CADRE
NOW ARMED.

--THIEU MET WITH LEADERS OF NEW LIEN MINH UNITY ORGAN-
IZATION. LEADERS ANNOUNCED A "NEW LIFE ACTION" SOCIAL
WELFARE PROGRAM FOR HEALTH, SANITATION, EDUCATION AND
REFUGEE RELIEF--A HIGH IMPACT EFFORT CONCENTRATED INITIALLY
IN THE CITIES.

B. POLITICAL

- GVN MOVING AHEAD TO RELEASE OF "ILLEGAL DETAINEES."
- GVN CONSIDERING AUTHORIZING RETURN OF POLITICAL EXILES, INCLUDING PROMINENT GENERALS. LOWER HOUSE ALSO WANTS RETURN OF EXILES.
- GVN NEGOTIATING WITH HIGHLANDER DISSIDENT LEADER IN HOPES OF GAINING FULL COOPERATION FROM THIS ANTI-VC MOVEMENT.
- HUONG HAS HANDLED POLITICAL OPPONENTS SKILLFULLY, BUT HE FEARS KY MAY ALLY WITH OPPOSITION GROUPS TO CAUSE TROUBLE. HUONG MAY OVERESTIMATE THIS THREAT.
- MILITANT TRI QUANG BUDDHISTS MEETING NEXT WEEK. BUDDHISTS STILL DEEPLY SPLIT AND TRI QUANG'S INFLUENCE HAS DECLINED GREATLY.

C. MILITARY

- TERROR ATTACKS CONTINUING IN EFFORT TO SOFTEN UP CAPITAL. VC RADIO PRAISES ATTACKS.
- OTHER SIGNS OF ENEMY BUILDUP INCLUDE INCREASED TAXATION, FORCED RECRUITMENT, AND FORMATION OF ALL-FEMALE UNITS.
- AVENUES OF APPROACH ARE COVERED AND UNIFIED COMMAND ARRANGEMENTS EXIST TO MEET ENEMY ATTACKS ON TAY MINH OR SAIGON.
- SITUATION IN IV CORPS CONTINUES TO IMPROVE; KILL RATION MORE FAVORABLE THAN AT ANY TIME IN PAST FEW MONTHS.

D. PACIFICATION

- NEARLY 65 PER CENT OF POPULATION IS IN RELATIVELY SECURE STATUS. SECURE POPULACE GAINED 340,000 DURING JULY--250,000 IN SAIGON AREA ALONE.
- ANTICIPATED MAJOR ENEMY ATTACKS WILL PROBABLY CAUSE ANOTHER PACIFICATION SETBACK--IF ONLY BECAUSE THE HAMLET EVALUATION SYSTEM IS SENSITIVE TO ENEMY ACTIVITY.
- EXTENT OF SETBACK SHOULD BE LESS SEVERE THAN AT TET BECAUSE OF ALERT AND GROWTH OF TERRITORIAL SECURITY FORCES.
- THIEU IS FULLY AWARE OF ENEMY INTENT TO LAUNCH A MORE POLITICAL PHASE OF THE WAR; KOMER CONTINUES TO PRESS THIEU TO UNIFY PACIFICATION MANAGEMENT. PACIFICATION IS REGAINING MOMENTUM BUT MUST MOVE FASTER, WITH GVN SEIZING INITIATIVE.
- THIEU PLANS PERSONALLY TO ISSUE MUCH MORE COMPREHENSIVE GUIDANCE TO PROVINCE AND DISTRICT CHIEFS AND GIVE THEM NEW OPPORTUNITIES FOR PROMOTION; THIEU'S ENTHUSIASM SHOULD PROVIDE A MAJOR STIMULUS, ALTHOUGH GVN IS STILL NOT ADEQUATELY STAFFED AND ORGANIZED TO EXECUTE HIS WILL.

E. ECONOMIC

- ECONOMIC FRONT RATHER UNEVENTFUL; BLACK MARKET DOLLAR PRICE ROSE FROM 130 TO 195 PIASTERS, PERHAPS BECAUSE OF RUMORED DEVALUATION.
- RICE ARRIVALS IN SAIGON FROM DELTA DURING JULY REPORTEDLY WERE 31,000 TONS, THE HIGHEST SINCE MARCH 1967--PROBABLY ATTRIBUTABLE IN PART TO IMPROVED SECURITY AND THE LULL IN COMBAT OPERATIONS.
- FOREIGN EXCHANGE RESERVES--EXCLUDING THE \$50 MILLION RICE ESCROW ACCOUNT--ROSE IN THE FIRST WEEK OF AUGUST TO ABOUT \$310 MILLION; IN JULY IT HAD FALLEN TO \$280 MILLION.

GENERAL

1. THE LULL IN MILITARY ACTIVITY CONTINUED DURING THE PAST WEEK, BUT THERE IS A GROWING EXPECTATION THAT IT WILL END SOON. ALL THE INFORMATION AVAILABLE TO US POINTS TO THE FACT THAT ENEMY PREPARATIONS ARE FAR ALONG. GENERAL ABRAMS ANTICIPATES THAT THE ENEMY MAY TRY TO INITIATE WIDESPREAD ATTACKS IN OUTLYING AREAS WITHIN A RELATIVELY SHORT TIME, PERHAPS IN A MATTER OF DAYS. THE MOST LIKELY INITIAL TARGETS APPEAR TO BE PROVINCE CAPITALS SUCH AS TAY NINH IN III CORPS, DANANG, HOI AN, CHU LAI, BANMETHUOT, AND THE EASTERN DMZ. IF THE ENEMY IS ABLE TO SUSTAIN THESE ATTACKS, IT SEEMS PROBABLE THEY WILL BE FOLLOWED FAIRLY QUICKLY BY A LARGE SCALE EFFORT AGAINST SAIGON.

2. EXPECTATION OF A "THIRD WAVE" WAS WIDESPREAD IN SAIGON THIS WEEK, AND TENSION INCREASED AS A RESULT. FURTHER SECURITY MEASURES WERE IN EVIDENCE, EVENING TRAFFIC WAS LIGHTER, NEWS-PAPER EDITORIALS ANTICIPATED "THE BIG SHOWDOWN IN THE COMING DAYS." AN INCREASE IN ENEMY TERRORISM ALSO CONTRIBUTED TO THIS ATMOSPHERE. MORALE IS GOOD, HOWEVER, AND I BELIEVE THE PEOPLE IN GENERAL HAVE CONFIDENCE IN THE GVN AND ALLIED ABILITY TO HANDLE THE THREATENED ATTACKS. AS I HAVE SAID EARLIER, I BELIEVE THE MAIN OBJECTIVE OF ENEMY ATTACKS WILL BE THE INFLUENCING OF PUBLIC OPINION IN THE UNITED STATES AND ABROAD; AND PROBABLY IN PART IN INFLUENCING THE DEMOCRATIC NATIONAL CONVENTION. IT IS TRUE THAT HANOI HAS EXPRESSED CONTEMPT FOR ALL OF THE MAJOR CANDIDATES. NEVERTHELESS, IT MAY WELL CALCULATE THAT IT CAN AGAIN MOVE AMERICAN OPINION AS IT DID AT TET AND IN MAY AND THUS AFFECT THE POLICY OF THE DEMOCRATIC PARTY AT A CRUCIAL POINT IN THE FORMATION OF THAT POLICY.

3. BOTH WE AND THE GVN HAVE TAKEN VIGOROUS AND THOROUGH MEASURES TO MEET AND BREAK UP THE EXPECTED ENEMY ATTACKS; AND IF POSSIBLE TO FORESTALL THEM AND PREVENT THEIR GETTING OFF THE GROUND. DURING THE PAST WEEK, FRIENDLY FORCES CONTINUED SEEKING OUT THE ENEMY IN THE BASE AREAS AND ASSEMBLY POINTS FROM WHICH HE HOPES TO MOUNT HIS ATTACKS.

4. THE ROLE TAKEN IN THIS EFFORT BY ARVN FORCES IS ESPECIALLY HEARTENING. GENERAL TRUONG, COMMANDER OF THE ARVN FIRST DIVISION, SENT TWO OF THE FOUR BATTALIONS ASSIGNED TO THE DEFENSE OF QUANG TRI CITY INTO THE A SHAU VALLEY ALONG WITH THREE BATTALIONS OF OUR 101ST AIR CAV DIVISION. THE THIRD REGIMENT OF THE ARVN FIRST DIVISION IS PLAYING A MAJOR ROLE ALONG WITH THE FIRST AIR CAV ELEMENTS IN BASE AREA 104 WEST OF HUE. IN THE DELTA, THE ARVN PERFORMANCE IN THE HIGHLY SUCCESSFUL OPERATION IN THE BINH FOREST WAS OUTSTANDING. ARVN FORCES HAVE BEEN AGGRESSIVELY SEEKING CONTACT IN THE DELTA WITH THE RESULT THAT IN JULY, THERE WERE MORE ENEMY KILLED, MORE CAPTURED, AND MORE HOI CHANHS THAN IN JUNE. ON THE OTHER HAND, FRIENDLY KIA WERE DOWN FROM JUNE AND WEAPONS LOST BY ALL RVNAF ELEMENTS IN JULY AT SEVENTY ONE WAS THE LOWEST MONTHLY TOTAL SINCE RECORDS HAVE BEEN KEPT.

5. I THINK THERE IS NO QUESTION BUT THAT SHOULD THE ATTACKS MATERIALIZE, WE CAN HANDLE THEM IN MILITARY TERMS. AS I HAVE SAID, I AM CONVINCED THE MAIN ENEMY OBJECTIVE IS THE

POLITICAL AND PSYCHOLOGICAL EFFECT WHICH A THIRD ROUND OF ATTACKS COULD HAVE ON OUR OWN AND WORLD OPINION. IN ANTICIPATION OF THIS, WE WILL CONTINUE TO MAKE EVERY EFFORT HERE TO PUT THE SITUATION IN PERSPECTIVE FOR THE PRESS IN AN EFFORT TO AVOID FILING OF SENSATIONAL AND MISLEADING ACCOUNTS SHOULD THE ATTACKS MATERIALIZE. AS FOR THE POLITICAL EFFECT HERE, I DO NOT THINK THE ENEMY CAN DO MUCH DAMAGE TO THE GVN AT THIS POINT. THE HUONG GOVERNMENT HAD A CONSIDERABLE MEASURE OF POPULAR SUPPORT WHEN IT WAS FORMED, AND I BELIEVE IT IS SUBSTANTIALLY STRONGER IN THAT RESPECT NOW THAN IT WAS AT THE OUTSET. A LONG TERM EFFECT OF THE TET AND MAY ATTACKS ON URBAN AREAS WAS TO INVOLVE THE CITY DWELLERS ACTIVELY IN THE STRUGGLE, AND THE GREAT MAJORITY ARE NOW MORE COMMITTED AGAINST THE COMMUNISTS THAN EVER BEFORE.

6. ANOTHER INDICATION OF THE NEW SPIRIT EVIDENT IN THE GVN IS THE SUCCESSFUL MOBILIZATION EFFORT. RVNAF FORCES NOW TOTAL 765,000 WHICH DOES NOT INCLUDE 40,000 CIDG. WHEN ONE ADDS TO THIS THE GVN PARAMILITARY FORCES, THE TOTAL IS VERY CLOSE TO ONE MILLION MEN UNDER ARMS. THIS HAS BEEN ACHIEVED MUCH MORE RAPIDLY THAN ANY OF US WOULD HAVE BELIEVED POSSIBLE A FEW MONTHS AGO. IT REPRESENTS AN INCREASE OF OVER 120,000 MEN SINCE DECEMBER 31, 1967.

7. AS I MENTIONED IN LAST WEEKS MESSAGE, IF HANOI IS AGAIN FORCED TO POSTPONE OR PREVENTED FROM MOUNTING THE ATTACKS, IT MAY SEEK TO GIVE THE IMPRESSION THAT THE CONTINUED LULL IN THE FIGHTING IS A RESPONSE TO OUR DEMANDS FOR SOME RESTRAINT OR DEESCALATION BEFORE WE HALT THE BOMBING. IN THE EVENT OF A PROLONGED LULL, I EXPECT THAT WE WILL BE FAKED WITH MORE AND MORE SPECULATIVE NEWS STORIES AND STATEMENTS FROM VARIOUS QUARTERS INTERPRETING THE LULL AS A SHOW OF GOOD WILL ON THE PART OF HANOI. FOR THIS REASON, WE ARE DOING EVERYTHING WE CAN TO HELP THE PRESS LEARN ABOUT AND REPORT THE ENEMYS CONTINUING PREPARATIONS TO MOUNT A NEW SERIES OF ATTACKS. IF WE FORESTALL THE ATTACKS, I HOPE WE CAN GET FAR MORE STORIES ABOUT OUR SUCCESS IN PREVENTING THEM THAN REPORTS OF OUR UNWILLINGNESS TO SEE RESTRAINT AND GOOD WILL IN THE ENEMYS LACK OF OFFENSIVE ACTION.

8. AS FURTHER EVIDENCE OF GVN DETERMINATION, THE CIVIL DEFENSE PROGRAM CONTINUES TO GATHER MOMENTUM. "SELF-DEFENSE MONTH" WAS INAUGURATED WITH A RADIO/TV SPEECH BY PRIME MINISTER HUONG LAST SATURDAY EVENING AND BY AN IMPRESSIVE SAIGON CEREMONY SUNDAY AT WHICH PRESIDENT THIEU SPOKE. THIEU STRESSED THE NEED FOR ALL VIETNAMESE TO SHOULDER THEIR SHARE OF THE BURDEN OF DEFENSE; AND HE ALSO EXPLAINED THAT THE PROGRAM IS AIMED AT IMPROVING THE WELFARE AND SOCIAL ORGANIZATION OF THE NATION. AS HE PUT IT, "THE FOUNDATION OF DEMOCRACY AND FREEDOM MUST BE ORGANIZATION AND A PEOPLE WHICH CANNOT ORGANIZE THEMSELVES EFFECTIVELY ARE NOT A NATION".

9. ARVN HAS RELEASED ALMOST 54,000 WEAPONS TO ARM SELF-DEFENSE UNITS IN THE CITIES AND HAMLETS. 80,000 MORE ARE PROMISED. WITH THE 23,000 PEOPLE ALREADY ARMED, THESE ADDITIONAL WEAPONS WILL ADD 167,000 ARMED PART-TIME DEFENDERS TO BACK UP THE TERRITORIAL SECURITY FORCES. IN SAIGON, CIVIL DEFENSE COMMITTEES HAVE BEEN ELECTED AND ARE AT WORK IN ALL OF THE DISTRICTS AND IN MOST OF THE DISTRICT SUBDIVISIONS. OVER 30,000 CADRE

HAVE BEEN ORGANIZED INTO SUCH DEFENSE GROUPS AND OVER 5,000 HAVE HAD SOME MILITARY TRAINING. WHILE CIVIL DEFENSE STILL HAS A LONG WAY TO GO, IT IS ON THE RAILS AND MOVING.

10. I HAVE MENTIONED HANOI'S APPARENT KEEN INTEREST IN OUR PARTY CONVENTIONS. INTEREST ON THE NATIONAL LIST SIDE IS EQUALLY STRONG. VIETNAMESE LEADERS FOLLOWED DEVELOPMENT IN MIAMI CLOSELY, THE FOCUS ON THEIR ATTENTION NATURALLY BEING ON ATTITUDES TOWARD VIETNAM. NIXON'S NOMINATION WAS GENERALLY WELCOMED BECAUSE HE IS REGARDED AS A MAN "WHO UNDERSTANDS THE VIETNAM PROBLEM." THE VIETNAMESE PRESS AND LEADERS GENERALLY THINK HE CAN BE COUNTED ON TO CONTINUE THE BROAD LINES OF YOUR POLICY AND HONOR AMERICAN COMMITMENTS IN VIETNAM IF HE IS ELECTED. EVEN GREATER INTEREST WILL BE FOCUSED ON THE COMING DEMOCRATIC CONVENTION.

11. AS I HAVE REPORTED IN OTHER MESSAGES, THIEU IS TRYING TO BUILD UP THE LIEN MINH AND TO GIVE IT A MEANINGFUL FUNCTION IN THE INTERVAL BETWEEN ELECTIONS BY INVOLVING IT IN AN ACTION SOCIAL WELFARE PROGRAM TIED TO REVOLUTIONARILY DEVELOPMENT. LAST WEEK, THE LEADERSHIP OF THE LIEN MINH CAME TO THE PALACE AT HIS INVITATION TO PRESENT TO HIM THEIR PLANS FOR SUCH A PROGRAM. AS OUTLINED BY THE LEADERS, THE "NEW LIFE ACTION" PROGRAM IS DESIGNED AS A SHORT TERM, HIGH IMPACT EFFORT CONCENTRATED IN THE FIRST INSTANCE IN THE CITIES. IT WILL EMPHASIZE PROJECTS ON HEALTH, SANITATION, EDUCATION, AND REFUGEE RELIEF; AND IT IS PLANNED TO WORK WITH GVN SOCIAL WELFARE AGENCIES, WITH PRIVATE GROUPS, AND ON ITS OWN INITIATIVE. THE OBJECTIVE WILL BE TO GET THE LIEN MINH BEFORE THE PUBLIC IN A FAVORABLE CONTEXT AND TO PROJECT THE IMAGE OF AN ACTIVIST SOCIAL WELFARE-ORIENTED POLITICAL GROUP..

12. A COMMUNIQUE ISSUED AFTER THE PALACE MEETING STATED THAT THE PRESIDENT "EXPRESSED HIS PLEASURE AT THE INITIAL RESULTS IN DEVELOPMENT PROGRAMS" ACHIEVED BY THE LIEN MINH AND "WHOLEHEARTEDLY SUPPORTS THE PLANS MADE BY THE LIEN MINH FOR THE NEW LIFE ACTION PROGRAM." THIEU THUS ONCE MORE PLACED HIMSELF ON RECORD IN SUPPORT OF THE LIEN MINH AND ITS EFFORTS TO UNITE NATIONALIST POLITICAL GROUPS. ITS STRUCTURE IS STILL SHAKY AND A NUMBER OF IMPORTANT GROUPS ARE NOT PARTICIPATING BUT THE LIEN MINH STILL SEEMS TO HOLD OUT THE BEST HOPE FOR SHORT TERM POLITICAL ORGANIZATION TO MEET THE COMMUNIST POLITICAL CHALLENGE.

B. POLITICAL

13. THE GOVERNMENT CONTINUED EFFORTS TO WIN PUBLIC SUPPORT AND CONFIDENCE DURING THE PAST WEEK. FOR EXAMPLE, VIETNAM PRESS REPORTED THAT OVER 800 POLICE OFFICIALS HAVE BEEN PUNISHED RECENTLY IN THE EFFORT TO IMPROVE AND "PURIFY" THE NATIONAL POLICY. I HAVE NOTED THAT PRIMIN HUONG WENT ON TELEVISION AUG 10 TO SUPPORT THE PEOPLE'S SELF-DEFENSE PROGRAM AND URGE FULL PARTICIPATION; AND THAT THIEU PRESIDED AT AN IMPRESSIVE CIVIL DEFENSE CEREMONY AT SAIGON CITY HALL THE FOLLOWING MORNING. ON AUG 8 THIEU AND THE PRIMIN WENT TOGETHER TO AN GIANG PROVINCE TO INSPECT AGRICULTURAL DEVELOPMENTS; IN AN GIANG, THIEU PERSONALLY HARVESTED SOME MIRACLE RICE WHICH HE HAD HIMSELF PLANTED THREE MONTHS EARLIER WHEN I ACCOMPANIED HIM THERE.

14. THERE ARE ALSO INDICATIONS THAT THE GOVERNMENT MAY BE CONSIDERING THE IDEA OF AUTHORIZING THE RETURN TO VIETNAM OF VARIOUS POLITICAL EXILES. THIS WOULD BE IN LINE WITH HUONG'S RECENT EFFORTS TO FREE OR TRY PERSONS UNDER ILLEGAL DETENTION. AROUND 3000 HAVE ALREADY BEEN FREED; ABOUT ANOTHER 3000 HAVE HAD THEIR FILES EXAMINED AND MORE WILL CERTAINLY BE FREED. IT WOULD ALSO PARALLEL CURRENT MOVES TO REGULARIZE THE STATUS OF A NUMBER OF MILITARY FIGURES WHO HAVE LONG BEEN "IN HIDING" BECAUSE OF THEIR PAST ROLES IN ATTEMPTED COUPS. LIKE THESE ACTIONS, GVN AUTHORIZATION FOR THE RETURN OF POLITICAL EXILES WOULD TEND TO SHOW GOVERNMENT RESPECT FOR LEGALITY - A REQUIREMENT OFTEN STRESSED BY HUONG.

15. SOMETHING LIKE A TRIAL BALLOON WAS LAUNCHED THIS WEEK BY DEP NGO CONG DUC WHO CIRCULATED A PETITION IN THE LH CALLING FOR THE RETURN OF "NATIONALIST ELEMENTS" LIVING IN EXILE. THE DUC PETITION REPORTEDLY CARRIES THE SIGNATURES OF 99 DEPUTIES AND HAS BEEN SENT TO PRES THIEU. AT THE TOP OF ANY SUCH LIST OF EXILES WOULD BE DUONG VAN (BIG) MINH. MINH REMAINS A VERY POPULAR FIGURE IN SOUTH VIETNAM, AND HE HAS BEEN ON GOOD TERMS WITH HUONG. (BIG MINH SUPPORTED HUONG IN THE PRESIDENTIAL CAMPAIGN AFTER HIS OWN CANDIDACY WAS DISALLOWED.)

16. HUONG ALSO APPEARS TO BE TRYING TO RESOLVE THE LONG-STANDING PROBLEM OF THE MONTAGNARD FULRO REBELS. AFTER SOME PRELIMINARY NEGOTIATIONS, THE FULRO LEADER, Y BHAM, CAME OUT OF HIS SELF-IMPOSED EXILE IN CAMBODIA AND MET IN BANMETHUOT WITH A GVN DELEGATION LED BY MIN FOR ETHNIC DEVELOPMENT PAUL NUR. Y BHAM PUT FORWARD DEMANDS SIMILAR TO THOSE HE HAS MADE IN THE PAST, INCLUDING THE FORMATION OF ARMED UNITS BY THE VARIOUS ETHNIC GROUPS FOR THE PACIFICATION OF THEIR RESPECTIVE AREAS. AFTER A SIX-DAY CONFERENCE WITH MINISTER NUR IN BANMETHUOT, Y BHAM AGREED TO COME TO SAIGON TO DISCUSS THE FULRO PROBLEM WITH PRININ HUONG. HE IS NOW IN SAIGON, AND I AM HOPEFUL THAT HUONG WILL SUCCEED IN PERSUADING HIM TO LEAVE HIS EXILE PERMANENTLY AND COOPERATE WITH THE GVN.

17. PRININ HUONG HAS HANDLED HIS POLITICAL OPPONENTS WITH CONSIDERABLE SKILL SO FAR, AND FOR THE MOMENT THEY APPEAR TO POSE NO REAL THREAT TO HIS GOVERNMENT. HOWEVER, HE IS QUITE PERSUADED THAT VICE-PRES KY IS ALLIED WITH THE REVOLUTIONARY DAI VIETS, SOME OF THE MILITANT CATHOLICS, AND TRI QUANG IN EFFORTS TO EMBARRASS AND EVENTUALLY OVERTURN HIS GOVERNMENT. I THINK THAT THIS MAY WELL BE TRUE, THOUGH THE DEGREE OF COOPERATION AMONG HIS OPPONENTS IS PROBABLY A GOOD DEAL LESS THAN HE SEEMS TO BELIEVE.

18. HUONG ALSO CONTINUED HIS FIRM LINE WITH THE PRESS AND STUDENT DISSIDENTS. THE MINISTRY OF INFORMATION ISSUED A PUBLIC WARNING AGAINST THE PUBLICATION OF IMMORAL OR PORNOGRAPHIC MATERIAL; THE EDITOR OF THE SAIGON DAILY NEWS WAS FINED AND GIVEN A THREE-MONTH SUSPENDED SENTENCE FOR FLAGRANT MISREPRESENTATION OF REMARKS BY THE PRIME MINISTER ABOUT FORMER III CORPS COMMANDER KHANG; TWO STUDENT LEADERS WERE ARRESTED FOR HOLDING AND PASSING VC DOCUMENTS; AND POLICE DISPERSED A SMALL GROUP OF STUDENTS WHO TRIED TO STAGE A HUNGER STRIKE TO PROTEST THE ARRESTS.

19. DESPITE THESE TOUGH ACTIONS, THE GOVERNMENT ALSO SHOWED SIGNS OF FLEXIBILITY: ACCORDING TO SOURCES IN THE OFFICE OF THE PRIME MINISTER, THE EDITOR OF SONG NEWSPAPER WAS GIVEN THE CHOICE OF STANDING TRIAL OR HAVING HIS PAPER CLOSED AS A RESULT OF SONG'S ROLE IN THE CAM RANH AFFAIR (REPORTED IN MY LAST WEEKLY MESSAGE). STUDENT LEADER TRUNG DINH BAN, ACCUSED OF ACTIVITIES WEAKENING THE ANTI-COMMUNIST SPIRIT OF THE PEOPLE AND THE ARMY, WAS ACQUITTED AND FREED BY THE SPECIAL MILITARY COURT ON AUGUST 9. (IT WAS ALSO ANNOUNCED, BUT LATER RETRACTED, THAT STUDENT LEADER NGUYEN DANG TRUNG, SENTENCED EARLIER TO TEN YEARS OF HARD LABOR, WOULD GET A NEW TRIAL. TRUNG IS IN HIDING, AND HIS CASE COULD PROBABLY STILL BE REOPENED, HOWEVER.) THE DIRECTOR GENERAL OF NATIONAL POLICE HELD A PRESS CONFERENCE TO EXPLAIN THE ARREST OF THE STUDENTS ACCUSED OF PASSING VC DOCUMENTS, AND HE WAS AT PAINS TO TAKE A CONCILIATORY LINE TOWARD THE STUDENTS WHO HAD PROTESTED THE ARRESTS.

20. AS REGARDS HUONG'S POLITICAL OPPONENTS, I MIGHT MENTION THAT THE TRI QUANG CLIQUE IS PLANNING A CONVENTION AUGUST 13-23 TO ELECT NEW OFFICERS. THE QUOC TU OR TAM CHAU FACTION IS NOT GOING TO TAKE PART, AND THE PROSPECT OF BUDDHIST UNITY IS AS FAR REMOVED AS EVER. INDEED, THERE ARE SIGNS OF FACTIONALISM EVEN WITHIN THE AN QUANG CLIQUE, WITH TRI QUANG AND THICH THIEN MINH VYING FOR CONTROL OF AN QUANG.

21. ACCORDING TO A TAM CHAU SUPPORTER, THICH DUC NGHIEP, THE AN QUANG CONFERENCE WILL FOCUS ON FOUR POINTS: RECOVERY OF THE NATIONAL PAGODA FROM THE TAM CHAU FACTION, REJECTION OF THE TAM CHAU BUDDHIST CHARTER, ELECTION OF NEW OFFICERS, AND OPPOSITION TO THE GVN ACTION IN TRYING THICH DON HAU AS A LEADER OF THE COMMUNIST ALLIANCE. ALSO, AN QUANG LEADERS MAY WELL TAKE SOME POSITION ON THE PEACE ISSUE.

22. I SHOULD ALSO MENTION THAT ONE OF OUR MISSION OFFICERS HAS SEEN TRI QUANG SEVERAL TIMES RECENTLY. THIS IS THE FIRST DIRECT CONTACT WE HAVE HAD WITH HIM SINCE 1966 WHEN HE REFUSED TO SEE ANY MEMBER OF THE MISSION BECAUSE OF HIS PUBLICLY PROCLAIMED BELIEF THAT YOU AND AMBASSADOR LODGE WERE TRYING TO KILL THE BUDDHIST LEADERS AND DESTROY BUDDHISM. TRI QUANG STILL SEEMS VERY BITTER AGAINST THE US GOVERNMENT. HIS POLITICAL INFLUENCE HAS DECLINED SO FAR, HOWEVER, THAT I DO NOT ATTACH MUCH SIGNIFICANCE TO HIS ATTITUDE. A MEASURE OF THE DEGREE TO WHICH THIS HAS EVAPORATED WAS THE VIRTUALLY TOTAL LACK OF REACTION, EVEN AMONG AN QUANG LEADERS, TO HIS BEING PLACED IN "PROTECTIVE CUSTODY" AFTER TET AND HELD UNTIL HUONG CAME INTO OFFICE.

C. MILITARY

23. AS I NOTED ABOVE IN THE GENERAL SECTION, ALL INDICATIONS ARE THAT THE ENEMY HOPES TO LAUNCH A GENERAL SERIES OF ATTACKS SOON. HIS PREPARATIONS INCLUDE TERROR ACTIVITIES IN SAIGON, REFLECTING THE COSVN POLICY OF ATTEMPTING TO SOFTEN UP THE CITY AND BRING THE WAR TO THE HEART OF THE GOVERNMENT. TERROR

ATTACKS HERE INCLUDED TWO WARD ADMINISTRATION OFFICES, A U.S. MILITARY POLICE PATROL, AND A COFFEE SHOP FULL OF POLICE EATING BREAKFAST. LIBERATION RADIO CONTINUES TO PRAISE THE TERROR ACTS IN THE CAPITAL.

24. WE ALSO CONTINUE TO GET REPORTS OF GREAT EFFORT BY THE ENEMY TO RECRUIT AND TAX, AND THESE TOO ARE NO DOUBT LINKED TO THE PLANNED ATTACKS. FORCED RECRUITMENT AND HEAVY TAXATION ARE HAVING A NEGATIVE EFFECT ON THE ATTITUDE OF THE POPULATION IN SOME AREAS. FOR EXAMPLE, A FORMER VC HAMLET OFFICIAL IN LAM DONG PROVINCE RALLIED BECAUSE THE PEOPLE OF HIS HAMLET WERE NEAR STARVATION AS A RESULT OF CROP FAILURES AND INCREASED VC FOOD DEMANDS. ANOTHER SIGN OF THE ENEMY'S ALL-OUT PREPARATIONS IS THE FORMATION OF ALL-FEMALE COMBAT UNITS IN BINH THUAN AND DARLAC, WHILE IV CORPS ALSO REPORTS THAT ARMED FEMALE UNITS ARE BECOMING MORE PREVALENT.

25. THE GENERAL MILITARY SITUATION IS NOT GREATLY CHANGED FROM THAT I REPORTED LAST WEEK. THE ENEMY IS APPARENTLY POISED FOR AN EFFORT AGAINST DANANG AND THE EASTERN END OF THE DMZ IN I CORPS. TAM KY, CHU LAI, AND QUANG NGAI CITY MIGHT ALSO BE TARGETS, THOUGH PROBABLY OF A SECONDARY NATURE. OUR FORCES ARE STILL IN THE A SHAU VALEY, AND IT IS DOUBTFUL THAT THE ENEMY CAN SERIOUSLY THREATEN HUE OR QUANG TRC AT THIS TIME. IN II CORPS, THE FIRST NVA DIVISION IS CONTINUING TO RECONNOITER AROUND BANMETHUOT AND PROBABLY INTENDS TO ATTACK THE CITY WHEN THE SIGNAL IS GIVEN. GENERAL ABRAMS TELLS ME THAT A RALLIER FROM THE NVA FIRST DIVISION HAS GIVEN US HIS UNDERSTANDING OF THE PLAN FOR THE ATTACK ON BANMETHUOT; ALSO, THE ROKS ARE NOW PREPARED TO SEND A REGIMENTAL TASK FORCE ANYWHERE IN II CORPS. IT THUS APPEARS THAT WE ARE PREPARED TO COPE WITH ANY ASSAULT ON BANMETHUOT.

26. IN III CORPS OUR FORCES ARE DISPOSED SO THAT THE AVENUES OF APPROACH TO SAIGON ARE COVERED FROM FAR OUT NEAR THE BORDERS ALL THE WAY IN TO THE EDGES OF THE CITY. GENERAL ABRAMS BELIEVES WE ARE WELL BRACED HERE FOR WHATEVER THE ENEMY MAY TRY AGAINST EITHER TAY NINH OR SAIGON ITSELF. COMMAND ARRANGEMENTS ARE UNIFIED AND ADAPTED TO BOTH THE GEOGRAPHY AND THE KIND OF TACTICS ANTICIPATED.

27. THE SITUATION IN IV CORPS CONTINUES TO IMPROVE. FRIENDLY FORCES THERE HAVE BEEN AGGRESSIVE, KILLING MORE ENEMY AND LOSING FEWER MEN THAN AT ANYTIME IN THE PAST FEW MONTHS.

D. PACIFICATION

28. JULY SAW A CONTINUATION OF THE GRADUAL BUT RELATIVELY STEADY REVIVAL OF SECURITY IN THE COUNTRYSIDE, ACCORDING TO THE HAMLET EVALUATION SYSTEM. RELATIVELY SECURE POPULATION INCREASED TO ALMOST 65 PERCENT - A GAIN OF 1.6 PERCENT OR 340,000 PEOPLE. CONTESTED POPULATION DECLINED TO ABOUT 18 PERCENT AND VC-CONTROLLED POPULATION DROPPED TO ABOUT 17 PERCENT. GREATEST PACIFICATION PROGRESS OCCURRED AROUND SAIGON, WHERE 250,000 PEOPLE WERE ADDED TO RELATIVELY SECURE STATUS. RURAL SECURITY TRENDS (EXCLUDING TOWNS) FOLLOWED THE SM5 0-5534, AS THEY HAVE CONSISTENTLY. GAINS IN JULY RAISED RELATIVELY SECURE RURAL POPULATION TO 49.4 PERCENT - 1.5 PERCENT MORE THAN THE END JUNE.

29. WHAT IS SIGNIFICANT IS THE RATHER RAPID RATE OF POST-TET IMPROVEMENT--A GAIN OF 5.5 PERCENT IN THE FIVE MONTHS SINCE END-FEBRUARY. THIS IS SIGNIFICANTLY GREATER THAN THE PRE-TET RATE OF GAVN. OF COURSE, IT IS PARTLY DUE TO THE ENEMY'S HEAVY LOSSES AT TET AND MINI-TET, HIS DEPLETING OF GUERRILLA FORCES TO FILL UP HIS BATTALIONS, AND THE LULL IN HIS ACTIVITY AS HE GIRDs FOR HIS NEW ATTACKS. IF THESE ATTACKS GET OFF THE GROUND ON ANY MAJOR SCALE, IT WILL PROBABLY CAUSE ANOTHER PACIFICATION SETBACK--IF ONLY BECAUSE THE HAMLET EVALUATION SYSTEM IS HIGHLY SENSITIVE TO ENEMY ACTIVITY.

30. BUT THE EXTENT OF THIS SETBACK SHOULD BE MUCH LESS THAN AT TET, BECAUSE WE ARE MUCH READIER NOW AND BECAUSE OF THE SIGNIFICANT GROWTH IN TERRITORIAL SECURITY FORCES. DURING THE LAST FOUR POST TET MONTHS THROUGH JUNE, RF STRENGTH INCREASED 30 PERCENT TO ALMOST 200,000. DURING THE SAME PERIOD PF INCREASED 9 PERCENT TO ROUGHLY 165,000, POLICE STRENGTH GREW 7,000, RD CADRE MORE THAN 7,200 AND ARMED PROPAGANDA TEAMS OVER 500 TO 3,300. THESE GAINS ARE IMPRESSIVE, EVEN THOUGH THEY ARE NOT YET MATCHED BY A COMPRABLE QUALITATIVE IMPROVEMENT, AND UNIT LEADERSHIP HAS BEEN STRETCHED THIN.

31. KOMER HAS BEEN PRESSING THIEU, WHO WITH KHIEM IS THE MOST KNOWLEDGEABLE AND ENTHUSIASTIC PACIFICATION BACKER IN THE GVN, TO UNIFY PACIFICATION MANAGEMENT. IN A PRODUCTIVE TALK WITH THIEU, KOMER STRESSED THE MANY INDICATORS THAT THE ENEMY WAS GETTING READY FOR A MORE POLITICAL PHASE OF THE WAR (THIEU INDEED HAS BEEN FULLY CONSCIOUS OF THIS FACT), CREATING MORE VC FORCE STRUCTURE, ATTEMPTING TO ORGANIZE LIBERATION COMMITTEES TO GOVERN THE VILLAGES, MOUNTING AN UNPRECEDENTED TAXATION DRIVE, AND INCREASING HIS USE OF TERROR AND PROPAGANDA. THIS EMERGING PATTERN UNDERLINES THE NEED FOR A GREATER GVN COUNTER-EFFORT BOTH TO DESTROY THE VC POLITICAL APPARATUS IN THE COUNTRYSIDE AND TO STRENGTHEN THAT OF THE GVN. HENCE, EVEN THOUGH PACIFICATION IS REGAINING MOMENTUM, WE FEEL IT HAS TO MOVE FASTER YET. SINCE PACIFICATION IS ENTIRELY A GVN AFFAIR, AND WE ONLY ADVISE AND SUPPORT, IT IS IMPERATIVE THAT THE GVN SEIZE THE INITIATIVE.

32. THIEU PLANS TO OVERCOME THE MANAGAEMENT WEAKNESSES THAT HAVE LONG BEEN APPARENT BY PERSONALLY ISSUING MUCH MORE COMPREHENSIVE GUIDANCE. WE HAVE FINALLY SOLD HIM ON THE IDEA THAT THE GVN MIGHT PULL TOGETHER TO PACIFICATION ACTIVITIES, NOT JUST RD. HE ALSO PLANS PERSONALLY TO HOLD SEMINARS ONCE EVERY TWO MONTHS IN EACH CORPS AREA. TWICE A YEAR HE WOULD HOLD A NATIONAL PACIFICATION SEMINAR WITH PARTICIPATION OF ALL PROVINCE CHIEFS, CORPS COMMANDERS, ETC. SEEING CLEARLY THE NEED TO WREST THE COUNTRYSIDE FROM THE VC, HE ADVOCATES MUCH GREATER EMPHASIS ON PF AND ON FASTER EXPANSION OF RELATIVELY SECURE AREAS. HE INTENDS TO ENCOURAGE PROVINCE AND DISTRICT CHIEFS BY GIVING THEM NEW OPPORTUNITIES FOR PROMOTION.

ALL IN ALL, THIEU'S OWN ENTHUSIASM FOR PACIFICATION WOULD PROVE A MAJOR STIMULUS, THOUGH THE GVN IS STILL NOT ADEQUATELY STAFFED AND ORGANIZED TO EXECUTE HIS WILL.

E. ECONOMIC

33. THE WEEK WAS RATHER UNEVENTFUL ON THE ECONOMIC FRONT. RETAIL PRICES IN SAIGON HELD STEADY FOR THE SECOND WEEK IN A ROW, WITH INDIVIDUAL PRICES BACKING AND FILLING IN RESPONSE TO PARTICULAR MARKET CONDITIONS. RICE WAS STEADY IN PRICE, MOST PROTEINS AND PRODUCE FELL A BIT, BUT DALAT VEGETABLES ROSE BECAUSE HEAVY RAINS HURT THE CONDITION OF ROUTE 28.

34. THE BLACK MARKET PRICE OF GREEN DOLLARS ROSE DURING THE WEEK FROM 182 TO 195, FOR NO REASON THAT STOOD OUT, THOUGH RENEWED RUMORS OF DEVALUATION MAY HAVE PLAYED A PART.

35. A DECREE IMPLEMENTING THE NEW LAW ON WAR RISK INSURANCE IS IN PROCESS. THE DRAFT WHICH CAME OUT OF THE MINISTRY OF FINANCE SEEMED WEAK TO US, BUT THE PRESIDENT'S OFFICE HAS GIVEN US MISSION EXPERTS A CHANCE TO SUGGEST REVISIONS.

36. RICE ARRIVALS IN SAIGON FROM THE DELTA DURING JULY ARE NOW REPORTED TO HAVE BEEN 31,000 TONS, THE HIGHEST SINCE MARCH 1967. THIS GOOD PERFORMANCE MAY HAVE BEEN DUE IN PART TO THE NEED TO GET SOME RICE UNDER COVER FROM THE RAINS, BUT PROBABLY ALSO REFLECTS IMPROVEMENT IN SECURITY CONDITIONS AND THE COMPARATIVE LULL IN COMBAT OPERATIONS.

37. GVN FOREIGN EXCHANGE RESERVES - EXCLUDING THE \$50 MILLION RICE ESCROW ACCOUNT - HAD FALLEN IN JULY TO ABOUT \$280 MILLION, THEN ROSE IN THE FIRST WEEK OF AUGUST TO ABOUT \$310 MILLION. FURTHER MEASURES WILL BE REQUIRED TO BRING RESERVES BACK TO THE AGREED LEVEL AND KEEP THEM THERE THROUGH THE END OF THE YEAR.

38. THE WEEK WAS MARKED BY THE DEPARTURE FROM OFFICE OF NGUYEN HUU HANH, GOVERNOR OF THE NATIONAL BANK. HANH HAS BEEN AN ABLE GOVERNOR AND WILL BE MISSED. HE GOES NOW TO THE IBRD STAFFS IN WASHINGTON. HIS SUCCESSOR HAS NOT BEEN ANNOUNCED.

DTG: 152120Z AUG 68

~~SECRET~~

NODIS

Pres file

1968 AUG 15 22 09

68 AUG 15 PM 6:14

THURSDAY

EEA173
OO WTE10
DE WTE 3217

FROM W. W. ROSTOW
TO THE PRESIDENT
CITE WH82014

UNCLAS

AUGUST 15, 1968

PRESIDENT TREJOS OF COSTA RICA HAS CABLED YOU ANOTHER MESSAGE OF APPRECIATION:

QUOTE: MR. PRESIDENT:

ONCE MORE YOU ARE SHOWING YOUR REGARD FOR AND INTEREST IN COSTA RICA AND ARE RENEWING THE FIRM FRIENDSHIP BETWEEN US WHICH RECENT INTERNATIONAL EVENTS HAVE STRENGTHENED, NOT ONLY AS CHIEFS OF STATE OF TWO AMERICAN NATIONS THAT HAVE BEEN ABLE TO UNDERSTAND AND APPRECIATE ONE ANOTHER, BUT ALSO ON THE PERSONAL LEVEL. LET ME ALSO EXPRESS TO YOU ONCE MORE MY DEEP APPRECIATION FOR YOUR FIRM SUPPORT AND CONCERN IN CONNECTION WITH THE SAD EVENTS BROUGHT ABOUT BY THE ERUPTIONS OF THE ARENAL VOLCANO AND FOR YOUR KINDLY AND OPPORTUNE ACTION IN SENDING TO COSTA RICA A GROUP OF DISTINGUISHED SCIENTISTS FROM THE SMITHSONIAN INSTITUTION AND THE UNITED STATES GEOLOGICAL SURVEY, WHO WILL DOUBTLESS BE MOST HELPFUL TO US IN STUDYING THE VOLCANO PROBLEM WHICH HAS HAD SUCH A DEVASTATING EFFECT HERE. WITH CORDIAL GREETINGS, JOSE JOAQUIN TREJOS FRENANDEZ

UNQUOTE

DTG: 152143Z AUG 68

~~SECRET~~

Pres file

EEA 163
OO WTE 10
DE WTE 3206

1968 AUG 15 19 26

1968 AUG 15 PM 3:31

THURSDAY

FROM WALT ROSTOV
TO THE PRESIDENT
CITE CAP 82003

~~SECRET~~

AUGUST 15, 1968

HEREWITH ONE OF OUR TWO GRAND OLD YALE MEN GRACIOUSLY
CONGRATULATES THE OTHER AND SOFTENS SOME OF THE PARIS-
SAIGON TENSION.

QUOTE

I (BUNKER) ALWAYS ADMIRE YOUR (HARRIMAN) PATIENCE
AND SKILL AT HANDLING YOUR OPPONENTS ACROSS THE TABLE
AT THE MAJESTIC, BUT I WAS PARTICULARLY STRUCK WITH THE
EXCELLENCE OF YOUR STATEMENT AT THE 17TH SESSION AND
YOUR PENETRATING AND COMPREHENSIVE REBUTTAL OF XUAN
THUY'S TIRESOME REITERATION OF PURELY PROPAGANDISTIC
POINTS. I HAVE TOLD YOU BEFORE OF THIEU'S OUTSPOKEN
ADMIRATION FOR YOUR EFFORTS IN PARIS AND I KNOW THAT HE
WILL SHARE MY FEELINGS ABOUT THIS PARTICULAR SESSION.
WIRE POWER TO YOU IN LASTING THROUGH THESE "DREARY
MEETINGS" AND WARMEST PERSONAL REGARDS.

END QUOTE

~~SECRET~~

DTG 151901Z AUGUST 1968

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By *pc*, NARA, Date 3-4-03

~~TOP SECRET~~

Pres file

EEA164
OO WIE12
DE WIE 3207

1968 AUG 15 19 37

FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAPS2004

68 AUG 15 PM 4:13

THURSDAY

~~TOP SECRET~~

BILL SULLIVAN HAS ASKED THAT AIR STRIKES BE AUTHORIZED ALONG THAT STRETCH OF ROUTE 65 IN LAOS BETWEEN 104-15 AND 104-30 (WHICH IS TEN MILES FROM THE NORTH VIETNAMESE BORDER AT THAT POINT). ROUTE 65 IS A FEW MILES ABOVE THE 20TH PARALLEL. THIS PARTICULAR STRETCH ROUGHLY PARALLELS THE NORTH VIETNAMESE BORDER AT A DISTANCE OF EIGHT TO TEN MILES TO THE SOUTH.

THE ROUTE IS WELL-DEFINED, FOLLOWS AN EASILY IDENTIFIED VALLEY, AND IS SEPARATED FROM THE BORDER BY A MAJOR HILL MASS.

SULLIVAN REPORTS THAT FOR THE PAST SEVERAL WEEKS HIS ROADWATCH TEAMS HAVE BEEN SIGHTING AN AVERAGE OF MORE THAN 50 TRUCKS PER DAY ALONG ROUTE 65.

BUS WHEELER PROPOSES THAT AUTHORITY TO STRIKE THIS STRETCH OF ROAD BE LIMITED TO EMPLOYMENT OF A1-E (PROPELLOR) AIRCRAFT DURING DAYLIGHT HOURS UNDER FAVORABLE WEATHER CONDITIONS WHICH WILL PERMIT POSITIVE IDENTIFICATION OF TARGET AREAS. SEARCH AND RESCUE SUPPORT, AS REQUIRED, WOULD BE AUTHORIZED. EVERY FEASIBLE PRECAUTION WOULD BE EXERCIZED TO PRECLUDE INADVERTENT PENETRATION OF THE NORTH VIETNAMESE BORDER.

STATE CONCURS IN THE PROPOSAL. CLARK CLIFFORD PROPOSES TO AUTHORIZE THE STRIKES. BEFORE DOING SO, HOWEVER, HE WISHED YOU TO BE INFORMED SO THAT YOU WOULD HAVE THE OPPORTUNITY TO VETO THE PROPOSAL.

APPROVED -----
NO -----
CALL ME -----

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 03-149
By *us*, NARA, Date 6-2-03

~~TOP SECRET~~

DTG: 151902Z AUG 68

EEA 160
OO WTE 10 WTE 15
DE WTE 3203

1968 AUG 15 14 30

FROM WALT ROSTOW
TO THE PRESIDENT
INFO GEORGE CHRISTIAN
CITE WH82000

Pres file

UNCLAS

AUGUST 15, 1968

FAA REPORTS A CUBAN AIRCRAFT, RUSSIAN MADE AN-2,
LANDED AT HOMESTEAD GENERAL AIRPORT (FLORIDA) WITH
14 PERSONS ABOARD. SOME ARE CARRYING WEAPONS BUT ARE
PEACEFUL AND AWAITING AUTHORITIES.

68 AUG 15 AM 10:46

THURSDAY

DTG 151401Z AUG 68

ACTION

66

Thursday, August 15, 1968
10:15 a.m.

Mr. President:

Herewith Sec. Clifford proposes to make uniform the procedures for flying the U. S. flag at half-staff, unless you rule to the contrary.

*via pouch
to Ranch*

Pres file

W. W. Rostow

Approved _____

Disapproved

Call me _____

WWRostow:rln

66a

THE SECRETARY OF DEFENSE
WASHINGTON, D.C. 20301

14 AUG 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Half-Staffing of the U. S. Flag

Title 36 U.S.C. 175(g) states in part: "When flags of two or more nations are displayed, they are to be flown from separate staffs of the same height. The flags should be of approximately equal size. International usage forbids the display of the flag of one nation above that of another nation in time of peace."

During the period of national mourning for Senator Kennedy, the language quoted above was interpreted to permit the half-staffing of the flag only at those military installations where the United States flag was flown alone. At some of our overseas installations, the flag of the host nation is flown alongside our flag. At these installations, the local flag of course was flown at full-staff and the U.S. flag was kept at full-staff also because of the above language. Our embassies and overseas commands reported that the inconsistencies in our practice caused some misunderstanding and some criticism.

Accordingly, the Joint Chiefs of Staff recommend and the Department of State concurs -- as do I -- that when the President prescribes that the U.S. flag be flown at half-staff, it will be so flown at all U.S. military installations overseas whether or not a host country flag is flown full-staff at that base.

Unless you instruct to the contrary, I expect to issue the necessary instructions to clarify our practices in this regard.

Carol L. Sigford

14 AUG 1968

14 AUG 1968
RECEIVED

~~CONFIDENTIAL~~

DECLASSIFIED

E.O. 12958, Sec. 3.5

NSC Memo. 1/30/95, State Dept. Guidelines

By *jc*, NARA, Date 3-4-03

THURSDAY

67

EEA159
OO VTE10
DE VTE 3202

88 AUG 15 10 33

FROM WALT ROSTOV
TO THE PRESIDENT
CITE CAP81999

'68 AUG 15 AM 10:33

for file

~~CONFIDENTIAL~~

WE HAVE AN URGENT REQUEST FROM THE RED CROSS FOR A PRESIDENTIAL MESSAGE TO GENERAL GOWAN OF NIGERIA URGING THAT HE PERMIT ESTABLISHMENT OF A RED CROSS-OPERATED AIR STRIP FOR HANDLING OF RELIEF SUPPLIES IN THE REBEL AREAS. GOWAN IN MEETING WITH HIS MILITARY COMMANDERS ON THIS SUBJECT NOW. (IT IS EARLY AFTERNOON IN NIGERIA)

TEXT OF PROPOSED PRESIDENTIAL MESSAGE FOLLOWS. I RECOMMEND YOU APPROVE. IF WE ARE TO CATCH GOWAN BEFORE HE HAS MADE UP HIS MIND, WE NEED TO MOVE VERY QUICKLY.

YOUR EXCELLENCY:

I HAVE BEEN KEPT FULLY INFORMED OF THE EFFORTS OF THE INTERNATIONAL COMMITTEE OF THE RED CROSS TO MAKE ARRANGEMENTS FOR THE SUPPLY OF URGENTLY NEEDED FOOD AND OTHER RELIEF SUPPLIES TO THE CIVILIAN VICTIMS OF THE NIGERIAN WAR. WE HAVE SUPPORTED THOSE EFFORTS IN THE PAST AND CONTINUE TO DO SO NOW.

KNOWING THAT YOU SHARE MY OWN DEEP CONCERN OVER THE SUFFERING OF THOSE INNOCENT PERSONS, I FEEL JUSTIFIED IN ADDRESSING THIS PERSONAL APPEAL TO YOU TO GIVE YOUR URGENT AGREEMENT TO THE ICRC PROPOSALS FOR AN AIR MERCY CORRIDOR. HOPEFULLY, THIS CAN BE FOLLOWED BY RAPID AGREEMENT ON A LAND CORRIDOR.

YOUR EXCELLENCY, THE CONSCIENCE OF THE WORLD HAS BEEN DEEPLY MOVED BY REPORTS OF STARVATION IN NIGERIA, AND TONS OF FOOD ARE ALREADY IN POSITION NEAR THE MOST NEEDY AREAS. THE WORLD WILL NOT EASILY UNDERSTAND ANY FAILURE ON THE PART OF THOSE MOST CONCERNED TO AGREE TO EFFECTIVE, INTERNATIONAL, HUMANITARIAN ARRANGEMENTS TO ALLEVIATE THIS SUFFERING. I THEREFORE MOST EARNESTLY URGE YOU TO MAKE IT POSSIBLE FOR RELIEF SUPPLIES TO MOVE RAPIDLY INTO THE HANDS OF THE NEEDY BY FACILITATING THE ESTABLISHMENT OF THIS RELIEF CORRIDOR ON AN URGENT BASIS.

I TRUST THAT I NEED HARDLY ADD, YOUR EXCELLENCY, THAT IN SENDING YOU THIS MESSAGE I AM MOTIVATED SOLELY BY COMPELLING HUMANITARIAN CONCERNS.

SINCERELY YOURS,

LBJ

DTG 151325Z AUG 68

press effort per Larry Temple 8/15/68

XEROX FROM QUICK COPY

~~CONFIDENTIAL~~

~~SECRET~~

1968 AUG 15

1968 AUG 14 PM 8:04

WEDNESDAY

68

EA152
OO WTE10
DE WTE 3192

FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAP81991

DECLASSIFIED
E.O. 12356, Sec. 3.4
NY 93-42

By cb, NARA, Date 6-16-95

~~SECRET~~

AUGUST 14, 1968

FROM WALT ROSTOW
FOR THE PRESIDENT

Free file

SECRETARY RUSK HAS HAD THE FOLLOWING MEMORANDUM FROM WATZENBACH, BALL, BATTLE AND SISCO ON THE RESOLUTION PENDING IN THE SECURITY COUNCIL ON THE RECENT ISRAELI RETALIATION RAIDS ON JORDAN. THE SECRETARY HOPES TO DISCUSS THIS WITH THE PRESIDENT BY PHONE THURSDAY MORNING AT THE PRESIDENT'S CONVENIENCE.

QUOTE

1. THE ATTACHED RESOLUTION IS SUBSTANTIALLY THE SAME AS THAT ADOPTED BY THE SECURITY COUNCIL IN MARCH FOLLOWING THE ISRAELI RAID ON KARAMEH. THIS IS THE CASE DISPIE THE FACT THAT WHEREAS THERE WERE GENERAL AND WELL-DOCUMENTED PRIOR INCIDENTS WHICH PROVOKED THE KARAMEH RAID, THE SAME CANNOT BE SAID FOR THE PRESENT SITUATION. THE INCIDENTS THAT PRECEDED THE ISRAELI AIR RAID ON SALT WERE OF A RELATIVELY MINOR CHARACTER WHICH COULD BE EXPECTED IN A SITUATION WHERE THERE IS MILITARY OCCUPATION OF TERRITORY. TEKOAH (ISRAEL) HAS MADE NO REAL CASE IN THE SECURITY COUNCIL CONCERNING THE PRIOR PROVOCATIONS TO THIS LATEST RAID, AND WE NEVERTHELESS HAVE SUCCEEDED IN INJECTING BALANCE IN THE RESOLUTION EVEN THOUGH THE ISRAELIS HAVE MADE A WEAK CASE. THE FACT OF THE MATTER IS THAT THIS LATEST ISRAELI RAID WAS A PREVENTIVE RAID RATHER THAN ONE THAT WAS SPARKED BY ANY PRIOR SERIOUS INCIDENT. MOREOVER, IT IS ALL THE MORE EMBARRASSING TO US THAT EVIDENCE INDICATES THAT THE SKYHAWKS WE GAVE TO ISRAEL WERE INVOLVED.

2. WE HAVE WORKED VERY HARD BEHIND THE SCENES IN ORDER TO MAKE THE TEXT MORE BALANCED THAN IN ANY OF ITS EARLIER FORM. WE HAVE SUCCEEDED IN TWO PRINCIPAL WAYS: (A) THE SPONSORS, PURSUANT TO OUR PRESSURE, HAVE ELIMINATED ANY LANGUAGE WHICH MIGHT FORM THE BASIS FOR FUTURE SANCTIONS AGAINST ISRAEL; AND (B) WHILE THE TEXT CONDEMNS THE ISRAELI COUNTER RAID, IT ALSO MAKES EXPLICIT REFERENCE TO THE PRIOR ACTS OF TERRORISM.

3. FRIENDLY MEMBERS OF THE SECURITY COUNCIL, AFTER CONCERTED AND EXTENSIVE EFFORTS ON OUR PART, (UK, CANADA, DENMARK, BRAZIL AND PARAGUAY) HAVE HELPED US ACHIEVE THIS

RESULT. THEY HAVE CONCLUDED, AS WE HAVE, THAT THIS IS AS WELL AS WE CAN DO ON ANY TEXT. THEY ARE PREPARED TO SUPPORT THE TEXT, AND WE WOULD BE ISOLATED IF WE WERE TO STAND OUT BY ABSTAINING. THIS WOULD HAVE ADVERSE EFFECTS ON OUR OVERALL POSITION IN THE AREA AND GIVE THE SOVIETS AN OPPORTUNITY TO EXPLOIT THE SITUATION TO THEIR ADVANTAGE.

4. A U.S. ABSTENTION WOULD ENCOURAGE THE ISRAELIS TO FEEL THAT THERE WERE NO RESTRAINTS REGARDING SIMILAR FUTURE RAIDS AND THAT IT COULD DISREGARD ENTIRELY THE VIEWS OF THE SECURITY COUNCIL.

5. LAST MARCH ISRAEL PUT THE BEST FACE ON THE SECURITY COUNCIL RESOLUTION BY STRESSING THAT BOTH THE PRIOR TERRORIST RAIDS AND THE ISRAELI COUNTER ACTION WERE CRITICIZED BY THE SECURITY COUNCIL. THEY DISCOUNTED ITS IMPORTANCE IN ISRAELI PUBLIC OPINION, AND WE CAN EXPECT THE ISRAELIS TO PLAY IT ESSENTIALLY THE SAME WAY THIS TIME. OUR INFORMAL DISCUSSIONS WITH THE ISRAELIS INDICATE THEY EXPECT CONDEMNATION AND A RESOLUTION SIMILAR TO THE ONE ADOPTED LAST MARCH, AND THAT THIS RESULT THEY WOULD NOT FIND GREATLY DISTURBING.

6. WE DO NOT EXPECT THE ADOPTION OF THIS RESOLUTION TO HAVE ANY APPRECIABLE EFFECT HERE AT HOME. WE HAVE HAD NO EXPRESSIONS OF CONCERN FROM THE JEWISH COMMUNITY, AND THERE HAS BEEN LITTLE INTEREST IN OUR PRESS IN THE SC PROCEEDINGS. THE EDITORIALS ON THE LATEST INCIDENT IN OUR PAPERS HAVE BEEN BALANCED AND HAVE LINKED THE PROVOCATIONS WITH THE COUNTER ACTION, SO THAT I DO NOT ANTICIPATE ANY MAJOR PRESS PROBLEM.

7. OUR AFFIRMATIVE VOTE WOULD BE COUPLED WITH A STATEMENT BY GEORGE BALL IN THE COUNCIL WHICH WOULD STRESS THAT THE SC R

ESOLUTION APPLIES BOTH TO THE PRIOR TERRORIST RAIDS AS WELL AS TO ISRAELI COUNTERACTION. GEORGE HAS ALREADY MADE SUCH A SPEECH IN THE SECURITY COUNCIL, BUT IT WOULD BE WORTH REPEATING.

DRAFT RESOLUTION

THE SECURITY COUNCIL,

HAVING HEARD THE STATEMENTS OF THE REPRESENTATIVES OF JORDAN AND ISRAEL,

HAVING NOTED THE CONTENTS OF THE LETTERS OF THE REPRESENTATIVES OF JORDAN AND ISRAEL IN DOCUMENTS S/8616, S/8617, S/8721, S/8724,

RECALLING ITS PREVIOUS RESOLUTION 248 (1968) CONDEMNING THE MILITARY ACTION LAUNCHED BY ISRAEL IN FLAGRANT VIOLATION OF THE UNITED NATIONS CHARTER AND THE CEASEFIRE RESOLUTIONS AND DEPLORING ALL VIOLENT INCIDENTS IN VIOLATION OF THE CEASEFIRE,

OBSERVING THAT ALL THE MASSIVE AIR ATTACKS BY ISRAEL ON JORDANIAN TERRITORY WERE OF A LARGE SCALE AND CAREFULLY PLANNED NATURE IN VIOLATION OF RESOLUTION 248 (1968),

CONSIDERING THAT PREMEDITATED MILITARY ATTACKS OF THIS KIND SERIOUSLY PREJUDICE THE ACHIEVEMENT OF PEACE IN THE MIDDLE EAST, AND THAT ALL VIOLENT INCIDENTS AND OTHER VIOLATIONS OF THE CEASEFIRE SHOULD BE PREVENTED,

GRAVELY CONCERNED ABOUT THE DETERIORATING SITUATION RESULTING THEREFROM,

1. REAFFIRMS ITS RESOLUTION 248 (1968), IN PARTICULAR ITS PARAGRAPH 2 WHICH CONDEMNS THE MILITARY ACTION LAUNCHED BY ISRAEL IN FLAGRANT VIOLATION OF THE UN CHARTER AND THE CEASEFIRE RESOLUTIONS, AND PARAGRAPH 3 WHICH DEPLORES ALL VIOLENT INCIDENTS IN VIOLATION OF THE CEASEFIRE AND DECLARES THAT SUCH ACTIONS OF MILITARY REPRISAL AND OTHER GRAVE VIOLATIONS OF THE CEASEFIRE CANNOT BE TOLERATED AND THAT THE SECURITY COUNCIL WOULD HAVE TO CONSIDER FURTHER AND MORE EFFECTIVE STEPS AS ENVISAGED IN THE CHARTER TO ENSURE AGAINST REPETITION OF SUCH ACTS;

2. DEPLORES THE LOSS OF LIFE AND HEAVY DAMAGE TO PROPERTY;

3. CONDEMNS THE FURTHER MILITARY ATTACKS LAUNCHED BY ISRAEL IN FLAGRANT VIOLATION OF THE UNITED NATIONS CHARTER AND RESOLUTION 248 (1968);

4. WARNS THAT IF SUCH ACTIONS WERE TO BE REPEATED THE COUNCIL WOULD DULY TAKE ACCOUNT OF THE FAILURE TO COMPLY WITH THE PRESENT RESOLUTION;

5. CALLS FOR FULL COOPERATION WITH THE SECRETARY GENERAL'S SPECIAL REPRESENTATIVE.

END QUOTE

DTG 142334Z AUG 68

~~SECRET~~

69

~~CONFIDENTIAL~~

~~SECRET~~

68 AUG 14 PM 8:33
WEDNESDAY

pre file

EA151
OO WTE10
DE WTE 3193

FROM WALT ROSTOV
TO THE PRESIDENT
CITE CAP81992

~~CONFIDENTIAL~~

AS THE FOLLOWING INDICATES, THE IPC DEAL HELD

QUOTE

BRIEF CEREMONY HELD AT SITE FIRST WELL AT LA BREA Y
PARINAS NEAR TALARA MORNING AUG. 13 DURING WHICH FORMAL
INSTRUMENT SIGNED BY WHICH IPC MANAGER ESPINOSA TURNED OVER
TO GOP LA BREA Y PARINAS DEPOSITS AND SURFACE INSTALLATIONS,
EXCLUDING TALARA TOWN AND REFINERY. PRESIDENT BELAUNDE ATTENDED
CEREMONY ACCOMPANIED BY PRESIDENTS BOTH LEGISLATIVE CHAMBERS
AND MEMBERS CABINET. SPEECHES HARMONIOUS AND SOMEWHAT
EMOTIONAL BOTH SIDES. DETAILS FOLLOW SEPTTEL.
END QUOTE

~~CONFIDENTIAL~~

DTG: 150004Z AUG 68

DECLASSIFIED

White House Guidelines, Feb. 24, 1983
By leg, NARA, Date 10-30-92

UNCLASSIFIED

August 15, 1968

FROM WALT ROSTOW

FOR THE PRESIDENT

INFORMATION GEORGE CHRISTIAN

70
Presfile
sent Rostow
via wire
WH 820/6

Herewith Clark's press conference, the text of which he wished
you to have.

NEWS CONFERENCE

by

SECRETARY OF DEFENSE

CLARK M. CLIFFORD

at

Pentagon

10:30 a.m. (EDT)

Thursday, August 15, 1968

*For the President
From Walt Rostow
cc: George Christian
Here with Clark's
Press conference
the text of which
he wished you to
have.*

SECRETARY CLIFFORD: Good morning, gentlemen.

From time to time in the press conferences I might try a different approach to the problem that you men have of keeping up with the news. This morning I have three brief memoranda which I shall refer to that touch upon subjects that have been in the news to some extent since the last conference that I had with you here.

The first has to do with the ceiling regarding the number of American troops in South Vietnam. You will all be aware of the fact that MACV has indicated that the total of American troops is now approaching the limit of 549,500 which has previously been set.

The total last Thursday was 538,000 and the total today is 543,000.

You will recall that the ceiling of 549,500 was based upon MACV estimates of the number of American servicemen who were needed to handle the foreseeable contingencies in South Vietnam, and was also due to the decision that was made by President Johnson that our contribution to the effort there would not be unlimited.

You are aware of the fact that we are faced with the possibility of a new offensive in South Vietnam. When General Wheeler and I were there a few weeks ago we discussed this in detail with General Abrams. General Abrams informed us that he believes that the Allies have the ability to cope with the enemy threat.

In view of his attitude in this regard, it remains our intention to limit American troops in South Vietnam to the total of 549,500.

MORE

The second item has to do with U.S. aircraft and crew losses over North Vietnam. You will recall that the bombing restriction went into effect on March 31. Since that time there has been a very substantial change in the rate of losses, both of planes and of crews.

In the four months after the bombing restriction went into effect, that would be April, May, June and July, this year, we have lost 51 fighter and attack aircraft over Vietnam to hostile causes.

During the same four months in 1967, we lost 126 planes. This indicates plane losses in that four month period are down 60 percent.

QUESTION: This is over North Vietnam, sir?

SECRETARY CLIFFORD: Over North Vietnam.

With reference to the loss of members of the plane crews, we have a similar type of heartening improvement. Last year, taking the same four month period, 124 crewmen were killed or missing. In the four month period this year, 63 were either killed or are missing.

The third item I have, gentlemen, has to do with the so-called lull. We have been reading a good deal in the paper lately, and it's a matter of obvious substantial interest to you and to the public. The fact is that since the war has been on, particularly the last three years in which we have been heavily engaged in Vietnam, there have been periods of enemy activity and periods of lull.

There's been something of a rise and fall to the level of enemy activity. We have found in the past that he alternates a period of great activity with an offensive and then with weeks of rest and re-groupment, re-equipment, training, and preparation for another round of attacks. You will recall we saw a lull earlier this year followed by the so-called Tet offensive. Then we had quite a lull before the so-called May offensive. Now we are in another lull.

As you know also, the information that we have received from prisoner interrogations, captured documents and other forms of intelligence, the enemy is now engaged in one of those periods of preparation. We see plans and troop movements directed at what appears to be planned attacks with reference to specific areas in South Vietnam.

The uncertain factor here which we are conscious of but which may not be clear in some instances to readers is that when the enemy places himself in the posture of being able to start an offensive, he also reserves to himself the option of delaying that offensive, if he chooses, and of setting the time of the start of any offensive; whereas, we talk about the lull that we are in, there are some facts that I believe that we should note.

MORE

Our battle deaths continue at a rather steady rate. MACV announced that during the week ending last Saturday we lost 173 men. As you take this past period of seven weeks, which is the lull, that is the last week in June, all four weeks of July, and two weeks in August, a 7-week period, we have been in which we referred to as the lull, the weekly average of American combat deaths during this seven weeks has been 181.

It is interesting, of course. This is an enormous relief and improvement over the period following Tet when we were up between 400 and 500 deaths a week. But interestingly enough, this average of around 181 a week during this past seven weeks is approximately the same average of our men lost in all of the year 1967. During 1967, battle deaths of American men averaged 180 per week.

Also, as you look at this 7-week period, this past seven weeks, in which we have a weekly average of 181 killed, if you compare that with the same seven weeks of last year, it is higher this year, 181 this year for that 7-week period and only 161 for the same period of time in 1967.

There isn't an exact comparison there, which you will understand, because there are more men engaged in combat now. But I think it has some relevance to the present discussion that is going on.

Now let's look at the overall casualties during, again, this 7-week period. In the seven weeks this year that I have just referred to, the United States, the South Vietnamese and other Free World forces, we lost a total of 2,878 killed. During the same seven weeks last year, the total was 2,446.

So that whereas we talk about the lull, I believe we talk about it in comparison to the very high level of combat that came earlier this year as a result of the Tet and the May offensives; whereas, if you compare this period with last year, then you get a little different perspective of it, because there have been substantially more deaths in this so-called lull than there were in the period, the exact period, last year.

One other factor that is of interest: The enemy has, during this 7-week period in this year, diminished the number and the scale of larger attacks. Certainly they have been diminished from the Tet and the May high totals.

One figure of interest: In the first 10 days of this month, there's been quite a low level, there has been only one enemy battalion-size attack. You take the first 10 days in January. There were 28 by the enemy; in May, in the first ten days, there were 19.

Aside from larger scale attacks, take the harassment type of attacks. In the month of March, the enemy mounted about 2,500 harassment attacks. That fell to approximately 1,400 in July, certainly one of the quietest months that we have had.

MORE

A suggestion has been made that significant numbers of enemy troops have been moved outside of South Vietnam during these past weeks. He has moved a number of his troops to the borders, partly in South Vietnam, partly in North Vietnam, some in Laos, some in Cambodia.

This, however, does not constitute a new development. This is a pattern that he has followed in the past. He moves the troops out of the battle areas so that he can start the regrouping and the refitting, and institute other preparations for attack. So that factor merely falls into the pattern.

As far as our intelligence is concerned, we find a number of similarities in the period preceding the Tet offensive and preceding the May offensive, the same kind of movement of the troops, the same kind of instructions, similarities in the order of battle. All of this falls in quite a clear pattern, very similar to the previous two offensives this year. We have no alternative, obviously, but to proceed on the assumption that there will be a third enemy offensive.

Just two concluding points: Whether it will come off on schedule depends to some extent upon the strategy and tactics of General Abrams. He is constantly mounting spoiling operations. Whenever information comes in of some collection or accumulation of troops in an area, he moves at once; or information comes in about the accumulation of material, weapons or supplies, he moves at once.

So he has been maintaining a daily spoiling operation. One doesn't know the net results of that type of effort until later on when the whole story unfolds. Also, we have the other unknown factor. That is what other considerations the enemy might be studying with reference to the timing of its offensive.

They could perhaps give some consideration to developments in Paris. They possibly could give some consideration to developments in Saigon. It is even possible they could give some consideration to developments in Washington. So that they have the ability and discretion to time this as they see fit.

Someone says, for instance, how long must we wait before we ascertain whether or not this present lull constitutes a change in attitude on their part? There is no definitive answer, really, to that. What you have to do is take into consideration all of the different factors that could enter into why they are not bringing it off now.

For instance, the results of General Abrams' strategy could cause a substantial delay. Developments in other capitals could cause delays and we would not know about that until we had received some reasonably clear and definitive information.

Those constitute the comments that I have. I trust they will be of assistance to you. Now I am ready for questions.

MORE

QUESTION: Mr. Secretary, isn't it possible they are also.....

waiting to see what happens in Chicago?

SECRETARY CLIFFORD: I would say that would be a possibility. I think we have learned in the past that the enemy considers the overall conquest of South Vietnam to be both a military and political venture. So that I would assume that they take into consideration not only military factors but political factors in deciding upon the course of action as to how they will conduct the war.

QUESTION: Mr. Secretary, is this narration which you have been through about Vietnam, effort to straighten out Hubert Humphrey or statements he has been making over the week end which have been at variance, his optimism has been at variance with realities you have expressed here?

SECRETARY CLIFFORD: No. First, let me assure you it is not an effort to straighten out the Vice President or anybody else. That would be presumptuous on my part. I am sure it would defeat its own purpose.

I am not really clear on any inconsistency with what I have said.

What I have attempted to do is to put in proper perspective the present level of combat that is going on in South Vietnam today. I had not noted before that anyone perhaps had compared it with the seven weeks of the same period last year. I think it is wise to do so.

What I am suggesting in this regard is there may be any number of reasons for it. Each individual can give his own opinion as to what the reasons are. I am not sure at this point that we can dignify the present circumstances by suggesting that it constitutes a marked departure from the enemy's activities in the past. As far as I can see at this stage, it seems to be following a similar type of pattern.

QUESTION: Mr. Secretary, could you comment on the casualty pattern or casualty figures in two respects? One is if there is not anything in the way of significant enemy activity, large unit activity, why are we sustaining 200 deaths a week?

Secondly, in recent weeks and really throughout this year, 1968, the ratio of U. S. combat deaths to South Vietnamese combat deaths has risen. There have been weeks when the United States suffered more fatalities than the South Vietnamese.

(MORE)

In view of the program to improve the combat capabilities of the ARVN, how do you square these figures?

SECRETARY CLIFFORD: The question has two parts. I will answer them in that order.

The first part of the question had to do with if there are no substantial, large-scale enemy attacks, why, then, are the U. S. forces sustaining an average killed-in-action figure of around 180?

The reason for this is twofold: There are enemy actions. I have mentioned that here in March to July there were some 1,400 enemy harassment actions. That means contact. That means combat. That means death and wounded. Also, part of it is due to the strategy that we have been following a strategy in which I might say I am in complete accord.

I think it unwise to sit back in protected areas and just permit the enemy to mount its offensive exactly as he sees fit; that is, to mass his men at certain areas, to mass his supplies at certain areas, without any interference from us.

I think the present plan is sound. I believe it will result, God willing, in the saving of substantial numbers of American lives, because you keep the enemy off balance. We may be able to prevent an offensive that would result in a lot more lives. You cut down the amount of arms he has, the amount of supplies, the length of time within which he can maintain a consistent and constant offensive.

~~(MORE)~~

So this is the reason why we are engaged in that tactic, and this is the reason why, when you are engaged in that type of strategy, you are going to lose men.

The second part of the question had to do with relative losses between our forces and the ARVN. I have been a consistent believer in the development of the ARVN, and I think we are making excellent progress in that regard.

In this particular type of action, of the kind that I have been describing, the sort that we have been engaged in, our commanders have seen fit in the main to use American troops, specifically trained troops for this type of action, spoiling, destroying actions.

At the same time, they have been using Vietnamese troops. But because of this type of action, our casualties have come up some only in relation to South Vietnam.

Mind you, in the early part of the year, we were losing, there was a period of around 500 men a week. We have that down now to around 180 per week. So this constitutes a very substantial improvement. But in this kind of tactic, our men are taking a certain burden.

Just one last comment in that regard: On the trip to South Vietnam, I received added encouragement in my belief that the ARVN are making progress. Up in Northern I Corps, we have three American divisions and one ARVN division, the First ARVN Division. General Stillwell, a very accomplished and capable commander there, said that that division, the First ARVN Division, is equal to any one of the three that we have in effectiveness, combatability, in training, in esprit, in armament generally and he says that if we did not have that First ARVN Division, we would have to have a fourth American division there.

So I believe we are actually seeing what we have talked about before, a process of some substitution taking place, because we have a First ARVN Division there and that means we don't have to have another American division.

Also, other units are being used more than they have in the past. He is selecting those units that have the best experience, the best trained, and using them more and more. As time goes on, I think we will see the use of more Vietnamese troops and less American troops.

QUESTION: Mr. Secretary, to the best of my recollection, the First ARVN Division has always been highly rated. What has been done to upgrade the ARVN divisions around Saigon, those that were unwilling to go out into the field as little as a year or six months ago?

SECRETARY CLIFFORD: I think it is a most appropriate question. The First ARVN Division has been the best. But it is even better now. General Abrams feels that the divisions in III Corps, that is, the ARVN units in III Corps, have improved.

We have better commanders, we believe. There has been a development in giving more officers to the ARVN. Some of the enlisted men have been moved up into officer slots. They have been rather slow in this regard.

General Abrams has given a good deal of time to it. He now feels that those ARVN units in the III Corps will give a satisfactory account of themselves.

QUESTION: Mr. Secretary, since March 31, when we had the unilateral limited bombing pause, the enemy seems to have responded with an escalation of infiltration into the South. There has been a good deal or almost a consensus, I suppose you could say, that we have gotten ourselves in a box that we will not resume the bombing; that is, the full bombing.

I wonder whether you feel this is so, even in the event of another general offensive. Also, could you tell us what the situation in the North is on the rebuilding and reconstituting of their war infrastructure?

SECRETARY CLIFFORD: Well, if you have the time, I have.

QUESTION: Have they built that much?

SECRETARY CLIFFORD: First, I will take them in order. First, the increased infiltration. It has been larger this year, larger this year than at any time since we have been following it. It has been larger lately. You will recall that once before, as I appeared before you all, I commented on the infiltration in May, generally speaking, it was around 30,000 North Vietnamese who came down. I was a little off about June because we know more about it.

Those figures now, as best we can estimate, run about 30,000 in May, about 20,000 in June. Then it goes up again, 30,000 in July, and we estimate about 30,000 in August. So this is a very substantial level.

We also estimate that in this year to date there have been in the neighborhood of 150,000 North Vietnamese come down into South Vietnam. So when you talk about the increased level, that is definitely so. There has been an increase.

Keep in mind, as I said once before, though, that as far as we can ascertain, in the main these are replacements, because their losses have been high, not only from killed in action, but wounded, illness, desertion, and other causes.

Now, the second part of your question had to do with our bombing in the North. The President, on March 31st, cut the bombing back, as a unilateral step of de-escalation. He said at the time that he would hope that the other side would take a similar kind of step.

~~MORE~~

I do not attach any real relationship between the restriction in the bombing and the increased number of infiltrates into South Vietnam, because we have learned before in the course of the last three years that they will move the men and material that they choose to.

If their losses go up in the process of moving, then apparently they just move more men and more supplies. So they have moved the men that they chose to move to get them into South Vietnam. As far as the restriction in the bombing and its effect, there have been approximately the same number of missions because our target is more concentrated down in the Panhandle. I think it has probably been more effective from an attrition standpoint. There were a number of reasons, I suppose, for the bombing before. But just attriting trucks and other forms of conveyances that come through, it has been quite effective.

I do not believe that by cutting the bombing back to the 20th Parallel we have jeopardized the lives of our troops or allied troops in Vietnam.

QUESTION: Do you think --

SECRETARY CLIFFORD: I will try to speed it up.

The third part had to do with what is going on in North Vietnam as a result of the restriction of the bombing to the 20th.

They are making considerable progress in repairing bomb damage. They are engaged in rebuilding bridges and rebuilding some plants, and repairing highways, and so forth, just about what you would expect that they do. It is my opinion that this does not bear much of an effect upon the progress of the war. They had found different ways of getting men and supplies down.

The last part of the question had to do with if we were to find that the road to peace lay not in Paris and not in negotiations, what would we do with reference to a resumption of the bombing.

I would say only that that would be a decision that would have to be made at the highest level, and, fortunately, there is still sufficient hope and optimism regarding a negotiated resolution that I know that has not been given consideration in the last few days.

I will take three more -- that gentleman, this man and this gentleman.

QUESTION: Mr. Secretary, your explanation of the lull in the fighting implies a cyclical account, that is, offensive and lull, offensive and lull, and so forth. Couldn't this go on endlessly? If it could go on endlessly, are we making any progress at all over there towards winning?

SECRETARY CLIFFORD: Yes, we are making progress. I don't know, and I have never been quite sure, what the word "winning" means. I have never had it in mind. As I think General Westmoreland once said, that in the traditional sense we were going to win a war, and then sit down on the deck of the battleship Missouri and sign a peace. I don't think it is that way. We are fighting a limited war, and I think we are likely to end up with what might be a limited peace.

By that, an arrangement that will accomplish our major purpose, and that is to prevent the subjugation of South Vietnam by North Vietnam, an arrangement whereby we can continue to be the shield that prevents that until a political settlement is agreed upon.

I think we have made substantial progress toward the obtaining of that ultimate political settlement.

QUESTION: Sir, if the infiltration of troops into South Vietnam does not relate, as you see it, to the restriction of the bombing on the one hand, if the building up of their facilities north of the 20th Parallel also does not bear on the limitation of the bombing, what would be the objection, in your view, of restricting the bombing further, perhaps moving it down a couple more parallels? What would be the penalty incurred, as you see it? It seems to me you have built a case for further restricting the bombing.

SECRETARY CLIFFORD: If I did so, I did it unconsciously and perhaps by not using the exact words. I think the general answer to the question is on March 31, the President said: "I am going to restrict the bombing to the 20th Parallel," substantially, "in the hope that this will start peace negotiations. I am not restricting it all the way to the demilitarized zone because to do so, I believe, would jeopardize the safety of our American and allied troops in Northern I Corps."

I think that reason still holds. I think that our present bombing policy is doing an effective job, about the best job we can do, from the standpoint of attrition, as far as the movement of men and materiel into South Vietnam is concerned.

I think it constitutes a protection for our men, and I think it is serving a very useful purpose. I believe the President feels strongly that it should be carried on until we get some kind of an arrangement from the North Vietnamese.

MORE

What he has in mind is, if he gives up the bombing of even this limited part of North Vietnam, he does not want to do it at the expense of the lives of the men that we have in Northern I Corps. So if the time will come when the North Vietnamese will say, "We understand this, and if you give up all the bombing, we will agree, through this course of action, not to place these men in greater jeopardy," then the President and they have made an agreement. I think it constitutes a reasonable and logical approach.

QUESTION: Sir, you have said that the present conduct of the enemy does not constitute, in your opinion, a clear departure from their conduct in the past. I was wondering whether you could tell us what you would regard as a clear signal in the field that they were behaving differently.

SECRETARY CLIFFORD: Obviously, what I would regard as a clear signal would be the kind of signal that would be so easy for them to give. All they have to do is get word to us that they have reduced the level of combat and that they will continue to reduce the level of combat, and that that constitutes a de-escalatory step, and that we could then get on with substantive negotiations in Paris. This is obviously the simplest way.

If they would do it indirectly instead of directly, I suppose that a further diminution of the level of the combat, substantially below this, for a lengthy period of time, with some word even through third parties that this constituted a recognition on their part of the need to get on with the Paris talks could do it.

Just to conclude that part of it, it is so simple for them to inform us of what their intention is. This is the missing factor now. They choose not to tell us what the reason is for the lower level of combat. They could rectify that in just a very few minutes.

I have time for one more question.

QUESTION: Sir, what have you done about the electric-drive submarine?

SECRETARY CLIFFORD: The last time we met, I told about the decision to go on with the super-submarine. That order was signed on July 1st. We are proceeding and are getting together the best possible team for that. That is over with.

Now, we have another decision before us now and that has to do with the so-called electric-drive submarine. This is a new and different concept. As you would know, it would constitute a different kind of power plant within a submarine. It would mean a very substantial difference in the conformation, the length and the weight of the submarine.

But the idea is that this new type, called the electric-drive submarine, would be quieter than others. It has been recommended that it would be valuable to build this kind of submarine.

It would be, really, exceedingly expensive. New theories would be used. It would not be contemplated that it would be a new class of submarine. Only one would be built so that in the process we would learn a lot about the question of silence in submarines that would be helpful to us as we build others.

We are continuing to study it. We will, I am sure, continue through this month. A number of individuals in both the Senate and the House have evidenced an interest in it. We will want the benefit of any opinions they have.

It will be a few weeks now before a final decision is reached. We are going to reach it on the basis of whether or not we should put this amount of money in this electric-drive submarine or whether we should go on with another type of submarine.

It is not just building this or not building another submarine, but the question is whether to build this electric-drive one or another type. It is going to be a close question as to in which instance we get the greatest return for the dollar.

QUESTION: Mr. Secretary, your indulgence for one more question. What is your reaction to the Republican platform plank on Vietnam?

SECRETARY CLIFFORD: My reaction is twofold: One, I have not had an opportunity to study the Republican platform on Vietnam.

Second, about a week after the President made his speech of March 31st, he called Secretary Rusk and me in and said he believed strongly that neither of us should take any part in politics.

With reference to the question that you have asked, I find that the President's admonition is a welcome refuge.

THE PRESS: Thank you, Mr. Secretary.

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WEDNESDAY

FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAP 81983

Pres file

~~SECRET~~

AUGUST 14, 1968

SUBJECT: PROBABILITY OF A NORTH KOREAN ATTACK

THE FOLLOWING REPORT FROM THE STATE DEPARTMENT, WITH CIA AND DIA INPUTS, TELL US:

- NORTH KOREA MAINTAINS AN EXTREMELY HOSTILE POSTURE.
- THERE IS NO EVIDENCE ANY ATTACK IS LIKELY.
- PRESIDENT PARK'S CONFIDENCE HAS RISEN IN ALLIED FORCES' ABILITY TO HANDLE ANY CONTINGENCY.
- NORTH KOREAN-PROVOKED INCIDENTS CONTINUE BUT (SINCE FEBRUARY) AT A RATE BELOW 1967.

SITUATION IN NORTH KOREA

THE POSTURE OF THE NORTH KOREAN REGIME REMAINS EXTREMELY HOSTILE, BUT THERE ARE NO DISCERNIBLE INDICATIONS THAT THEY ARE CONSIDERING AN ALL-OUT ATTACK ON SOUTH KOREA OR EVEN A LARGE-SCALE PROVOCATION OF SOME SORT. THE FREQUENCY OF INCIDENTS ALONG THE DMZ, WHICH HAD BEEN CONSIDERABLY LOWER THIS YEAR THAN LAST, HAS RISEN IN RECENT WEEKS. THE CHARACTER OF THESE INCIDENTS HAS, HOWEVER, NOT ALTERED.

DESPITE THE CONTINUED PROPAGANDA ATTACKS ON US AND OUR SOUTH KOREAN "PUPPETS", WE HAVE NOT OBSERVED ANY CHANGES IN NORTH KOREAN MILITARY DISPOSITIONS WHICH WOULD INDICATE THAT AN ATTACK IS LIKELY. THEIR POSTURE IS SUCH THAT WE MIGHT HAVE LITTLE OR NO WARNING OF AN ATTACK OVER THE DMZ BUT ITS PROSPECTS FOR SUCCESS WOULD BE DIM. PRESIDENT PAK AND HIS COLLEAGUES, WHO WERE EXTREMELY NERVOUS SOME MONTHS AGO, NOW SEEM CONFIDENT THAT THE US AND ROK FORCES CAN HANDLE ANY CONTINGENCY. TALK OF AN "ISRAELI-TYPE" LIGHTNING BLOW FROM THE NORTH IS LESS FREQUENTLY HEARD. NOR ARE THE ROKS TALKING ABOUT THE NEED TO RETALIATE AGAINST PROVOCATIONS.

PROVOCATIVE INFILTRATIONS THROUGH THE DMZ AND ATTACKS ON OUR PATROLS HAVE CONTINUED, BUT THE INCIDENT AND CASUALTY RATES SINCE FEBRUARY ARE WELL BELOW 1967. SMALL GROUPS SENT TO RECONNOITER MILITARY TARGETS ARE MOST COMMON. INFILTRATIONS BY SEA, A REAL WORRY LAST YEAR, HAVE BEEN CLOSE TO ZERO THIS SUMMER, THOUGH A FEW MAY HAVE TAKEN PLACE UNDETECTED. SINCE LATE JULY DMZ INCIDENTS HAVE INCREASED IN FREQUENCY BUT IT IS TOO SOON TO SAY IF THIS IS A BRIEF FLURRY OR A DISQUIETING TREND.

IN SUM, WE DO NOT BELIEVE THE NORTH KOREANS ARE PLANNING ANY LARGE-SCALE OPERATION WHICH WOULD RISK PROVOKING A WAR. TENSION REMAINS HIGH, HOWEVER, AND THE INTELLIGENCE COMMUNITY IS KEEPING THE CLOSEST WATCH ON THE SITUATION.

DTG: 142226 AUGUST 1968

~~SECRET~~

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By *jc* NARA, Date 3-4-03

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FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAP81984

DECLASSIFIED
Authority RAC 11921
By us NARA, Date 11-21-97

Pres. file

~~TOP SECRET EYES ONLY~~

AUGUST 14, 1968

THE ATTACHED MESSAGE FROM ABRAMS TO WHEELER MAY INTEREST YOU.

1. QUOTE I HAVE APPROVED THE PROVISION OF US AIR, ARTILLERY AND TANK SUPPORT FOR A ONE-DAY RAID INTO THE EASTERN PART OF THE DMZ SOUTH OF THE BEN HAI RIVER (PMDL), TO BE EXECUTED BY ELEMENTS OF THE 1ST ARVN DIVISION. THE RAID IS SCHEDULED FOR 14 AUGUST 68, BUT MAY SLIP A DAY OR TWO. THE OBJECTIVE IS THE DESTRUCTION OF A BATTALION OF THE 138TH NVA REGIMENT, WHICH IS IN SOUTH VIETNAM.

2. THIS OPERATION IS CONSISTENT WITH OUR ATTEMPTS TO PROBE THE ENEMY AND KEEP HIM OFF BALANCE -- TO DISRUPT HIS PREPARATIONS FOR OFFENSIVE OPERATIONS. THE 1ST ARVN DIVISION HAD A CONTACT WITH WHAT WERE PROBABLY ELEMENTS OF THE 138TH ON 8 AUGUST EAST OF GIO LINH. THE ARVN MAULED THEM, KILLING 107 ENEMY. IF THE ARVN GAIN CONTACT ON THE PROPOSED OPERATION, I GIVE THEM GOOD CHANCES FOR SUCCESS. END QUOTE

~~TOP SECRET EYES ONLY~~

DTG 142235Z AUGUST 1968

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