#### INFORMATION

#### CONFIDENTIAL

Saturday, September 14, 1968 -- 6:35 p.m.

Mr. President:

At the suggestion of my colleagues, I have set down my equivalent for 1968 of "Let's get this country moving again" in 1960.

In simple language, it would be: "We're not going to let a handful of white and black punks turn this country over to Wallace, Strem Thurmend, and those who base their campaign on their support."

It should be, in my judgment, the Vice President's theme -- every day. He could end up with great liberal Republican support and push Nixon back towards Goldwater's constituency.

This -- plus some Vietnam progress -- and building the case that Nixon's finger should not be on the nuclear trigger, could do the job -- if anything can do it.

W. W. Rostow

-GONFIDENTIAL

DETACHMED TO BE AN ADMINISTRATIVE MARGINEL CANCELLED PER E.O. 12356. SEC. 1.8 AND ARCHIVIST'S MEMO OF MAIL 16 1863.

on 11-17-92

WWRostow:rln

Sept. 14, 1968

I have decided it is my duty to speak out frankly to the American

people on the debate concerning law and order which appears to be playing

so large a part in the Presidential campaign. I do so because I believe

there is a danger that understandable concern may give way to blind

fear; and blind fear may drive this great nation of ours on to dangerous

political paths.

In a democracy the only basis for intelligent and wise action is a bold facing of the facts. The first fact is that a very small minerity of our negro citizens -- at most, 5% -- are using in public as well as in private the language of violence and in some cases they may have engaged in violence and intend to do so further.

Second, a very small proportion of our students and young people -perhaps less than 3% of our total student population of 6 million -- have
been drawn into the dectrine of so-called confrontation. They accept
the leadership of men who choose an issue of protest; and then provide
a demonstration designed to lead to conflict with the police. They hope

that conflict will be violent. On the basis of this violence, they count on enlarging the number of those prepared to protest with them. 95% of our negro citizens reject the doctrines of violence. They may well have grievances. They may well insist that certain inequities in our society be corrected. But they are prepared to work wholly within our system of law and politics. 98% of our students -- whatever their views or grievances -- are prepared to work within our system of law and politics.

Now what about these who are playing these dangerous games with doctrines of violence and confrontation?

The answer is they must be dealt with by our instruments of law and order, just as any others who choose to violate the law. They are a problem. But they are a manageable problem if we keep that problem in proportion; firmly back our police forces; and insist that we are a people who demand government by law.

Within these small groups who advocate violence and confrontation
there are a few men, a very few, who have a plan. This plan is not
understood by most of those whom they lead. They understand that a
seciety challenged by violence will set about making law and order the
first order of business. They aim -- they consciously aim -- to provoke
a right-wing reaction in this country, because they believe their radical
ideas will flourish better if this nation turns to reactionary politics than
if its politics continues to be dominated by the great moderate center
groups in both parties who have made this nation what it is.

Let me emphasise that their doctrine is one of the oldest of

Communist tactics. In many countries of Latin America, for example,

the Communists are working every day to undermine constitutional

government and provoke military takesvers. They do this because they

feel their position will grow more important in an environment of

military dictatorship than it can be under civil constitutional government.

The question before the American people in this election is simply this: Are we going to play their game? Are we going to let a tiny minority of white and black people, infected by anarchist doctrines, turn political power over to men who have opposed every constructive effort at home and abroad that we have achieved together -- through both political parties -- in the postwar years. Let me be clear: There is a great deal we have done and there is a great deal more that we must do to make our streets safer and to insure that these small minorities are firmly held within the bounds of the law of this land. But we can do these things if we carefully analyse the problems, strengthen and improve our pelice forces and work tegether on this problem as we have on so many others. It is time for every worker, every businessman, every student, every teacher -- in fact, every citizen -- to ask himself this question: Am I really prepared to turn the political power of this country over to reactionaries because I am revolted by the words and

actions of a tiny minority? I do not believe that the American people are ready to do this. I believe we have enough confidence in ourselfes --in what we have achieved and in what we can achieve -- to stay steady on course; to keep our coel; and continue to be the great nation of mederates who have raised the standard of life in our country to the highest level known in human history and who have been a steady friend of freedom and decency and progress abroad.

Pres file

#### INFORMATION

SEGRET

Saturday, September 14, 1968 12:40 p.m.

Mr. President:

Herewith Harriman's key points for his private meeting tomorrow before coming home.

W. W. Rostow

Secret

**DELTO 731 (Paris 20861)** 

SECRET/HARVAN PLUS

White House Guidelines, Feb. 24, 1988

By 28, NARA, Date 11-17-92

WWRostow:rln



### Department of State

TELEGRAM

EO:12958, Sec. 3.5 State Dept. Guidelines

. CRC 708 OO RUEHC DE RUFNCR 20861 2581225

ZNY SSSSS.

0 1412172 SEP 68 FN AMENBASSY PARIS

TO SECSTATE WASHDC IMMEDIA

STATE GRNC

BT .

NOTIS/HARVAN/PLUS

DELTO .731

FROM HARRIMAN AND VANCE

1. IN OUR MEETING WITH THO AND THUY ON SEPTEMBER 15 WE INTEND TRY AND MOVE THEM TOWARD DISCUSSION OF CONCRETE PROBLEMS.

2. IN PARTICULAR WE HAVE IN MIND:

LA. TO TAKE THO UP ON HIS STATEMENT THAT THE INTERNAL AFFAIRF OF THE SOUTH VIETNAMESE PEOPLE SHOULD BE SETTLED BY THOSE PEOPLE THEMSELVES WITHOUT FOREIGN INTERVENTION AND THAT PENDING RE-UNIFICATION THE GENEVA ACCORDS SHOULD BE STRICTLY RESPECTED. THIS WOULD LEAD US TO A DISCUSSION OF THE IMPORTANCE OF MUTUAL WITHDRAWAL OF FORCES.

B. IN DISCUSSING MUTUAL WITHDRAWAL WE-WOULD PRESENT A GENERAL STATEMENT OF POLICY CONSISTENT WITH THE MANILA FORMULA. WE WOULD FSUGGEST-FULL DISCUSSION OF TIMING AND MODALITIES OF MUTAL W.TH-DRAWAL. WE WOULD STATE THAT US AND FREE WORLD FORCES WILL BE WITHDRAWN AS NVN WITHDRAWS ITS FORCES, INCLUDING ALL PERSONNEL INFILTRATED FROM NORTH. WITHDRAWAL COULD BEGIN SIMULTANEOUSLY AND AS SOON AS POSSIBLE. ANY US FORCES REMAINING AFTER COMP. LETE WITHDRAWAL NVN FORCES WOULD LEAVE AS SOON AS POSSIBLE AND NOT LATER THAN SIX MONTHS THEREAFTER.

C. TO DISCUSS AGAIN THE CIRCUMSTANCES WHICH WOULD MAKE IT POSS-IBLE FOR US TO STOP ALL BOMBARDMENT. WE WOULD REFER TO VANVE-LAU DISCUSSIONS AND FOCUS UPON MILITARY ACTIVITY IN DMZ AREA. WE WOULD BE TRYING TO ASSURE OURSELVES THAT THE PRINCIPLE OF CESSATION OF MILITARY ACTIVITY IN DMZ: IS UNDERSTOOD AND WIL BE OVSERVED.

D. FINALLY WE WOULD RESTATE OUR POSITION ON PARTICIPATION-USING: OUR SIDE-YOUR SIDE FORMULA AS SET OUT IN PARA-2 DEPT'S 1 233437 . AND SEEK THEIR RESPONSE . HARRIMAN

#### INFORMATION

-SECRET >

Saturday, September 14, 1968 -- 9:15 a.m.

from the

Mr. President:

This account of a late-August Viet Cong meeting and the basic directive for action sounds persuasive. See especially marked passages, pp. 5-8.

- -- No major attacks on cities, but harassing pressure.
  - -- Tereorism in Saigon.
- -- Key time period, 15-25 September; after which a lull into October.
  - -- Selected provincial capital attacks.

It's about what they have been doing. There is a rare reference, in a formal directive, to "apprehension of hardships and fear of dying" (p. 7, para. 5B).

W. W. Rostow
13 Sept 1958

E0 12958 3.4(b)(1)>25Yrs (C)

WWRostow:rln

SANITIZED E.O. 12958, Sec. 3.6 NLJ 02-71 By com. NARA, Date 3-24-03

Pres file

#### INFORMATION

#### CONFIDENTIAL

Saturday, September 14, 1968 8:35 a.m.

Mr. President:

Herewith a round-up of Moscow rumors on leadership changes.

Also report (para. 4) of Central Committee meeting this weekend.

W. W. Rostow

Moscow 5511

-CONFIDENTIAL

White House Culdelines, Feb. 24, 1933 By M., NAPA, Date 1-7-93

WWRostow:rln

47

CONFILENTIAL

827

PAGE 01 MOSCOW 05511 131953Z

85 ACTION EUR 20

INFO CIAE 00, DODE 00, GPM 04, H 02, INR 07, L 03, NSC 10, P 04, RSC 01, SP 02,

SS 25, USIA 12, NSA 02, 10 13, ACDA 16, SA 01, SAL 01, SAH 02, SR 01,

E 15,NIC 01,CCO 00,RSR 01,/143 W

R 131430Z SEP 68 FM AMEMBASSY MOSCOW TO SECSTATE WASHDC 9749 INFO AMEMBASSY PRAGUE AMEMBASSY BUDAPEST USMISSION BERLIN AMEMBASSY WARSAW AMEMBASSY BUCHAREST AMEMBASSY BELGRADE AMEMBASSY SOFIA MCONGEN MUNICH 401 AMEMBASSY LONDON AMEMBASSY PARIS USMISSION UN USNATO 184 BT

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 02 - 7.3 Bycom, NARA, Date 3-24-03

REF: MOSCOW'S 5487

SUBJ: RUMORS OF IMMINENT LEADERSHIP CHANGES

1. FEEDING ON CONTINUING IMBROGLIO IN CZECHOSLOVAKIA AND SEEMINGLY GROWING MOOD OF UNEASINESS AND QUESTIONING AMONG POPULATION ABOUT SITUATION THERE, MOSCOW RUMOR MILL HAS BEEN EVEN MORE PROLIFIC THAN USUAL LAST SEVERAL DAYS ABOUT IMMINENT CHANGES IN SOVIET LEADERSHIP. LEADERSHIP ITSELF, HOWEVER, SEEMS PURSUING NORMAL ROUND PUBLIC ACTIVITIES. ALL FULL POLITBURO MEMBERS ACTIVE THIS PAST WEEK ASIDE FROM PELSHE, VORONOV, AND SUSLOV (LATTER MET PRIVATELY WITH ITALIANS... ROME TEL. 2254).

2. AMONG THE MORE PERSISTENT RUMORS ARE THE FOLLOWING (PLEASE

DECLASSIFIED E.O. 12958, Sec. 3.5 State Dept. Guidelines

CONCLOSITAN

By

NARA, Date 12-17-01



### Department of State

# TELEGRAM

PAGE 02 MOSCOW 05511 1319532

PROTECT SOURCES): (A) AMERICAN CORRESPONDENT ED STEVENS SAYS THAT HIS UNNAMED SOURCES ALLEGE THAT KOSYGIN SUBMITTED HIS RESIGNATION SEPT 11 IN DISAGREEMENT OVER POLICY TOWARD CZECHOSLOVAKIA. (B) WEYLAND OF AP SAYS HIS VERSION IS THAT CHANGES ARE IN OFFING AND WILL POSSIBLY INVOLVE UNIDENTIFIED NO. 2 IN HIERARCHY. AP CALLED MFA PRESS SECTION FOR COMMENT AND MET WITH FIRM DENIAL. (C) BELGIAN MA, LOTHAR LOWE OF FRG PRESS, AND ANDERSON OF NYT REPORT RUMORS THAT BREZHNEY AND MARSHAL GRECHKO SOON WILL BE FIRED. SHELEPIN WILL BE DISMISSED AFTER BREZHNEY GOES. KOSYGIN WILL NOT. BREZHNEV'S SUCCESSOR IS UNKNOWN, BUT GRECHKO WILL BE REPLACED BY GSFG CINC YAKUBOVSKIY WHO IN TURN WILL BE SUCCEEDED BY HIS NEW CHIEF OF STAFF SHTEMENKO. (D) BELGIAN MA, WHO SAYS HIS ORIGINAL SOURCE IS AFGHAN MA WHO IS KNOWN TO HAVE CLOSE TIES WITH SOVIETS, SAYS THAT DURING PRE-INVASION MEETING BREZHNEV ORIGINALLY PROPOSED ARMED INTERVENTION BUT WAS OVERRULED. HE THEN CALLED UPON GRECHKO TO SUPPORT HIS THESIS ON MILITARY-SECURITY GROUNDS AND IN FINAL VOTE ONLY KOSYGIN, SUSLOV AND SHELEPIN OPPOSED. (VARIANT THIS RUMOR ALLEGES GRECHKO FAVORED UTILIZATION OF TROOPS ONLY IF NO RPT NO SHOTS WERE TO BE FIRED . ) (E) BELGIAN MA ALSO REPORTS TURKISH MA CLAIMS THAT ORIGINAL INVASION DATE SET FOR AUG 21 TO BE FOLLOWED BY INVASION ROMANIA ON AUG 24. SCHEDULE BASED ON ASSUMPTION SOVIETS WOULD BE ABLE TO SET UP PUPPET CZECH REGIME WITHIN HOURS OF INVASION BUT CZECH RESISTANCE UPSET TIMETABLE AND ROMANIAN INVASION DATE REVISED IF NOT CANCELLED.

3. EMBASSY UNABLE ASSESS SUCH RUMORS, WHICH ARE REPORTED HERE MORE AS INDICATIVE OF A PREVAILING MOOD THAN AS SUBJECTS FOR ANALYSIS. WE RECOGNIZE THAT CIRCUMSTANCES SURROUNDING CZECHOSLOVAK DEVELOPMENTS ARE SUCH AS TO CAUSE DIFFICULT AND PROBABLY ACRIMONIOUS DEBATE WITHIN THE LEADERSHIP. WHETHER SUCH SITUATION WILL RESULT IN THE NEAR FUTURE IN A MAJBJ SHAKEUP IS MOOT. FOR SOVIETS TO ALTER DRASTICALLY THE PRESENT LEADERSHIP WOULD SEEM TO CONSTITUTE MORE EVIDENCE OF WEAKNESS AND/OR DISARRAY THAN LEADERS WOULD CARE TO REVEAL TO THE WORLD UNDER PRESENT CIRCUMSTANCES.

4. POSSIBLY NEXT CENTRAL COMMITTEE PLENUM WILL THROW MORE LIGHT ON SPECIFICS OF LEADERSHIP POSTURE. AGAIN REVERTING TO RUMOR WE NOTE THAT SOURCES QUOTED BY SHAPIRO (UPI) PREDICT

CONFIDENT

- - - 1



## Department of State

# TELEGRAM

COMPOSENTIAL

PAGE 03 HOSCOW 05511 131953Z PLENUM FOR THIS WEEKEND.

GP-3

THOMPSON

NNN

COMPAGNATION

#### INFORMATION

SHOPET

Saturday, September 14, 1968 8:30 a.m.

Mr. President:

Herewith a recurrence of the theme I first heard from the TASS-KGB man: a bombing halt in return for captured U.S. pilots.

Par Jew

25X1A

W. W. Rostow

13 Sept 1968

SECTION

WWRostow:rln

Authority NLJ.019.039.003/2

By JC NARA, Date 12-17-01

Approved For Release 2000/09/11 : NLJ-019-039-3-2-7



# Intelligence Information Cable

• ROUTINE

SANITIZED

Authority NLJ. 019.039.003/3

By JC NARA, Date 1217-01

IN -91308

												OF 2	
STATE/INR	EXO	DD /	ISECDEF	JCS	ARMY	NAVY	AIR)	CIA/NMCC	NIC FUTT	NSA ELDE	₩.	ALD:	CAS
This material secs. 793 and	contain 794, th	s information • transmisson	affecting the or revelation	National of whi	Defense o	of the Uni	ted States	within the mulhorized pers	eaning o	of the Ea	plonage by law.	Laws, Tit	le 18, U.
NO FO	REIGN	DISSEM/	CONTROLLE	ח חופ	SEM/NO	DIESE	4 4800	AD/BACKGR	OLIND		v	feeleded for	4.09 000
	NE TON				REPORT	T. NOT	INALLY	EVAL UATE	D INT		MLY	_ 40000	destin
SECRE										-			25X1/
					100			DI	ST 13	SEPT	EMBER	1968	
C OUN	TRY:	N ORT H	VIETNA	M/S0	JTH VI	ET NAM	1		2				
DOI:				2	5X1A	12 1		•••					
SUBJ	ECT:	C CMME	NTS OF	TRAN	MY ON	13	BOMB	ING FALT	AND	THE	RELI	EASE	
			ERICAN				NORT	H VIETNA		34.00 SP(27)			
		W AN	CIT TOAH	. 12 0							25X1	A	
ACQ:													
SOUR	CE:												
25)	(1X.												
9													
25X											wv .	EYD CT	
100000000000000000000000000000000000000												FIRST	
SECR	ETAR	Y OF TH	E EMBAS	SY 0	FTHE	DEMO	RATI	C REPUBL	.ic c	F VI	ETNA	M	
(DRV	), I	N DJAKA	RTA HAD	SEV	ERAL (	COMME	TST	O MAKE	CONCE	RNIN	G TH	E PAR	IS
PEAC	E TA	LKS. T	RAN MY	ST AT	ED TH	AT TH	DRV	WANTED	TO D	ISCU	ISS A	LL	
ASPE	CTS	OF THE	V IET NAM	SIT	UAT I O	N AT 1	HE P	ARIS TAL	.KS.	HOW	EVER	, FOR	
ANY	PR O	RESS T	BE MAD	E AT	THE T	TALKS	. IT	IS ABSOL	. UT EL	Y NE	CESS	ARY	
FOR	THE	IIN IT FD	STATES	TO 5	TOP A	I BO	ABING	OF NORT	וע או	FTNA	. M .	THE	
UNIT	ED S	IAIES C	ANN OF A	CHIE	VE II	S AIM	5 IN	SOUTH V	LEINF	IN BY	ששט	ANDIN	
NO F	OREIGN	DISSEM/	CONTROLL	ED DI	SSEM/NO	DISSE	M ABR	OAD/ BACK	GROUN	D" USE	ONLY		

Approved For Release 2000/09/15 20014-139-3-3-6

FORM 3007 OBSOLETE PREVIOUS

IN - 91308

25X1A

PAGE 2, OF 2 PAGES

SECRET NO FOREIGN DISSEM/CONTROLLED DISSEM/NO DISSEM ABROAD/BACKGROUND USE ONLY

		143
^	THAT THE DRV CEASE ALL OF ITS AGGRESSIVE MILITARY ACTIVITIES IN	
0	SOUTH VIETNAM IN EXCHANGE FOR A BOMBING HALT. HOWEVER, IF THE	
0	UNITED STATES DESIRES THE RELEASE OF ITS PILOTS DETAINED IN NORTH	63
	VIETNAM IN RETURN FOR AN UNCONDITIONAL BOMBING HALT IN THE NORTH.	
Q		55
4	THIS CAN BE CARRIED OUT.	
C 25	and the second control of the second control	
C	CINCPAC AND P.CLAD.	25X1
		0.55000000
0		
		34
0 /		*:
0 6		
.0		
::;;		
O.		
900		
C		
040-000	등 등	

NO FOREIGN DISSEM/ CONTROLLED DISSEM/NO DISSEM ABORAD/BACKGROUND JSE ONLY
Approved For Release 2000/09/11: NLJ-019-039-3-3-6

55

#### INFORMATION



Saturday, September 14, 1968 - 8:25 a.m.

Pro her

Mr. President:

Herewith two reports that de Gaulle plans to revive the idea of a European Defense Community in talks with Klesinger in late September. It would be led by France and incorporate French nuclear weapons under French control.

If the U.K. comes fully in -- and good arrangements were made with NATO -- this could be positive.

25X1A

W. W. Rostow

SLONET

WWRostow:rln

Approved For Release 2000/09/11: NLJ-019-039-3-4-5

Authority NLS. 019.0359.003/4

By C , NARA, Date 217-01

### ATRAL INTELLIGENCE AGE! Y Intelligence Information Cable IN 91248

ROUTINE

This resistant organizate information aftering the Palaceal Delens of the Entired States within the manning of the Engineers Laws. This 18, U.S.O.  12858 1.Athhit-25975  THIS IS AN INFORMATION REPORT, NOT PINALLY EVALUATED INVELLIGENCE.  COUNTRY WEST GERMANY/FRANCE/WESTERN EUROPE GO SUBJECT FOREIGN MINISTER BRANDT'S MUSTINGS ON WEST GERMAN FOREIGN POLICY BEFORE VISITING PARIS  E8 12958 3.Athhit-25975 (6)  APPROVED FOR RELEASE BATE-AUG 2092  1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED  5 1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED  6 1.	This material	contain	Informat		-	nal Defense	of the Unit	ed States	within the			PIODARO	ANE THE	
THIS IS AN INFORMATION REPORT, NOT FINALLY EVALUATED INTELLIGENCE.  COUNTRY WEST GERMANY/FRANCE/WESTERN EUROPE  E0 12958 3.A(ID)(I)>25Y15  COUNTRY WEST GERMANY/FRANCE/WESTERN EUROPE  E0 12958 3.A(ID)(I)>25Y15	Sec. Turn	.54. the	iranamia	alon or reve	dation of	which in an	y manner to	an unau	thortsed pe	reon to	rohibited	by law.	-	
COUNTRY WEST GERMANY/FRANCE/WESTERN EUROPE  B12958 3.4(b)til>25Yrs  E0 12958 3.4(b)til>25Yrs	2958 3.4(b)(1)>25Yrs		cure re	AND INITIAL	an a sion	BEBABY	NOA SIN	ATT V E	VALUATE	O INY	2111025	7	- Surfamily	
COUNTRY WEST GERMANY/FRANCE/WESTERN EUROPE  B012958 3.4(b)(1)-25Yrs  E012958 3.4(b)(1)-25Yrs	CEADES	_	HIS IS	AN INFO	EMATION	REPORT	NOT FIN	ALLY E		_	ELLIGEN	ICE.		<del></del>
COUNTRY DOI  SUBJECT FOREIGN MINISTER BRANDT STANDER FOREIGN MINISTER BRANDT STANDHIP STANDHI	, JAN. KE	l.						+						
SUBJECT FOREIGN MINISTER BRANDT TANKINGS ON WEST GERMAN  FOREIGN POLICY BEFORE VISITING PARTS  E8 12958 3.4(b)(1)-25Y75  [6]  ACQ SOURCE  APPROVED FOR RELEASE BATE-AUG 2002  1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED  4 3 2 1 68 12958 3.4(b)(1)-25Y75  2 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1										DIST	13 S	EPTE	BER 1	968
SUBJECT FOREIGN MINISTER BRANDT'S AND STORE ON WEST GERMAN  FOREIGN POLICY BEFORE VISITING PARIS  E8 12958 3AIDHID-25Y15  (C)  ACQ  SOURCE  APPROVED FOR RELEASE DATE-AUG 2892  1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED  4  3  2  18 12958 3AIDHID-25Y15  2  19 12958 3AIDHID-25Y15  2  10 12958 3AIDHID-25Y15  2	COUNTRY	WES	ST GET	RMANY/	FRANCE	/WESTE	RN EUR	OPE				FO 1201	S 2 ATHI	(1>9EVse
SUBJECT FOREIGN MINISTER BRANDT'S MUBINAGES ON WEST GERMAN  FOREIGN POLICY BEFORE VISITING PARIS  E8 12958 3.4(b)(1)-25V/15  E8 1	201			- 100 Jan-10		_							o amenit	11-29113
FOREIGN POLICY BEFORE VISITING PARIS  E8 12958 3.4(b)(1)>(c)  ACQ SOURCE  E8 12958 3.4(b)(1)>(c)  (c)  APPROVED FOR RELEASE DATE-AUG 2002  1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED 5 4 4 3 5 4 3 6 12958 3.4(b)(1)>257/15 2 1	БОІ					ان اس	- 0 00		22					
FOREIGN POLICY BEFORE VISITING PARIS  E8 12958 3.4(b)(1)> (c)  ACQ SOURCE  E8 12958 3.4(b)(1)> (c)  1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED 5 4 3 2 1 E8 12958 3.4(b)(1)>25yrs 2 1 • SECRET	SUBJECT	FOR	REIGN	MINIS	TER BR	ANDT S	MARIN	GS ON	WEST	GERM	AN		8 3.4(b)(1	Þ25Yrs
E0 12958 3.4(b)(1)> ACQ SOURCE  ED 12958 3.4(b)(1)> (C)  APPROVED FOR RELEASE DATE: AUG 2002  1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED 5 4 3 4 3 2 10 12958 3.4(b)(1)>25Yrs 2 1 • SECRET		POT	PTCN	DOL TO	V DEEC	DF VIS	TTTNG	DADTS	12					
APPROVED FOR RELEASE  DATE-AUG 2002  1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED 5 4 3 4 3 2 60 12958 3.41bMil>-25Yrs 2 1 (C) 1		FOR	NDIGN	POLIC	I BLF	KL VID	11110	PARIS					EN 19058	2 ACPUCATION
APPROVED FOR RELEASE DATE: AUG 2002  5 1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED 5 4 3 2 E0 12958 3.4(b)(1)-25yrs 2 1 (C) 1	e0: (E)												(C)	SACULTI-
SOURCE  ED 12958 3.4(b)(1)>1  ED 12958 3.4(b)(1)>2  ED 12958 3.4(b)(1)>2  SECRET  ED 12958 3.4(b)(1)>2  ED 129	ACQ												276-2	i
APPROVED FOR RELEASE DATE: AUG 2002  1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED 5 4 3 2 1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED 5 4 3 2 60 12958 JAIDNID-25Yrs 2 1 • SECRET	69950	-										_		
APPROVED FOR RELEASE DATE-AUG 2002  1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED 5 4 3 2 E0 12958 3.4(b)(1)>25Yrs 2 1 • SECRET	SOURCE	1												
APPROVED FOR RELEASE DATE-AUG 2002  1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED 5 4 3 2 E0 12958 3.4(b)(1)>25Yrs 2 1 • SECRET														
APPROVED FOR RELEASE DATE-AUG 2002  1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED  4 3 2 1 8 SECRET  1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED  5 4 3 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	1.0										3		EO 12958	3.4(b)(1)>2
DATE AUG 2002  5													(C)	
5 1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED 5 4 3 2 E0 12958 JAIDNID-25Yrs 2 1 (C) 1														
DATE AUG 2002  5		1											120	
5 1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED 5 4 3 2 E0 12958 JAIDNID-25Yrs 2 1 (C) 1		1												
DATE AUG 2002  5		1										1		
5 1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED 5 4 3 2 E0 12958 JAIDNID-25Yrs 2 1 (C) 1		1 .												
5 1. BEFORE FOREIGN MINISTER BRANDT TRAVELLED 5 4 3 2 E0 12958 JAIDNID-25Yrs 2 1 (C) 1	APPROVED END DELEASE	1												
** 3		1												
** 3														
** 3		1												**
** 3														
** 3					-				1					
** 3							å							
2 1 • SECRET E0 12958 3.4(b)(1)>25Yrs 2 101	5		1.			BEF	ORE FO	REIGN	MINIS	TER	BRAND	T TRA	VELLE	D 5
2 1 • SECRET E0 12958 3.4(b)(1)>25Yrs 2 1	. 3					_								3
• SECRET	2											58 J.A(b	(1)>25Yr	3 2
	1	,									(C)	2020/1900		1
(dissem controls)		ET												
	SECK	- 1												_

STORE JUU/

E0 12958 3.4(b)(1)>25Yrs

IN	91248	

_			 •	
SECRET				
·			 	<b>¬</b> /
(classification)	(dissem controls)		 	
		The state of the s		

E0 12958 3 ALBILID-75 Yrs TO PARIS TO MEET FRENCH FOREIGN MINISTER DEBRE. BRANDT HIS MUSED ALOUD ON THE SUBJECT OF SEVERAL ALLIED ASPECTS OF WEST GERMAN FOREIGN POLICY. IN ANTICIPATION OF HIS ING WITH DEBRE. BRANDI COMMENTED THAT THE MORE HE WONDERED ABOUT IT. THE MORE HE CAME TO THE CONCLUSION THAT WEST GERMANY CANNOT REALLY DEPEND ON THE AMERICANS. BRANDT SAID THAT HE WAS ANXIOUS TO FIND OUT WHAT THE CHRISTIAN DEMOCRATIC BUNDES-TAG DELEGATE KURT BIRRENBACH AND SPD PARLIAMENTARY GROUP LEADER HELMUT SCHMIDT LEARNED DURING THEIR VISITS TO THE UNITED STATES. BIRRENBACH, IN BRANDT'S OPINION, IS SOMEWHAT MORE PERCEPTIVE ON THIS SUBJECT THAN SCHMIDT. SCHMIDT CONTINUES QUITE SERIOUSLY TO FEEL THAT THE UNITED STATES WILL MAINTAIN ITS LONG-RANGE COMMITMENTS IN EUROPE. BUT BIRRENBACH SEES THE MATTER IN GREATER PERSPECTIVE. HE HAS CLOSER CONNECTIONS TO PRIVATE INDUSTRY THAN SCHMIDT AND CAN BETTER JUDGE THE BEHIND-THE-SCENES MANEUVERINGS. BRANDT DID NOT ELABORATE ON THIS RATHER CRYPTIC STATEMENT EXCEPT TO SAY THAT BIRRENBACH HAD TOLD HIM (BRANDT) THAT OVER THE LONG RANGE THE AMERICANS CAN-NOT BE DEPENDED UPON, AND BRANDI ADDED THAT IF BIRRENBACH BE-LIEVES THIS. THERE MUST BE A CERTAIN AMOUNT OF TRUTH TO IT.

E0 12958 3.4(b)(1)>25Yrs

SECRET

IN	91248	

PAGE 3 OF 6 PAGES

		 	•	 
SECTION				
(elemination)	(41			- 1
(Printerioral:mil.)	(dissem controls)	 		

E0 12958 3.4(h)(1)>25Yr:

2. BRENDT FELT THAT THE CHANGES OF CONVINCING FRENCH

PRESIDENT DE CALLIE TO INCREASE ERANCE G PARTICIPATION IN NATO

WERE ALMOST NON-EXISTENT: THE SAIDLE HAT INFORMATION HAD.

REACHED HIM EROM AMBASSADOR VON BRAUN IN PARIS WHICH INDICATED

THAT OF GAMERE INTENDESTO TICK TO HIS PREVIOUS POLICY. IT

IS EVEN POSSIBLE THAT HE WILL WITHDRAW EVEN MORE FROM NATO AS

SOOM AS HE IS IN A POSITION TO DO IT. LET THIS OCCUPS, WEST.

GRAMMY IS LEFT WITH NO ADTERNATIVE BUT TO SECONSIDER THE OLD

IDEA OF THE EUROPEAN DEFENSE COMMUNITY (EDO) UNDER THE LEADERTHERE WOULD BE ONS CHANGE, HOWEVER, FROM THE

PREVIOUS EDC IDEA AND THAT WOULD BE THAT THIS TIME NUCLEAR

VEAPONS WOULD BE INVOLVED THE NUCLEAR WEAPONS AT THE DISPOSAL

OF PRANCE. OR GOINSE DE GALLES WOLLD WEAPONS AT THE DISPOSAL

THESE WEAPONS OUT OF FRENCH CONTROL OR TO ANYTHING SUSSETO

LIMIT FRENCH SOVEREIGNLY IN MATTERS OF DEFENSE. EVEN THOUGH

HE MIGHT LINDER CERTAIN CONDITIONS ACCEPT NONEY FROM OTHER

EVROPEAN NATIONS TO BUILD UP HIS NUCLEAR DEFENSE SCACE

E0 12958 3.4(b)

SEMPLE						
SECTION						
-						
_		,				
feter theation)	. (dissem controls)					ı

IN	91	248		
PA	ar .	CF.c	PAGES	_

. SEERET	
(cleus/section)	(dissem controls)

INFLUENTIAL SPD PARLIAMENTARIANS SUCH AS WILLY BERKHAN AND KLAUS-PETER SCHULZ WILL PUT PRESSURE ON HIM TO PLACE MORE

EMPHASIS ON THE MILITARY ASPECTS OF WEST GERMAN FOREIGN POLICY THAN HE HAS DONE IN THE PAST, EVEN THOUGH HE HIMSELF FEELS THAT THIS IS A MISTAKE. HE BELIEVES THAT AS THINGS NOW STAND THE UNITED STATES WOULD NOT BE IN A POSITION TO MEET BY MILITARY MEANS A SERIOUS SOVIET MILITARY OFFENSIVE IN EUROPE. THERE WOULD BE NO SUPPORT FOR SUCH A STAND AMONG THE AMERICAN PEOPLE. AMBASSADOR VON BRAUN, : WHO FOR SEVERAL YEARS WAS THE HEAD OF THE WEST GERMAN DELEGATION. TO THE UNITED NATIONS, HAS COME TO THE SAME CONCLUSION FROM HIS OGSERVATIONS OF ATTITUDES IN THE UNITED STATES. THE AMERICANS DON'T WANT ANY COMPLICATIONS IN EUROPE AND WILL DO-ANYTHING TO. RID THEMSELVES OF THEIR MILITARY OBLIGATIONS THERE. IT IS IMPOSSIBLE, BRANDT SAID, TO RID ONESELF OF THE FEELING THAT ONE DAY AMERICAN LEADERS WILL CHANGE THEIR POLICY AND HAVE NO FURTHER OBJECTIONS TO DE GAULLE AS HEAD OF A EUROPEAN DEFENSE FORCE. ON THE CONTRARY. MANY AMERICANS WOULD ACCEPT THIS IN ORDER TO LESSEN THE BURDEN ON THE UNITED STATES.

4-	CZR	AIN A	DVANTAGE FOR WEST GERMANSPOLICE IN EASTERN FO	12958 3.4(b)(1)>25Yrs
EURO PE	MAY	ST ILL	BE DESTUED FROM COOPERATION WITH FRANCE ON (C)	4
SEC	E		n controls)	

IN	91248	
PAG	E s Of	e PAGES

SERET (dirsem controls)
SPITE OF THE BLOW TO IDEAS OF DETENTE IN EUROPE IN THE LIGHT
OF RECENT EVENTS IN CZECHOSLOVAKIA, DE GAULLE'S WHOLE BE-
HAVIOR FOLLOWING THE SOVIET INTERVENTION IN CZECHOSLOVAKIA SEEMS
TO INDICATE THAT HE STILL HAS SOME TRUMPS IN HIS HAND TO BRING
INTO PLAY TO BRIDGE THE DIFFERENCES BETWEEN EAST AND WEST IN EIRCPE.
KIRSINGER FEELS THE SAME WAY, BRANDT CAID, AND WILL KEEP THIS PUSS-
1814 ITY IN MIND WHEN DE GALLE COMES TO BONN TRYER IN SEPTEMBER.
DURLING HIS VISIT IT SHOULD BECOME EASIER TO SEE JUST ROW FAR DE
BALLE IS WILLING TO WORK WITH THE WEST GERMANS IN THIS FIELD. AS
FAR AS HE (BRANDT) IS CONCERNED, HE WILL DO NOTHING IN THE MEANT IME
TO ISOLATE DE GAULLE FURTHER FROM THE OTHER EUROPEAN NATIONS.
ME WILL NOT GIVE IN, HE SAID, TO THE PEOPLE WHO ARGUE THAT IN VIEW OF WHAT HAS HAPPENED IN CZECHOSLOVAKIA WESTERN EUROPEAN NATIONS
SHOULD GO AHEAD WITHOUT FRANCE TO BRING GREAT BRITAIN AND THE
SCANDINAVIAN NATIONS INTO THE COMMON MARKET. SUCH A POLICY
WOLLD IN THE LONG RUN LEAD TO A COMPLETE DISRUPTION OF THE
ALLIANCE IN EUROPE AND TEND TO ISOLATE WEST GERMANY NOT ONLY [6]
PROM FRANCE BUT INTERNATIONALLY.
5. COMMENT: TPE FOREIGN MINISTER SOMETIMES
HAS SUCH MOMENTS OF DISENCHANTMENT WITH THE ATLANTIC ALLIANCE.
E0 12958 3.4(b)(1)>25¥rs (C)
· ·

E0 12958 3.4(h)(1)>25Yrs

IN	1248		
PAGE	6 OF 6	PAGES	_

SEGRET		
(Massification)	(dissem controls)	

IT IS CLEAR ONLY THAT THE IDEA OF AN EDC REVIVAL HAS COME UP.

IT SHOULD NOT BE ASSUMED, ON THE BASES OF THESE PRIVATE REMARKS,

THAT ANY DECISION BY THE BONN GOVERNMENT IN FAVOR OF SUCH

A EUROPEAN FORCE IMPENDS.)

6.		
	<del></del>	

E0 12958 3.4(h)(1)>25Yrs (C)

E0 12958 3.4(b)(1)>25Yrs

· DOBET

#### INFORMATION

SECRET

Friday, September 13, 1968 6:45 p.m.

Mr. President:

We are holding closely this Le Duc Tho statement about young McCain.

W. W. Rostow

DELTO 728 (Paris 20831)

SECRET

WWRostow:rln

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ 02-72 Bycom, NARA, Date 3-4-03 Pres file



## Department of State

### SECRET

P 151806Z SEP 68
PM AMBABASSY PARIS
TO SECSTATE WASHOC PRIBRITY 6027
STATE GRAC

142590

BT SECRET PARIS 20851

NODIS/HARVAN/PLUS

DELTO 728

I. AT A TEA BREAK LE DUC THO MENTIONED
THAT DRY HAD IMTENDED TO RELEASE ADMIRAL MCCAIN'S SON
AS ONE OF THE THREE PILOTS FREED RECENTLY, BUT HE HAD
REFUSED. ACCORDING TO THO, COMMANDER MCCAIN FEARED
THAT IF HE WAS RELEASED SEFORE THE WAR IS OVER,
PRESIDENT JOHNSON MIGHT "CAUSE DIFFICULTIES" FOR HIS
FATHER BECAUSE PEOPLE WILL WONDER IF MCCAIN HAD BEEN
BRAINWASHED.

- RELUCTANT TO ACCEPT RELEASE BECAUSE THEY DID NOT WANT TO FEEL THAT THEY WERE GIVEN PREFERENCE OVER THEIR FELLOW PILOTS. IN MCCAIN'S CASE, PERHAPS IT WAS BECAUSE HE DID NOT WANT PEOPLE TO THINK THAT HE AND BEEN RELEASED BECUASE OF HIS FATHER'S POSITION. THO SAIC THAT WE WERE REVERSING WHAT THE PILOT ACTUALLY THOUGHT AND THAT HE FEARED THAT DIFFICULTIES WOULD BE CREATED FOR HIS FATHER. HOWEVER, THO ADDED, THIS WAS ONLY HEARSAY WHICH HE HAD PICKED UP WHEN HE WAS BACK IN HANDI. WE REPLIED THAT IT WOULD BE DIFFICULT TO UNDERSTAND MCCAIN'S ATTITUDE AS DESCRIBED BY THO, AND THAT IN PAST CASES OF THIS KIND THE PILOT HYD WANTED TO BE LOYAL TO HIS COMPADES. IN ANY EVENT, WE WISHED THE DRY WOULD RELEASE MORE PILOTS AND THAT WAY WE WOULD KNOW WHAT THEY THINK. WE AGREE WITH THO THAT ENDING THE WAR IS THE BEST WAY OF SECURING PILOT RELEASES, BUT PENDING THAT WE HOPE DRY WILL RELEASE MORE OF THEM.
- 3. WE THEN REMARKED THAT WE HAD HEARD NOTHING ABOUT THE NORTH VIETNAMESE SEAMEN WHOM WE HAD OFFERED TO RETURN TO THE DRV. THUY SIAD THAT HE HAD NOT HEARD ANYTHING FURTHER SINCE THIS IS NOW A MATTER BETWEEN HANDI AND ITS EMBASSY IN VIENTIANE. THUY SAID HE COULD MAKE INQUIRIES. WE REPLIED THAT THERE WAS NO NEED. WE JUST WANTED TO BE SURE THAT THE MATTER WAS DV THE HANDI/VIENTIANE CHANNEL.

4. SUGGEST DEPARTMENT REPEAT SUBSTANCE OF THIS MESSAGE TO SULLIVAN IN VIENTIANE. HARRIMAN

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ O2-73
Bychn, NARA, Date 3-14-03

SECRET

PRESERVATION COPY

#### ACTION

from the

SPORT

Friday, September 13, 1968 -- 6:45 p.m.

Mr. President:

Sec. Rusk wished you to clear the attached cable on our next moves in NATO. It proposes "a special meeting of the North Atlantic Council with senior participants from capitals invited to commence in Brussels on September 25. Under Secretary Katsenbach will attend for the US."

Sec. Rusk asked me to tell you that he believes:

- -- The Germans will increase their military budget.
- -- The Norwegians are increasing their defenses along the Soviet border in Northern Norway.
- -- The Belgians will at least hold off their troop reduction.

We are also making considerable progress with visiting Germans on the critical impeltance of devising a leag-term eff-set procedure.

Informally Nick Katsenbach's idea is to visit Rome, Bonn and the Hague before going to Brussels, to try to increase and firm up additional NATO contributions.

W. W. Rostow

Cable cleared	
Но	DECLASSIFIED E.O. 12958, Sec. 3.5
Call me	NSC Memo, 1/30/95, State Dept. Guidelines By C NARA, Date 12-17-01
25	3,-

W.W.Rostow:rln

OUTGOING TELEGRAM Department of Ctate

Clarification

Origin

ACTION: AMEMBASSY BONN

AMEMBASSY BRUSSELS

AMEMBASSY THE HAGUE

AMEMBASSY LONDON

AMEMBASSY ROME

AMEMBASSY OTTAWA

US MISSION NATO

INFO: AMEMBASSY ANKARA

AMEMBASSY ATHENS

AMEMBASSY COPENHAGEN

AMEMBASSY LISBON

AMLMBASSY LUXEMBOURG

AMEMBASSY OSLO AMEMBASSY PARIS

AMEMBASSY REYKJAVIK

LIMDIS

FOR AMBASSADORS

SUBJECT: Special High-Level NATO Meetings

- In light of responses to date to the Secretary's messages to Brosio and Foreign Ministers of Belgium, Canada, FRG, Italy, Netherlands and UK, plus fiel reporting, we have concluded:
- A. There is widespread Alliance view that a NATO response is required in present situation; that without being provocative, such response should involve specific actions to improve allied colonse position in Europe; and that a NATO Ministerial Meeting in reasonably near future would be useful provided substantive results can be achieved rather than empty gestures.

EUR/RPM:	JMMyerson/ny	9/12/68	Tel. Est. 4683	Telegraphic transmission and classification approved by:	s:	The Secretary
EUR:	)		-	s/s		DECLASSIFIED E.O. 12958, Sec. 3.5 State Dept. Guidelines NARA, Date 12-01
		_	SEC	TODAY.	. 1	By A. NARA, Date
FORM DS-322		Classification			<b>y</b>	

# CORRECTIONS MADE ON THIS ORIGINAL MUST BE MADE ON ALL COPIES BEF THE TELEGRAM IS DELIVERED TO OC/T(A), n 6243

Page.	o	f telegram	to.An	nembassi	es.	BONN,	BRUSS	SELS,	THE	HAGUE,	LONDON	<u>.</u>
	ROME,	OTTAWA	,US	MISSION	N.	ATO						
SECRE												
					CI	assificat	tion					

- B. In order to prepare the ground NAC and DPC at Permanent Representatives level should move ahead promptly with detailed examination of what Member Governments are willing and able to do. We are instructing US Permanent Representative urgently in this sense and to expedite the process we propose a special meeting of the NAC with senior participants from capitals to commence in Brussels on September 25. Under Secretary Katzenbach will attend for the US.
- C. Big question is whether this special meeting and follow-up by Permanent Representatives could make enough substantive progress co justify Ministers coming together before regularly scheduled December meeting. In our view, the answer depends on allied governments' willingness to take hard decisions on improving their contribution to the common defense effort.
- D. In addition to work in NATO, we shall also be consulting bilaterally with many of the Allies about specific aspects of defense efforts.
- E. The Secretary plans to be in New York from September 29 through October 9 for UNGA. In addition to usual bilateral meetings with colleagues from NATO countries (being scheduled separately) he intends invite all who are in New York to attend private dinner on evening of Tuesday, October 8. Ministers present at that time, could informally canvass results of NATO discussions to see whether

Glessifice ....

# CORRECTIONS MADE ON THIS ORIGINAL MUST BE MADE ON ALL COPIES BEF THE TELEGRAM IS DELIVERED TO OC / TIA), n 6243

Page\_3\_\_of telegram to\_Amembassies BONN, RUSSELS, THE HAGUE, LONDON, ROME, OTTAWA, USMISSION NATO

Classification

progress justified a Ministerial Meeting in Brussels.

- F. For tentative planning purposes only, we believe such a meeting, if held, might take place around November 12. If held, Ministers could decide beforehand whether the November meeting should be considered a special session or simply a speeding up of regular December meetings.
- G. Our views outlined above are based on two fundamental ideas to which we attach major importance: first, possibility of substantive results should determine any schedule for meetings and second, the Allies need to proceed rapidly if NATO is to take effective action in present situation.
- 2. FOR EMBASSIES BONN, BRUSSELS, THE HAGUE, LONDON, ROME, OTT. A:
  You should approach Foreign Minister as soon as possible and make
  presentation along lines para one above.
- 3. FOR US MISSION NATO: Cleveland should speak with Brosio and Permanent Representatives in same sense.
- 4. FOR EMBASSIES IN OTHER NATO CAPITALS: You should be guided by para one above in any contacts with host government.
- 5. FOR ALL: Department plans to brief all NATO Ambassadors here on foregoing. We shall also be sending all posts additional detailed instructions for use with host governments and in NATO/DPC in order to ascertain what each of the Allies is prepared to do to strengthen the common defense.

GP-3

-- D

FORM DS-322A CONTINUATION SHEET Classification

#### INFORMATION

Friday, September 13, 1968 6:40 p.m.

Par fee

Mr. President:

Sec. Rusk asked me to forward to you this letter of resignation of Eugenie Anderson, the background of which you know.

W. W. Rostow

WWRostow:rln

September 11, 1968

Dear Mr. President:

I wish to submit my resignation as United States Representative on the United Nations Trusteeship Council and as Special Assistant to the Secretary of State, to be effective, I would hope, not later than the end of this month. My reasons are entirely personal, which I am sure you will understand.

Mr. President, it has been a great honor to serve under your inspiring leadership. I want to express my deep gratitude to you for having given me the opportunity of being a member of your historic Administration.

I have especially enjoyed working under your truly great Secretary of State, Mr. Dean Rusk, and I sincerely regret taking my leave from him.

I am confident that there will come a time when our country will appreciate, as I do now, the tremendous strides forward which you have taken to benefit all our people, as well as your courageous stand in behalf of our nation's security and a more peaceful future for all mankind.

With warmest personal regards,

Respectfully yours,

Eugenie Anderson

The President, The White House.

Prestile

#### ACTION

Friday, September 13, 1968 -- 6:35 p.m.

#### Mr. President:

I was informed by Jim Jones that you wished to have a replacement for Luke Battle before you agreed to announce his resignation.

Sec. Rusk suggests Amb. Pete Hart in Turkey. He is prepared to preceed premptly.

I would only add that, from my knowledge, Hart is an excellent man.

W. W. Rostow

wwrostow:rla

#### INFORMATION

Friday, September 13, 1968 4:10 p.m.

Mr. President:

You will wish to note this sad piece of information.

W. W. Rostow

WWRostow:rln

fro ties

Q:2000

NMCC reports that they have received information from Cincpac that a US Army Helicopter crashed due to an unknown cause three miles southeast of Loc Ninh killing all eight persons aboard.

Among those aboard was Maj. Gen. Keith B. Ware, Commander of the 1st Div. Maj. Gen. Ware was a Medal of Honor winner in World War II and former Director of Information for the Dept. of the Army.

NMCC has not yet notified the next of kin due to the difficulty in finding the families of others who were killed in the crash.

DECLASSIFIED

E.O. 12958, Sec. 3.5

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

By C. NARA, Date Q 13-0!

BRIEFING MEMO

fres few

Friday, September 13, 1568 -- 2:00 p.m.

Mr. President:

Pursuant to a request (Jim Jones to Brom Smith), herewith notes on two matters for your 6:000p.m. talk with Ken Crawford.

- 1. Status of Peace Talks. There is no substantive progress yet in Paris.

  But it is our judgment that after the conventions Figure faces a fundamental political decision:
  - -- to negotiate with this Administration; or
  - -- to deal with the next Administration.

It also faces a fundamental military decision:

- -- to continue the third wave offensive;
- -- to stretch it out:
- -- to call it off.

After ten days of intensive military activity (Avg., 18-28), things are quieter for the moment

We shall probably have the answer to those questions in the days and weeks ahead. We cannot forecast them now. The two Conventions were as helpful as anything could be in suggesting that they have no substantial reason to wait. Moreover, we have hopes that six months from now the Saigon government, the ARVN, and the military position on the ground will be even better than it is now. Nevertheless, we do not fully understand the minds of the men in Hanci. We can only:

- -- do everything imaginable to achieve an honorable settlement at the earliest possible date;
- -- but if that is not possible, to leave to the next President the best possible situation politically in Salgon and militarily on the ground.
- 2. Comments by Vice President Humphrey on Vletnam.

It is essential that the Vice President speak his views freely.

On the question of troop withdrawals for example, there have been two predictions by men who have a right to a judgment:

- -- late in 1967, at the National Press Club, Gen. Westmoreland said that "within two years" ke thought "some U.S. forces might be withdrawn."
- -- President Thieu said quite recently be thought there might be some.
  U. S. troop withdrawals in 1969 and repeated this in Honolulu.

The President, however, has wished to avoid such predictions, because there are always grave uncertainties in wor, and switch predictions, because there are always grave uncertainties in wor, and switched and always with the work of the predictions, because there are always grave uncertainties in wor, and switched and always grave uncertainties in word and always grave uncertainties in word and always grave uncertainties are always grave uncertainties are always grave uncertainties and always grave uncertainties are always grave uncertainties are always grave uncertainties are always grave uncertainties and always grave uncertainties are always grave grave uncertainties are always grave g

besjle

SENSITIVE

Friday, Sept. 13, 1968

1:00 p. m.

LITERALLY EYES ONLY

MR. PRESIDENT:

Marie Harriman's brother died. Averell and Marie are coming back on Monday. He will be here Tuesday and Wednesday as well.

Sect. Rusk suggests that this would be a good time to have some good talks with him.

The Hanci delegation has been informed.

They agreed to shift the scheduled Menday session to Sunday, so that we will have the experience of an additional private session before us when Averell is back.

W. W Rostow

Friday, Sept. 13, 1968 12:40 p. m.

SECRET

MR. PRESIDENT:

Herewith -- key passages marked -the full report of yesterday's private meeting.

W. W. Rostow

SECRET/HARVAN/PLUS attachment (Delto 724)

DECLASSIFIED 



# Department of State TELEGRAN

OO RUEHC DE RUFNCR 20779 2562050 ZNY SSSSS 0 122047Z SEP 68 FM AMEMBASSY PARIS TO SECSTATE WASHDC IMMEDIATE:5984 STATE GRNC

3807Q 1968 SEP 12 PM 5

ET SECTION ONE OF TWO PARIS 20779

NODIS/HARVAN/PLUS

DELTO 724 :

DECLASSIFIED Authority RAC 16754

FROM HARRIMAN AND VANCE

I. WE MET THIS AFTERNOON WITH LE DUC THO AND XUAN THUY. THE SAME PERSONS WERE PRESENT AS AT THE PREVIOUS MEETING. THE MEETING LASTED ABOUT THREE HOURS, INCLUDING A 1/2 HOUR TEA BREAK. THE ATMOSPHERE WAS AGAIN BUSINESSLIKE.

2. THO PICKED UP WHERE HE LEFT OFF LAST TIME. THE MAIN THRUST OF THO'S WINDUP, WHICH LASTED ABOUT AN HOUR, CONCERNED WHAT HE CALLED "OUR POLICY AND THEIR POLICY IN CONNECTION WITH A POLITICAL SETTLEMENT OF THE VIETNAMESE PROBLEM". HE BEGAN BY STATING THAT THEY WERE PREPARED CONDITIONS FOR THE UNITED STATES TO LEAVE TO CREATE VIET-NAM IN HONOR ... HE SPOKE AGAIN OF THEIR GOODWILL . AND THEIR SERIOUS INTEREST IN FINDING A SOLUTION TO THE VIETNAMESE PROBLEM. HE SAID THAT THEIR POLICY DEMANDED THE FUNDAMENTAL NATIONAL RIGHTS OF THE VIETNAMESE PROPLE. HE SAID THE US-MUST RECOGNIZE THE INDEPENDENCE. SOVEREIGNTY. UNITY AND TERRITORIAL INTEGRITY OF VIET-NAM. TO SATISFY THIS BASIC DEMAND, THE US SHOULD WITHDRAW ITS TROOPS FROM SOUTH VIET-NAM AND DISMANTLE ITS MILITARY

3. HE SAID ACCORDING TO THE POLITICAL PROGRAM OF THE NLF. AFTER THE WITHDRAWAL OF US AND SATELLITE TROOPS SOUTH VIET-NAM WILL-DEVELOP INTO AN INDEPENDENT. DEMO-CRATIC, NEUTRAL AND PROSPEROUS NATION. THERE WOULD BE A NATIONAL UNION GOVERNMENT INCLUDING ALL ELEMENTS OF THE POPULATION. ALL INTERNAL AFFAIRS OF SOUTH VIET-NAM: WOULD BE SETTLED BY THE PEOPLE THEMSELVES WITHOUT FOREIGN INTERVENTION .- PENDING REUNIFICATION OF THE NORTH AND ... SOUTH: THE MILITARY PROVISIONS OF THE 1954 AGREEMENTS SHOULD BE STRICTLY RESPECTED. REUNIFICATION WOULD BE

### SECRET

#### 2 - PARIS 20779 SEPT 12 SECTION 1 OF 2

CARRIED OUT BY PEACEFUL MEANS THROUGH NEGOTIATION AND MUTUAL AGREEMENT WITHOUT ANY FOREIGN INTERFERENCE. PEND-INGREUNIFICATION, NORMAL RELATIONS WOULD BE ESTABLISHED.

- 4. HE SAID THAT ALL THIS CONFORMED TO THE FOUR POINTS
  OF THE DRV, TO THE REAL SITUATION IN VIET-NAM, AND TO
  THE FUNDAMENTAL MILITARY AND POLITICAL PROVISIONS OF THE
  1954 AGREEMENTS. IT ALSO CONFORMED TO THE PRINCIPAL
  MILITARY AND POLITICAL PROVISIONS OF THE PROGRAM OF THE NLF. THIS
  POLICY THUS CONFORMS TO THE FUNDAMENTAL INTERESTS OF THE VIETNAMESE PEOPLE BUT ASSURES ALSO THAT THE US CAN LEAVE
  VIET-NAM IN HONOR, HOWEVER, BEFORE BEGINNING
  DISCUSSION OF ALL PROBLEMS IN ORDER TO FIND A POLITICAL
  SOLUTION, THE US MUST CEASE ALL BOMBING AND ALL OTHER
  ACTS OF WAR. THEREAFTER, THE TWO SIDES WILL DISCUSS
  ALL PROBLEMS THE TWO SIDES MAY WISH TO RAISE.
- SAID THEN ADDRESSED WHAT HE CALLED US POLICY. HE SAID THAT ONLY AFTER THE SUCCESSFUL TET GENERAL OFFENSIVE HAD THE US ANNOUNCED THE LIMITED CESSATION OF BOMBING. THIS WAS BECAUSE WE REALIZED THAT WE COULD NOT WIN
  THE WAR OF DESTRUCTION AGAINST NORTH VIET-NAM. ON THE
  OTHER HAND, OUR FORCES HAD BEEN ORDERED TO HIT INTENSIVELY IN THE NORTH VIETNAMESE PANHANDLE. HE SAID THAT
  THE US WAS SEEKING TO MAKE WORLD OPINION BELIEVE IN OUR
  DESIRE FOR PEACE AND WANTED TO FORCE CONCESSIONS FROM
  THE DRV BY DEMANDING RECIPROCITY FOR THE CESSATION OF
  BOMBING.
  - IS ALSO A DEMAND FOR RECIPROCITY, WE DEMANDED THAT THE TWO SIDES MUST DISCUSS THE ITEMS OF THE SECOND PHASE BEFORE WE WOULD COMPLETELY STOP THE BOMBING OF NORTH VIET-NAM. THIS WAS OBVIOUSLY A DEMAND FOR RECIPROCITY.
  - 7. HE THEN REPEATED THAT THEIR DEMAND FOR AN UNCONDITIONAL CESSATION OF BOMBING AND ALLOTHER ACTS OF WAR WAS A LEGITIMATE DEMAND WHICH HAD BEEN RECOGNIZED THROUGHOUT THE WORLD AND EVEN IN THE US.
  - 8. THO SAID THAT FOR THE LAST FEW MONTHS, SINCE THE HOHOLULU CONFERENCE, THE DRV RECOGNIZED THE US SCHEME FOR THE SOLUTION TO THE VIETNAMESE PROBLEM. IN ORDER TO PUT AN END TO AGGRESSION AND TO-INSURE-VIETNAMESE INDEPENDENCE AND FREEDOM, THE CRUCIAL PROBLEM IN THE MILITARY FIELD WAS THAT US AND SATELLITE TROOPS SHOULD

#### 3. - PARIS 20779 SEPT 12 SECTION 1 of 2

BE WITHDRAWN FROM SOUTH VIET-NAM. THE MANILA FORMULA
IS ILLOGICAL AND IMPROPER. THE US SAID THAT ONLY WHEN
NORTH VIETNAMESE TROOPS WITHDREW AND THE LEVEL OF
VIOLENCE SUBSIDED WOULD THE US WITHDRAW ITS TROOPS SIX
\*MONTHS THEREAFTER. IT IS EVIDENT THEREFORE THAT US SEEKS
TO GARRISON ITS TROOPS IN SOUTH VIET-NAM AS AN INSTRUMENT OF US NEOCOLONIAL POLICY. HE THEN CRITICIZED
US SUPPORT FOR THE GVN AND OUR LACK OF UNDERSTANDING
OF THE STRENGTH OF THE NLF. THOS STATED THAT THE FRONT
CONTROLS 4/5 OF THE TERRITORY AND 3/4 OF THE POPULATION
OF SOUTH VIET-NAM.

HARRIMAN

-SECRET



# Department of State

TELEGRAM

A THINK THE WAR AND THE GOVERNMENT

### SECRET

SECTION OF 2 PARIS 20779/2

OO RUEHC
DE RUFNCR 20779/2 2562100
ZNY SSSSS ZZH
O 122047Z SEP 68 ZEL
FM AMEMBASSY PARIS
TO SECSTATE WASHDC IMMEDIATE 5985

3812Q 1968 SEP 12 PM 5 21

NODIS/HARVAN/PLUS

DELTO 724

9. THO SAID IF WE MAINTAINED OUR POLICIES, THEN NO SOLUTION CAN BE FOUND. HE ASKED WHAT WOULD BE THE SITUATION IF THA POLITICAL SETTLEMENT COULD NOT BE REALIZED. HE SAID. THAT IF WE WERE TO CONSIDER INTENSIFYING THE WAR IN SOUTH VIETNAM AN RESUMING THE BOMBING MORE WIDELY OVER NORTH VIETNAM, WE WOULD NOT BE ABLE TO CHANGE THE MILITARY SITUATION. HE ALSO SAID THAT IF WE ATTEMPTED TO INVADE NORTH VIETNAM WE WOULD FAIL AND THAT THE NORTHVIETNAMESE WOULD RECEIVED THE SUPPORT OF ALL SOCIALIST COUNTRIES. ALL SOCIALIST COUNTRIES. ALL SOCIALIST COUNTRIES. EVEN THOSE NOW DIVIDED--WOULD UNITE IN SUPPORT OF DRV. THE CHINESE PEOPLE AND THE SOVIET PEOPLE WOULD STRENGTHEN THEIR HELP.

AND ASSISTANCE. IN ADDITION, WORLD OPINION AND EVEN THE AMERICAN PEOPLE AND ALLIES WOULD OPPOSE SUCH A COURSE OF ACTION.

- THE US SHOULD LEARN FROM WHAT THE FRENCH HAD DONE WRONG.
- 11. HE CLOSED BY REPEATING DRV GOODWILL AND SERIOUSNESS AND EXPRESSED THE HOPE THAT THE US WOULD ALSO HAVE GOODWILL IN TRYING TO REACH A POLITICAL SETTLEMENT.
- 12. AFTER TEA BREAK, WE RAISED THE QUESTION OF A WEEKLY CALENDAR FOR PRIVATE TALKS, AND AGREED THAT WE WOULD MEET MONDAY AND FRIDAY MORNINGS, AND USE THE TEA BREAKS ON WEDNESDAYS FOR SERIOUS DISCUSSIONS.
- 13. WE THEN RAISED THE QUESTION OF THE CIRCUMSTANCES UNDER WHICH THE US COULD STOP THE BOMBING. WE POINTED OUT THAT BOTH SIDES WISHED TO SEE THIS HAPPEN, AND BELIEVED THAT MORE PRODUCTIVE TALKS COULD THEN TAKE PLACE. WE HAD PROPOSED THE PHASE 2 FORMULA, WHICH THEY DID NOT APPEAR TO LIKE.

SECRET

#### 2 - PARIS 20779 SEPT 12 SECTION , 2 OF 2

WE SUGGESTED THAT THE SUBJECT OF "APPROPRIATE CIRCUMSTANCES" BE DISCUSSED IN COMPLETE FRANKNESS AT AN EARLY DATE. WE ASKED FOR COMMENTS AND THO SAID HE PREFERRED TO MAKE THEM AFTER HEARING! ALL: OF OUR COMMENTS ON HIS PRESENTATION.

- 14. WE COMMENTED ON EACH OF THE MAIN SUJECTS WHICH HE HAD SPOKEN ABOUT AT SATURDAYS MEETINGS; E.E., THE MILITARY SITUATION IN SVN, THE POLITICAL SITUATION IN THE US. WE REJECTED, ALL HIS CONTENTIONS AND REFUTED THEM WITH BRIEF STATEMENT OF TODAY UNTIL MONDAYS MEETING.
- 15. WE THEN SUMMARIZED US VIEWS REGARDING A GENERAL SETTLEMENT,
  EMPHASIZING THE FUNDAMENTAL PRINCIPLE OF SELF-DETERMINATION,
  FREE FROM FOREIGN INTERFERENCE FROM HANOI AND WASHINGTON, THIS
  REQUIRED THE INCLUSION OF REPRESENTATIVE OF THE GVN IN ANY/POLITICAL DISCUSSIONS. WE POINTED OUT WE SUPPORTED NATIONALISM
  BUT STRONGLY OPPOSED THE IMPOSITION OF COMMUNISM UNDER THE GUISE
  OF NATIONALISM. WE STATE THAT WE FELT A RETURN TO THE 1954 GENEVA
  ACCORDS AND THE 1962 GENEVA AGREEMENT PROVIDED A BASIS FOR SETTLEMEN
- TIME NEXT MEETING WE WOULD COMMET FURTHER ON THE SAID THAT WE WERE PREPARED TO DISCUSS WITH THE THE THE THE NEXT MEETING WE WOULD COMMET FURTHER ON THE SAID THAT AT PRETATION OF MUTUAL WITHDRAWAL OF FORCES AND THEIR MISINER PRETATION OF THE MEANING OF THE MANILA FORMULA.
- ABOUT "CIRCUMSTANCES" WHICH WOULD PERMIT THE PRESIDENT
  TO STOP ALL BOMBARDMENT. CERTAINLY, ONE OF THE MOST.
  IMPORTANT QUESTIONS WOULD BE THE MUTUAL DE-ESCALATION OF VIOLENCE.
  WE AKSED THEM TO CONSIDER THE SUBJECT AND PUT FORWARD
  ANDY IDEAS THEY-MIGHT HAVE.
- AND WOULD LISTEN TO THE COMPLETION OF OUR REMARKS.
  ATTHE NEXT SESSION BEFORE SPEAKING. HE SAID AS FAR
  AS THE CIRCUMSTANCES FOR THE PRESIDENT TO DECIDE THE CESSATION

### SECRET

#### 3 - PARIS 20779 SEPT 12 SECTION 2 OF 2

19. ON THIS NOTE, THE MEETING ADJOURNED UNTIL MONDAY, SEPTEMBER 15, AT 9:30 A.M. HARRIMAN

SECRET

INFORMATION

64

#### THE WHITE HOUSE

WASHINGTON

Friday, September 13, 1968 11:35 a.m.

#### MR, PRESIDENT:

Just to make sure where I may have gone wrong on this OAS dinner, I reviewed our files and came up with the following.

- 1. August 17. We put the proposition to you at the Ranch. Your instruction was: "OK, but check with Mrs. Johnson first. Don't want to set precedent so have to go to a lot of dinners." Larry Temple informed us on August 22 that it was all right with Mrs. Johnson. We established that there was no problem of precedent. On this basis we informed the OAS. Tab A
- 2. On August 29 we informed you that the OAS Council Chairman Oribe had suggested September 19 for the dinner. We also tracked down and reported to you on August 30 the probable source of the Washington Post leak. It turned out to be Oribe. The response indicated on para. 7 was "no acceptance -- stay with this." This was the OAS statement, after the leak, that "no acceptance had been received from the White House." Tab B
- Jim Jones conveyed this message to Brom Smith as well as to me on August 30. Tab C
- 4. That is the way it remained until I sent up to you on September 9 (Tab D) a request that you make a definite decision.
- 5. At Tab E is an account of what happened after Jim Jones informed Bill Bowdler on September 11 of your answer to my September 9 memo.

LW. COL Rostow

CONFIDENTIAL attachments

THE WHITE HOUSE

August 22, 1968

TO:

Walt Rostow

FROM:

Larry Temple L.T.

RE:

Proposed OAS Dinner for the President

get with

As you will note from the copy of the attached memorandum you sent to the President at the Ranch, he approved the proposed dinner: (1) so long as it was okay with Mrs. Johnson, and (2) so long as acceptance of this dinner invitation does not set a precedent which will require him to accept a great number of similar invitations.

You will note from the attached note that Mrs. Johnson gives her clearance. If there is no problem with regard to the precedent, Ambassador Linowitz can go ahead and work out a suitable date with Jim Jones and Ashton Gonella.

(Valy mes 8/22/68)
eg t J. Jones, B. Mel + Brudler

### CONFIDENTIAL

Received Washington CommCen 7:54 AM EDST Saturday 17 Aug 68

Received LBJ Ranch CommCen 7:26 AM CDST Saturday 17 Aug 68

EEA201 00 WTE10 DE WTE 3253

FROM WALT ROSTOW
TO THE PRESIDENT
INFO TOM JOHNSON
CITE CAP82044

CONFIDENTIAL

AUGUST 17, 1968

I RECOMMEND YOU AGREE TO SEC. RUSK'S FOLLOWING RECOMMENDATION.

RECOMMENDATION:

THAT YOU AGREE TO THE ORGANIZATION OF AMERICAN STATES HOLDING A DINNER FOR YOU IN MID-SEPTEMBER.

CHeck w

APPROVE

DISAPPROVE

MRS J FIRST

PONY WANT ST PRECODENT - SD

HAVE CO C.

OF BILLERS

DISCUSSION:

THE CHAIRMAN OF THE OAS COUNCIL, AMBASSADOR ORIBE OF URUGUAY, HAS INFORMED OUR REPRESENTATIVE, AMBASSADOR LINOWITZ, THAT THE COUNCIL WOULD LIKE TO OFFER YOU AND MRS. JOHNSON A FORMAL DINNER AT THE PAN AMERICAN UNION IN MID-SEPTEMBER WHICH WOULD BE ATTENDED BY THE MEMBERS OF THE COUNCIL, THE OAS SECRETARY GENERAL, AND OTHER HIGH OFFICIALS AND THEIR WIVES. THE PURPOSE OF THE DINNER, AMBASSADOR ORIBE STATES, IS TO HONOR YOU BECAUSE OF YOUR FRIENDSHIP TOWARDS LATIN AMERICA AND YOUR DEDICATION TO THE CAUSE OF ECONOMIC, SOCIAL AND CULTURAL DEVELOPMENT IN LATIN AMERICAN COUNTRIES. IF YOU ARE ABLE TO ACCEPT, AMBASSADOR LINOWITZ WILL HELP WORK OUT A SUITABLE DATE WITH YOUR STAFF.

I BELIEVE IT WOULD BE HIGHLY FITTING IF YOU COULD ACCEPT AN INVITATION TO THE PROPOSED DINNER.

CONFIDENTIAL

DEAN RUSK

DTG: 171154Z AUG 68

CHETERMIMED TO BE AN ADMINISTRATIVE MARKING, CANCELLED PER E.O. 12356, SEC 1.3 AND ARCHIVIST'S MEMO OF MAR. 16, 1983.

on 1-13-93

# THE WHITE HOUSE WASHINGTON

8/19

Mrs g

Larry Temple called. The OAS (ouncil would like to give a formal dinner for you and the President in Washington in mid-September, to express appreciation for all he has done for them. Sec. Rusk and Walt Romtow think this is good. The President wants to know your thoughts.

ashton

2 alway like to a

2 alway 1 2 alway

2 alway and to

3 alway and to

4 alway and to

4 alway and to

5 alway and to

6 alway and to

7 alway and to

8 alway and to

9 alway and to

9 alway and to

1 alway and to



#### DEPARTMENT OF STATE

Washington, D.C. 20520

August 16, 1968

#### MEMORANDUM FOR THE PRESIDENT

Subject: OAS Dinner in Your Honor

#### Recommendation:

That you agree to the Organization of American States holding a dinner for you in mid-September.

Approve	Disapprove

#### Discussion:

The Chairman of the OAS Council, Ambassador Oribe of Uruguay, has informed our representative, Ambassador Linowitz, that the Council would like to offer you and Mrs. Johnson a formal dinner at the Pan American Union in mid-September which would be attended by the members of the Council, the OAS Secretary General, and other high officials and their wives. The purpose of the dinner, Ambassador Oribe states, is to honor you because of your friendship towards Latin America and your dedication to the cause of economic, social and cultural development in Latin American countries. If you are able to accept, Ambassador Linowitz will help work out a suitable date with your staff.

I believe it would be highly fitting if you could accept an invitation to the proposed dinner.

> Dian Rusk Dean Rusk

64e

#### THE WHITE HOUSE

CONFIDENTIAL

WASHINGTON

ACTION

Friday - August 30, 1968

2 K Julie

TO:

The President

FROM:

W. W. Rostow

SUBJECT: OAS Dinner In Your Honor

CAP8 2305

You asked for information on the leak about your accepting an invitation to an OAS dinner in your honor. I submit the following:

- The story carried by the <u>Washington Post</u> is a UPI story which carries no indication of time or place of filing. It attributes the information to "US officials" and "other sources".
- The story says you will attend a dinner in your honor on September 19, and you are expected to deliver a major Latin American speech reaffirming the US commitment to the Alliance and vigorously defending your Latin American policy.
- We have checked with Covey Oliver's shop to see who might have spoken to the UPI. Those with knowledge of the subject disclaim having wittingly or unwittingly passed the information to any newspaperman.
- 4. I am reasonably well satisfied that the leak did not come from State but from the OAS Council Chairman.
- 5. Last Tuesday State told the OAS Chairman confidentially that you had agreed in principle to attend, but details would have to be worked out. In this conversation, the Chairman raised the possibility of your making a major speech. The State man -- John Ford -- said he had no idea of your wishes.
- 6. We believe the OAS Chairman subsequently talked to the UPI man who covers the Pan American Union (Adolfo Merino). Merino passed the story along to the UPI Latin American correspondent, Art Golden. Golden called State late Tuesday to check out the story and in the process inquired specifically about a major Latin American speech. I am told that State declined comment.

DECLASSIFIED

E.O. 12958, Sec. 3.5

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

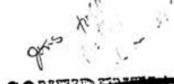
By NARA, Date 12-17-01

B

- 7. State expressed deep concern to the OAS Chairman last Wednesday morning over the leak. That same day, the OAS informed the press that an invitation had been extended, but "no acceptance had been received from the White House". This was an effort to cover up.
- This leak is lamentable but not surprising, given the proclivities of the OAS Chairman.
- There is flexibility on the date if you prefer to change from September 19.

EEA437 00 WTE10 DE WTE 3597

FROM WALT ROSTOW TO THE PRESIDENT CITE CAP82305



Received: Washington CommCen

1 6:05 PM EDST Friday 30 August 1968

Received: LBJ Ranch CommCen 5:31 PM CDST Friday 30 August 1968

OAS

CONPEDENTIAL

YOU ASKED FOR INFORMATION ON THE LEAK ABOUT YOUR ACCEPTING AN INVITATION TO AN OAS DINNER IN YOUR HONOR. I SUBMIT THE FOLLOWING:

- 1. THE STORY CARRIED BY THE WASHINGTON POST IS A UPI STORY WHICH CARRIES NO INDICATION OF TIME OR PLACE OF FILING. IT ATTRIBUTES THE INFORMATION TO "US OFFICIALS" AND "OTHER SOURCES".
- 2. THE STORY SAYS YOU WILL ATTEND A DINNER IN YOUR HONOR ON SEPTEMBER 19 AND YOU ARE EXPECTED TO DELIVER A MAJOR LATIN AMERICAN SPEECH REAFFIRMING THE US COMMITMENT TO THE ALLIANCE AND VIGOROUSLY DEFENDING YOUR LATIN AMERICAN POLICY.
- 3. WE HAVE CHECKED WITH COVEY OLIVER'S SHOP TO SEE WHO MIGHT HAVE SPOKEN TO THE UPI. THOSE WITH KNOWLEDGE OF THE SUBJECT DISCLAIM HAVING WITTINGLY OR UNWITTINGLY PASSED THE INFORMATION TO ANY NEWSPAPERMAN.
- 4. I AM REASONABLY WELL SATISFIED THAT THE LEAK DID NOT COME FROM STATE BUT FROM THE OAS COUNCIL CHAIRMAN.
- 5. LAST TUESDAY STATE TOLD THE OAS CHAIRMAN CONFIDENTIALLY THAT YOU HAD AGREED IN PRINCIPLE TO ATTEND, BUT DETAILS WOULD HAVE TO BE WORKED OUT. IN THIS CONVERSATION, THE CHAIRMAN RAISED THE POSSIBILITY OF YOUR MAKING A MAJOR SPEECH. THE STATE MAN -- JOHN FORD -- SAID HE HAD NO IDEA OF YOUR WISHES.
- 6. WE BELIEVE THE OAS CHAIRMAN SUBSEQUENTLY TALKED TO THE UPI MAN WHO COVERS THE PAN AMERICAN UNION (ADOLFO MERINO). MERINO PASSED THE STORY ALONG TO THE UPI LATIN AMERICAN CORRESPONDENT, ART GOLDEN. GOLDEN CALLED STATE LATE TUESDAY TO CHECK OUT THE STORY AND IN THE PROCESS INQUIRED SPECIFICALLY ABOUT A MAJOR LATIN AMERICAN SPEECH. I AM TOLD THAT STATE DECLINED COMMENT.
- The press that an invitation had been extended, but not acceptance had been received from the white house. This was an effort to cover up.
- 8. THIS LEAK IS LAMENTABLE BUT NOT SURPRISING, GIVEN THE PROCLIVITIES OF THE OAS CHAIRMAN.
- 9. THERE IS FLEXIBILITY ON THE DATE IF YOU PREFER TO CHANGE FROM SEPTEMBER 19.

CONFIDENTIAL

DECLASSIFIED

E.O. 12958, Sec. 3.5

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

By C. NARA, Date 12-13-01

DTG: 302205Z AUG 68

CU11- -----

Received Wash ston CommCen 4:29 PM EDT Thursday 29 Aug 68

4:20 PM CDT Thursday 29 Aug 68

4:23 PM CDT Thursday 29 Aug 68

Received LBJ Ranch CommCen

Relayed Austin CommCen

648

00 WTE15 DE WTE10 421A

EEA400

EEA400 00 WTE10 WTE15 DE WTE 3557

FROM WALT ROSTOW
TO THE PRESIDENT
INFO JIM JONES
GEORGE CHRISTIAN
CITE CAP82268

who leaded this t what poil

CONFIDENTIAL

AUGUST 29, 1968

YOU HAVE AGREED TO ATTEND A DINNER GIVEN IN YOUR HONOR BY THE COUNCIL OF THE OAS IN MID-SEPTEMBER. YOU MADE ACCEPTANCE CONDITIONAL ON (1) CHECKING IT OUT WITH MRS. JOHNSON, AND (2) MAKING SURE NO PRECEDENT IS SET FOR A LOT OF DINNERS.

OAS COUNCIL CHAIRMAN ORIBE WOULD LIKE TO HOLD THE DINNER ON THURSDAY, SEPTEMBER 19. THE DATE IS OK WITH MRS. JOHNSON; JIM JONES TELLS ME YOUR CALENDAR IS OPEN FOR THAT DAY.

ON THE ISSUE OF SETTING A PRECEDENT, WE HAVE SPOKEN TO ANGIE DUKE WHO ANTICIPATES NO TROUBLE ON THIS SCORE.

IF THE SEPTEMBER 19 DATE IS SATISFACTORY TO YOU, I WILL SO INFORM AMBASSADOR ORIBE.

DATE OK ----

CALL ME ----.

NO FCRMAL ANNOUNCEMENT OF THE DINNER HAS BEEN MADE, ALTHOUGH THE POSSIBILITY HAS BEEN LEAKED TO THE WASHINGTON POST AND APPEARED IN YESTERDAY'S EDITION. IF THE SEPTEMBER 19 DATE MEETS WITH YOUR APPROVAL, I WILL WORK OUT WITH AMBASSADOR ORIBE A SEQUENCE FOR ANNOUNCEMENT OF THE INVITATION AND YOUR ACCEPTANCE. AMBASSADOR ORIBE WOULD LIKE FIVE MINUTES OF YOUR TIME AFTER YOU RETURN TO WASHINGTON TO EXTEND THE INVITATION PERSONALLY. HE RECOGNIZES THIS MAY NOT BE POSSIBLE, IN WHICH COULD SERVE AS THE BASIS FOR THE ANNOUNCEMENT AND YOUR ACCEPTANCE.

APPROVE A 5-MINUTE APPOINTMENT ---

PREFER URITTEN INVITATION ----

CALL ME ----.

PRESERVATION COPY

AMBASSADOR ORIBE ASKS IF YOU WOULD INFORMALLY INDICATE WHAT U.S. OFFICIALS YOU WOULD LIKE TO HAVE INVITED. HE IS THINKING OF THE SECRETARY OF STATE, COVEY OLIVER, AND POSSIBLY OTHERS. SOL LINOWITZ WILL ALREADY BE THERE AS AN OAS COUNCIL MEMBER. SECRETARY RUSK AND COVEY OLIVER SEEM TO ME LOGICAL INVITEES. I THINK IT WOULD ALSO BE A GOOD GESTURE TO HAVE THE FORMER ASSISTANT SECRETARIES WHO HELPED SHAPE YOUR LATIN AMERICAN POLICY -- MANN, VAUGHN AND GORDON -- ALSO PRESENT. IF YOU APPROVE, I WILL PASS THESE SUGGESTIONS ALONG TO ORIBE.

APPROVE ---DISAPPROVE ---CALL ME ----

DTG 292029Z AUG 1968



# THE WHITE HOUSE

August 30, 1968

MEMORANDUM FOR MR. ROSTOW

SUBJECT: OAS Dinner in Mid-September

Jim Jones says the President did not decide whether to attend the OAS dinner in mid-September.

Jim asked and Bowdler is at work on a message to the President which he requested summarizing who leaked the possibility that he might attend the dinner and what official comment was made to questions about the leak.

Bromley Smith

Limited Official Use\_

WALHINGTON

ACTION

Thursday - August 29, 1968

TO:

The President

Info:

Jim Jones

George Christian

FROM:

W. W. Rostow

SUBJECT: OAS Dinner in Your Honor

ent Rend 2268

You have agreed to attend a dinner given in your honor by the Council of the OAS in mid-September. You made acceptance conditional on (1) checking it out with Mrs. Johnson, and (2) making sure no precedent is set for a lot of dinners.

OAS Council Chairman Oribe would like to hold the dinner on Thursday, September 19. The date is OK with Mrs. Johnson. Jim Jones tells me your calendar is open for that day.

On the issue of setting a precedent, we have spoken to Angie Duke who anticipates no trouble on this score.

If the September 19 date is satisfactory to you, I will so inform Ambassador Oribe.

Date OK	
Call me	4

No formal announcement of the dinner has been made, although the possibility has been leaked to the <u>Washington Post</u> and appeared in yesterday's edition. If the September 19 date meets with your approval, I will work out with Ambassador Oribe a sequence for announcement of the invitation and your acceptance. Ambassador Oribe would like five minutes of your time after you return to Washington to extend the invitation personally. He recognizes this may not be possible, in which case he would make the invitation in writing, which could serve as the basis for the announcement and your acceptance.

Approve a 5-minute appointment	
Prefer written in- vitation	
Call me	

DECLASSIFIED
E.O. 12958, Sec. 3.5

NSC Memo, 1/30/95, State Dept. Guidelines
By C NARA, Date 12-13-01

-200

Ambassador Oribe asks if you would informally indicate what US officials you would like to have invited. He is thinking of the Secretary of State, Covey Oliver, and possibly others. Sol Linowitz will already be there as an OAS Council member. Secretary Rusk and Covey Oliver seem to me logical invitees. I think it would also be a good gesture to have the former Assistant Secretaries who helped shape your Latin American policy -- Mann, Vaughn and Gordon -- also present. If you approve, I will pass these suggestions along to Oribe.

Approve	—
Disapprove	
Call me	

#### THE WHITE HOUSE



WASHINGTON

Monday, September 9, 1968

Mr. President:

The Latins have a saying that runs: "There is no worse initiative than the one which is not taken." So I ask your indulgence in bringing the OAS dinner invitation to your attention again.

Last month on Secretary Rusk's recommendation, you agreed to a dinner in your honor, provided Mrs. Johnson's schedule permitted and it would not establish a precedent. The initiative for the dinner came from OAS Secretary General Galo Plaza-who-wanted-to-arrange-a-Latin\_ American tribute for what you have done for the hemisphere.

After checking out Mrs. Johnson's schedule and the precedent aspects, I had State confidentially inform the OAS Council Chairman that you accepted in principle with the date to be worked out. The OAS Chairman subsequently let UPI know of the plans, indicating September 19 as the probable date. After State complained to the Chairman about the leak, he arranged for the OAS to say that an invitation had been extended "but" no acceptance has been received-from the White House.31

My understanding was that after the OAS leak, you wanted your response to the invitation to stand as the OAS had put it out to the press, i.e. no acceptance yet ... But Jim Jones now tells us that your intention was to say no to the invitation.

Before going back to the OAS with your response, I wanted to make sure of your decision and to point out that a negative would have these limited adverse effects:

- 1. OAS Secretary General-Plaza who originated the tribute idea would be quite taken back by the turn down of his first initiative with you.
- 2. The Latin Ambassadors, who know about the dinner invitation, would take it as a slight and you would lose some of the goodwill you have built up with them. DECLASSIFIED

E.O. 12958, Sec. 3.5 NSC Memo, 1/30/95, State Dept. Guidelines (W. ON Rostow By C \_\_, NARA, Date D-17-01 Bowdler mi Lym Roston. I meant what I said: NO to the invitation I want the invitation held for a later date Call me



# THE WHITE HOUSE

Friday, September 13, 1968

#### LIMITED OFFICIAL USE

MEMORANDUM FOR THE PRESIDENT

SUBJECT: The OAS Dinner

Last Wednesday, September 11, Jim Jones informed Bill Bowdler at 11:30 a.m. of your answer to my September 9 memo confirming that you did not wish to attend the OAS dinner.

As soon as the Barrow arrival ceremony was over, Bill informed Sol Linowitz and Angie Duke of your decision with the request that they regret the invitation.

Right after this at the luncheon which Secretary Rusk gave Prime Minister Barrow, Angie told the Secretary of your decision. The Secretary told Angie to hold up on conveying your answer until he had a chance to talk with you. He said he would do this when he met with you for lunch the following day (Thursday, September 12). On the basis of the Secretary's intention, Angie told Sol to hold up declining the invitation.

The Secretary apparently forgot to raise the subject with you yesterday.

Last night at the OAS reception for Prime Minister Barrow, the OAS Council Chairman, Ambassador Oribe of Uruguay, who has been the fly in the ointment in this whole affair, told a group of reporters the problems he was having in getting a reply to the dinner invitation. Sol tells Bill that he tried to turn him off but the damage was already done. Dorothy McCardle was in the group of reporters.

We have again relayed to Sol and Angie your decision to regret forthwith the invitation to the dinner.

W. OLT Rostow

Presfile

#### INFORMATION

#### TOP SECRET

Friday, September 13, 1968 9:30 a.m.

Mr. President:

This is a rather impressive collection of evidence that the enemy's military and morale position is not good.

W. W. Rostow

White House Guiddless, Feb. 24, 1983 By Ag. NARA, Date

WWRostow:rln

- 12. The disruption by allied spoiling operations of Communist plans for the current round of offensive activity is reflected in several captured documents dating from last month. The documents confirm that the Communists have been forced to revise or postpone attack plans in some areas after experiencing heavy casualties and subsequent morale problems.
- 13. A letter dated 19 August from a functionary attached to a local force unit in Thua Thien Province, states that the situation of the unit was "deplorable" and that many troops were "completely demoralized." The writer noted that his unit sustained a number of casualties in a recent battle, and that some troops had witnessed the "terrible casualties" suffered by a Viet Cong battalion as a result of air strikes. Other recently captured documents had indicated that the Communists were making plans during August for large-scale attacks in the Hue area.
- 14. In northern III Corps, a letter from a district-level Communist official stated that he was unable to attend a meeting on 16 August to discuss the initiation of the "third phase" of the "general offensive." He claimed he was unable to reach the village where the meeting was to be held because allied forces were operating in the area.
- 15. Documents also confirm the disruption of Communist activities in the Saigon area by allied counteraction. A report issued by a Viet Cong authority for a district west of the capital discloses that US Special Forces operations, as well as air and artillery strikes, inflicted "heavy losses" and demoralized local guerrillas during the first half of August. Repeated B-52 strikes prevented the guerrillas from remaining in their normal operating area, according to the document.
  - 16. Pscyhological warfare activities by the South Vietnamese also affected enemy morale, according to a circular issued on 9 August. Members of the Dong Ngai Regiment, which is based in Subregion 5 north of Saigon, were said to have deserted or refused to go on combat missions. One battalion sustained "collective desertions" which were not discovered for many days due to lack of vigilance.

Extract from CIA Intelligence Memorandum, 12 September 1968, THE SITUATION IN VIETNAM, pp. 1-3-4.

DECLASSIFIED E.O. 12958, Sec. 3.6 NLJ /RAC 02-63 By cbm, NARA, Date 3-20-05

-TOP SECRET CODEWORD

#### September 13, 1968

free file

#### MEMORANDUM FOR THE PRESIDENT

SUBJECT: Agreement with the Government of Greece Concerning Civil
Uses of Atomic Energy

The Atomic Energy Commission, with the concurrence of the Department of State, recommends that you approve an Amendment to the existing Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Greece Concerning Civil Uses of Atomic Energy. The proposed Amendment would revise the Agreement for Cooperation which was signed August 4, 1955, as amended on June 11, 1960, April 3, 1962, June 22, 1962, and June 8, 1964.

The primary purpose of the proposed Amendment is to revise Article II of the Agreement to provide that special nuclear material enriched to greater than 20% in the isotope U-235 may be made available at the discretion of the Commission. The proposed Amendment also takes advantage of this opportunity to reflect recent U.S. "Private Ownership" legislation.

Safeguards on materials and facilities transferred to Greece under the proposed agreement would be administered by the International Atomic Energy Agency in accordance with an existing trilateral agreement which provides that the United States' safeguards rights are suspended as long as the trilateral agreement remains in effect and would automatically apply if the agreement should be terminated. The proposed Amendment also updates the formulation of the "peaceful uses" guarantee given by Greece in conformity with our current Agreements for Cooperation.

I recommend that you approve this proposed agreement. If you agree, there is presented herewith a letter to Dr. Seaborg for your signature. If you sign the letter, the proposed agreement will be formally executed by appropriate authorities of the Government of the United States of America and the Government of the Kingdom of Greece. In compliance with Section 123c of the Atomic Energy Act of 1954, as amended, the agreement will then be placed before the Joint Committee on Atomic Energy.

Approved	
Disapproved	
Speak to me	W. W. Rostow
Joint Committee her be	en chicked. no serious Congressioned problem

#### Dear Dr. Seaborg:

In accordance with Section 123a of the Atomic Energy Act of 1954, as amended, the Atomic Energy Commission has submitted to me a proposed "Amendment to Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Greece Concerning Civil Uses of Atomic Energy" and has recommended that I approve the proposed Amendment, determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security, and authorize its execution.

Pursuant to the provisions of Section 123b of the Atomic Energy Act of 1954, as amended, and upon the recommendation of the Atomic Energy Commission, I hereby:

- a. Approve the proposed Amendment, and determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security of the United States of America;
- b. Authorise the execution of the proposed Amendment on behalf of the Government of the United States of America by appropriate authorities of the Department of State and the Atomic Energy Commission.

Sincerely,

The Honorable
Glenn T. Seaborg
U.S. Atomic Energy Commission
Washington, D. C.

LBJ:CEJ:mlb (9/11/68)



### UNITED STATES ATOMIC ENERGY COMMISSION

WASHINGTON, D.C. 20545

SEP 1 0 1968

The President The White House

Dear Mr. President:

The Atomic Energy Commission recommends that you approve the enclosed proposed amendment to the "Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Greece Concerning Civil Uses of Atomic Energy," determine that its performance will promote and will not constitute an unreasonable risk to the common defense and security, and authorize its execution. The Department of State supports the Commission's recommendations.

The proposed amendment has been negotiated by the Department of State and the Atomic Energy Commission pursuant to the Atomic Energy Act of 1954, as amended. It would revise the Agreement for Cooperation between the United States of America and the Kingdom of Greece which was signed at Washington on August 4, 1955, as amended by the agreements signed on June 11, 1960, April 3, 1962, June 22, 1962, and June 8, 1964.

The principal purpose of the proposed amendment is to revise Article II of the agreement to provide that special nuclear material enriched to greater than 20% in the isotope U-235 may be made available when the Commission finds such transfer technically or economically justified. This modification will permit the transfer of fuel enriched above the current limit of 20% in the agreement. By virtue of proposed Article II, Article IV of the Agreement for Cooperation would be revised to reflect the "Private Ownership" legislation of 1964, permitting arrangements for the transfer of special nuclear material and performance of services to be made between either Party or authorized persons under its jurisdiction

TOWARD TO THE REST OF THE PROPERTY OF

and authorized persons under the jurisdiction of the other Party. Such arrangements would be in addition to those between the Governments allowed under the current agreement and would be subject to the policies of the United States and Greece concerning such transactions as well as applicable laws, regulations, and license requirements.

In addition to these major changes, the proposed amendment includes two other modifications. As a consequence of the incorporation of provision for the transfer of highly enriched material, the standard provisions for comprehensive United States' safeguards rights have been included pursuant to proposed Article III. Our bilateral safeguards rights respecting materials and facilities transferred under the present agreement would remain suspended during the time and to the extent that the International Atomic Energy Agency applies safeguards pursuant to the trilateral agreement signed in 1964. The remaining Article in the proposed amendment, Article IV, updates the formulation of the "peaceful uses" guarantee given by Greece in conformity with our current Agreements for Cooperation.

Following your approval, determination, and authorization, the proposed amendment will be formally executed by appropriate authority of the Government of the United States of America and the Government of the Kingdom of Greece. In compliance with Section 123c of the Atomic Energy Act of 1954, as amended, the amendment will be placed before the Joint Committee on Atomic Energy.

Respectfully yours,

Chairman

Enclosure:

Proposed Amendment to Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Greece

1968 SEP 10' PF 6 54

THE WHITE HOUSE

660

AMENDMENT TO AGREEMENT FOR COOPERATION BETWEEN
THE GOVERNMENT OF THE UNITED STATES OF AMERICA
AND THE GOVERNMENT OF THE KINGDOM OF GREECE
CONCERNING CIVIL USES OF ATOMIC ENERGY

The Government of the United States of America and the Government of the Kingdom of Greece,

Desiring to amend the Agreement for Cooperation Between the Government of the United States of America and the Government of the Kingdom of Greece Concerning Civil Uses of Atomic Energy, signed at Washington on August 4, 1955 (hereinafter referred to as the "Agreement for Cooperation"), which was amended by the Agreements signed on June 11, 1960, April 3, 1962, June 22, 1962, and June 8, 1964,

Agree as follows:

#### ARTICLE I

Article II of the Agreement for Cooperation, as amended, is amended to read as follows:

- "A. As may be agreed, the Commission will transfer to the Government of the Kingdom of Greece or authorized persons under its jurisdiction, uranium enriched in the isotope U-235 for use as fuel in defined research applications, including research reactors and reactor experiments, which the Government of the Kingdom of Greece decides to construct or operate or authorizes private persons to construct or operate in Greece. Contracts setting forth the terms, conditions, and delivery schedule of each transfer shall be agreed upon in advance.
- "B. The quantity of uranium enriched in the isotope U-235 transferred under this Agreement and within the jurisdiction of the Government of the Kingdom of Greece shall not at any time be in excess of six (6) kilograms of contained U-235 in enriched uranium, plus such additional quantity as, in the opinion of the Commission, is necessary to permit the efficient and continuous operation of the reactor or reactors while replaced fuel elements are radioactively cooling in Greece or while fuel elements are in transit, it being the intent of the Commission to make possible the maximum usefulness of the six (6) kilograms of said material.
- "C. The enriched uranium supplied hereunder may contain up to twenty percent (20%) in the isotope U-235. All or a portion of the foregoing special nuclear material may be made available

as uranium enriched to more than twenty percent (20%) by weight in the isotope U-235 when the Commission finds there is a technical or economic justification for such a transfer for use in research reactors and reactor experiments, each capable of operating with a fuel load not to exceed six (6) kilograms of the isotope U-235 contained in such uranium.

"D. When any source or special nuclear material received from the United States of America requires reprocessing, such reprocessing shall be performed at the discretion of the Commission in either Commission facilities or facilities acceptable to the Commission, on terms and conditions to be later agreed; and it is understood, except as may be otherwise agreed, that the form and content of any irradiated fuel elements shall not be altered after removal from a reactor and prior to delivery to the Commission or the facilities acceptable to the Commission for reprocessing.

"E. Special nuclear material produced as a result of irradiation processes in any part of fuel leased hereunder shall be for the account of the lessee and, after reprocessing as provided in paragraph D of this Article, shall be returned to the lessee, at which time title to such material shall be transferred to the lessee, unless the Government of the United States of America shall exercise the option, which is hereby granted, to retain, with a credit to the lessee based on the prices in the United States of America referred to in paragraph F of this Article, any such special nuclear material which is in excess of

the needs of the Kingdom of Greece for such material in its program for the peaceful uses of atomic energy.

"F. With respect to any special nuclear material not owned by the Government of the United States of America produced in reactors while fueled with materials obtained from the United States of America by means other than lease which is in excess of the needs of the Kingdom of Greece for such material in the Greek program for the peaceful uses of atomic energy, the Government of the United States of America shall have and is hereby granted (a) a first option to purchase such material at prices then prevailing in the United States of America for special nuclear material produced in reactors which are fueled pursuant to the terms of an Agreement for Cooperation with the Government of the United States of America, and (b) the right to approve the transfer of such material to any other nation or group of nations in the event the option to purchase is not exercised.

"G. Some atomic energy materials which the Commission may be requested to provide in accordance with this Agreement are harmful to persons and property unless handled and used carefully. After delivery of such materials, the Government of the Kingdom of Greece shall bear all responsibility, insofar as the Government of the United States of America is concerned, for the safe handling and use of such materials. With respect to any source or special nuclear material or reactor materials which the Commission may, pursuant to this Agreement, lease to the Government of the

Kingdom of Greece or to any private individual or private organization under its jurisdiction, the Government of the Kingdom of Greece shall indemnify and save harmless the Government of the United States of America against any and all liability (including third party liability) for any cause whatsoever arising out of the production or fabrication, the ownership, the lease, and the possession and use of such source or special nuclear material or reactor materials after delivery by the Commission to the Government of the Kingdom of Greece or to any private individual or private organization under its jurisdiction."

#### ARTICLE II

Article IV of the Agreement for Cooperation is amended to read as follows:

"A. With respect to the application of atomic energy to peaceful uses, it is understood that arrangements may be made between either Party or authorized persons under its jurisdiction and authorized persons under the jurisdiction of the other Party for the transfer of equipment and devices and materials other than special nuclear material and for the performance of services with respect thereto.

"B. With respect to the application of atomic energy to peaceful uses, it is understood that arrangements may be made between either Party or authorized persons under its jurisdiction and authorized persons under the jurisdiction of the other Party

for the transfer of special nuclear material and for the performance of services with respect thereto for the uses specified in Articles II and III (A) and subject to the limitations of Article II, paragraph B.

"C. The Parties agree that the activities referred to in paragraphs A and B of this Article shall be subject to the limitations in Article V, to the applicable laws, regulations and license requirements of the Parties, and to the policies of the Parties with regard to transactions involving the authorized persons referred to in paragraphs A and B."

#### ARTICLE III

Article VI of the Agreement for Cooperation, as amended, is amended to read as follows:

"A. The Government of the United States of America and the Government of the Kingdom of Greece emphasize their common interest in assuring that any material, equipment or devices made available to the Government of the Kingdom of Greece or any person under its jurisdiction pursuant to this Agreement shall be used solely for civil purposes.

"B. Except to the extent that the safeguards rights provided for in this Agreement are suspended by virtue of the application of safeguards of the International Atomic Energy Agency, as provided by Article VII (A), the Government of the United States of America, notwithstanding any other provisions of this Agreement, shall have the following rights:

- (1) With the objective of assuring design and operation for civil purposes and permitting effective application of safeguards, to review the design of any
  - (a) reactor and
  - (b) other equipment and devices the design of which the Commission determines to be relevant to the effective application of safeguards,

which are to be made available under this Agreement to the Government of the Kingdom of Greece or to any person under its jurisdiction by the Government of the United States of America or any person under its jurisdiction, or which are to use, fabricate, or process any of the following materials so made available: source material, special nuclear material, moderator material, or other material designated by the Commission;

- (2) With respect to any source or special nuclear material made available under this Agreement to the Government of the Kingdom of Greece or to any person under its jurisdiction by the Government of the United States of America or any person under its jurisdiction and any source or special nuclear material utilized in, recovered from, or produced as a result of the use of any of the following materials, equipment or devices so made available:
  - (a) source material, special nuclear material, moderator material, or other material designated by the Commission,

- (b) reactors, and
- (c) any other equipment or devices designated by the Commission as an item to be made available on the condition that the provisions of this paragraph B (2) will apply,
- (i) to require the maintenance and production of operating records and to request and receive reports for the purpose of assisting in ensuring accountability for such materials, and
- (ii) to require that any such materials in the custody of the Government of the Kingdom of Greece or any person under its jurisdiction be subject to all of the safeguards provided for in this Article and the guarantees set forth in Article VII;
- (3) To require the deposit in storage facilities designated by the Commission of any of the special nuclear material referred to in paragraph B (2) of this Article which is not currently utilized for civil purposes in the Kingdom of Greece and which is not retained or purchased by the Government of the United States of America pursuant to Article II, transferred pursuant to Article II, or otherwise disposed of pursuant to an arrangement mutually acceptable to the Parties;
- (4) To designate, after consultation with the Government of the Kingdom of Greece, personnel who, accompanied, if either Party so requests, by personnel designated by the

Government of the Kingdom of Greece, shall have access in the Kingdom of Greece to all places and data necessary to account for the source and special nuclear material which are subject to paragraph B (2) of this Article to determine whether there is compliance with this Agreement and to make such independent measurements as may be deemed necessary;

- (5) In the event of non-compliance with the provisions of this Article or the guarantees set forth in Article VII and the failure of the Government of the Kingdom of Greece to carry out the provisions of this Article within a reasonable time, to suspend or terminate this Agreement and to require the return of any materials, equipment and devices referred to in paragraph B (2) of this Article;
- (6) To consult with the Government of the Kingdom of Greece in the matter of health and safety.
- "C. The Government of the Kingdom of Greece undertakes to facilitate the application of the safeguards provided for in this Article."

#### ARTICLE IV

Article VII of the Agreement for Cooperation is amended to read as follows:

"The Government of the Kingdom of Greece guarantees that:

(1) Safeguards provided in Article VI shall be maintained.

- (2) No material, including equipment and devices, transferred to the Government of the Kingdom of Greece or authorized persons under its jurisdiction by purchase or otherwise pursuant to this Agreement and no special nuclear material produced through the use of such material, equipment or devices, will be used for atomic weapons, or for research on or development of atomic weapons, or for any other military purposes.
- (3) No material, including equipment and devices, transferred to the Government of the Kingdom of Greece or authorized persons under its jurisdiction pursuant to this Agreement will be transferred to unauthorized persons or beyond the jurisdiction of the Government of the Kingdom of Greece, except as the Commission may agree to such a transfer to another nation or group of nations, and then only if, in the opinion of the Commission, the transfer of the material is within the scope of an Agreement for Cooperation between the Government of the United States of America and the other nation or group of nations."

#### ARTICLE V

This Amendment shall enter into force on the date on which each Government shall have received from the other Government written notification that it has complied with all statutory and constitutional requirements for the entry into force of such Amendment and shall remain in force for the period of the Agreement for Cooperation, as amended.

IN WITNESS WHEREOF, the undersigned, duly authorized, have signed this Amendment.

DONE at Washington, in duplicate, this

day

of

, 1968.

FOR THE GOVERNMENT OF THE UNITED STATES OF AMERICA:

Donovan Q. Zook Director, Office of Atomic Energy Affairs International Scientific and Technological Affairs U.S. Department of State

Barbara H. Thomas Foreign Affairs Officer European Branch Division of International Affairs U.S. Atomic Energy Commission

FOR THE GOVERNMENT OF THE KINGDOM OF GREECE:

Michael Dountas First Secretary Embassy of Greece

Initialed 10 September 1968.

Certified to be a true copy Barbara 74 Physicas Systember 10, 1968

Friday, September 13, 1968

# CONTRACTAL

MEMORANDUM FOR THE PRESIDENT

Pres file

Mr. President:

On September 8 Colombian President Lleras sent you a cable complaining about Commerce's position in the negotiations on a new cotton textile agreement.

The Colombian negotiators were seeking a level of 40-45 million square years for the 1968-69 period. Because of the problems in our cotton textile industry, our negotiators, based on a position worked out in the Interagency Textile Committee, told the Colombians we could simply not go that high. At the time of the Lieras cable we had indicated a willingness to go as high as 30 million square yards.

Tony Solomon took the Lleras cable in tow and worked out a compromise offer, the core of which is that we would raise the quota to 32.5 million square yards. The Colombian negotiator is checking it out with his government.

In order to get you out from under this pesky problem. Tony suggests that yoursply to President Lleras along the lines of the attached draft. The proposed message indicates that you have been forthcoming with a new proposal and expresses the hope that he will find it satisfactory.

W. W. Rostow

Att.	
Approve	
Disapprove	DECLASSIFIED E.O. 12958, Sec. 3.5
Call me	NSC Memo, 1/30/95, State Dept. Guidelines By C. NARA, Date 12-17-01

COMPLENTIAL

- WWR:WGB:pas:9/13/68

#### PROPOSED REPLY

I have received your cable expressing your personal interest in the cotton textile negotiations between Colombian delegation headed by Ambassador Valencia and representatives of the United States Government. I remember well that you stressed the importance of this matter at Punta del Este. I asked my representatives to give your views most careful attention. They have developed a new proposal which I believe offers a mutually satisfactory solution to this difficult problem for both governments. Our proposal was presented to Dr. Valencia today, and I hope it will receive your approval. Please accept my highest personal regards.

DECLASSIFIED

E.O. 12958, Sec. 3.5

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

By \_\_\_\_\_, NARA, Date\_/2\_17\_0\_1

www

68

Pru jele

# Friday, September 13, 1968

#### MEMORANDUM FOR THE PRESIDENT

SUBJECT: Hurricane Damage in Mexico

there seems to have been no loss of life.

Our Embassy in Mexico has just reported that Hurricane Naomi has hittings Mexican states bordering on the Pacific causing considerable damage from winds and flood. Fortunately, so far

The Embassy believes the damage will not reach proportions which will prompt President Diaz Ordaz to ask for help, but still recommends a message of sympathy and an offer of aid.

I enclose a suggested draft for your consideration.

W. W. Rostow

Enclosure	
Approve_	
Disappro	70
Call me	

# September 13, 1968

Dear Mr. Presidents

Charge d' Affaires Dearborn has just informed me of the damage caused by Hurricane Naomi. Mexico has certainly had its share of natural disasters in recent years.

I send deep sympathy to all affected by the hurricane. Please let me know if I can be of any assistance.

Sincerely,

His Essellency Gustavo Dias Ordas President of the United Mexican States

### ACTION

# Friday, September 13, 1968

Mr. President:

State asks if you could spare a brief hand-shaking, picture-taking visit with G. Edward Clark, your newly-appointed Ambassador to Mali.

Ed Clark is a career African hand amil could use the boost a few minutes with you would give him in Mali. The Malians are a little friendlier to us these days but still left-leaning and distrustful.

This is hardly a must. I vote you see Clark for ten minutes if your schedule permits.

W. W. Rostow

ľЩ	see	him	_	_
Sor	ry_	_		
Cal	1 m			

RPM/vmr

for file

2872 1-Solution 2-Ret



#### DEPARTMENT OF STATE

Washington, D.C. 20520

September 6, 1968

# CONDIDENTIAL

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

Subject: Courtesy Call on President by G. Edward Clark, New Ambassador to Mali

We recommend that the President receive G. Edward Clark, newly appointed Ambassador to Mali. Ambassador Clark, who departs for Bamako on September 23, 1968, was formerly Country Director of Southern African Affairs in the Department and prior to that, Office Director for Western Africa. He began his career in 1946 and has served in India and The Netherlands, as well as in Africa.

Mali, a radical state in West Africa, appears to be entering a critical period. After several years of going it alone and following a hard-line Marxist approach on world issues, the Malians turned toward moderation and pragmatism in 1966. While not changing their beliefs, they softened their tone on such issues as Vietnam as they seemed to realize that such a poor country could not afford to insult any aid donors. In 1967, the regime turned back toward the West and signed an agreement with France, which provided for French backing of the Malian currency and assistance in rehabilitating the economy.

Until recently, Mali has maintained her moderate tone in external relations. However, the turn to the West produced stresses in Mali, and during the past year institutions have been modified and many of the moderates of the country purged from the regime.

GROUP 3

Downgraded at 12-year intervals; not automatically declassified.

DECLASSIFIED
E.O. 12958, Sec. 3.5
State Dept. Guidelines
By C , NARA, Date 12-17-01

# COMPTENTIAL

-2-

Mali's most recent actions indicate that the regime may again be turning to the left and to hard-line support of Communist causes in the world. Their statements on Vietnam have become more strident in recent weeks, and they announced approval last week of the Warsaw Pact military intervention in Czechoslovakia. (The latter may have been part of the Malian balancing act vis-a-vis the USSR and China, but it was out of character given their policies over the last two years).

Ambassador Clark seeks a brief appointment with the President for a courtesy call. We feel that such a call, with appropriate photographs of the meeting transmitted to Bamako, would strengthen the Ambassador's personal position as he undertakes a difficult assignment.

Benjamin H. Read Executive Secretary

## Friday, September 13, 1968

#### MR. PRESIDENT:

Dewey Daane, a Governor of the Federal Reserve Board, was one of the principal U.S. negotiators of the Special Drawing Rights Agreement. He would greatly appreciate an inscription on the attached photograph taken during the signing ceremony for the U.S. legislation.

I recommend the following inscription:

For Dewey Daane with appreciation and best wishes.

W. W. Rostow

ERF:mst

Pres file

A C T I O N

Thurs., September 12, 1968 -- 5:30 PM

Mr. President:

Pres.

We have a request for a Presidential statement to be used in the 1968 Colombo Plan Commemorative Volume. You sent messages for the book the last two years -- as did leaders of most countries in the development business.

The 19th session of the Colombo Plan will be held in early October in Seoul. The organisation continues to complement our own efforts to spur self help in the war on hunger.

A proposed message is attached for your approval. I recommend you send it.

W. W. Rostow

Approve	message	
Call me		

RPM/vmr

7/2

# Proposed Statement for Colombo Plan Commemorative Volume

Hunger and despair anywhere threaten the future of peace everywhere. To nourish the bodies and hopes of millions in the developing world is the great common challenge of our time.

The Colombo Plan was founded to meet that challenge, and it continues to provide an inspiring example of the cooperation so necessary to the success of the development effort. You have shown that many nations can work effectively for a single purpose. There is no more valuable lesson.

The United States is firmly committed to do its share in helping others help themselves. Together, I know we can build on the achievements of today for the breakthrough of tomorrow.

RPMyymr

free file

#### INFORMATION

SECRET

Thursday, September 12, 1968 5:35 p.m.

Mr. President:

You should know a bad apple discovered in NATO: a Turkish Secretariat member caught at espionage.

W. W. Rostow

USNATO 4686, 2 sections

SECRET

WWRostow:rln

DECLASSIFIED

E.O. 12958, Sec. 3.6

NLJ 00-217

By 51 , NARA Date 517-01

Thurs., Sept. 12, 1968 -- 5:20

Mr. President:

Attached, for your signature, are two letters stemming from Joe Palmer's recent trip to Africa.

At Tab A is a proposed reply to President Senghor of Senegal who wrote you to reaffirm Senegal-U.S. ties and to say thanks for the Presidential gifts Joe delivered.

At Tab B is a routine thank-you to President Bokassa of the Central African Republic, who gave Joe fifts for you and Mrs. Johnson and had some words of support on Vietnam. (Bokassa is a military strongman; our relations with him have been correct but not particularly close. The gifts -- an ebony carving and gold medallion -- are with the White House gift office.)

I recommend you sign both letters.

W. W. Rostow

RPM\stmr

Dear Mr. President:

I much appreciated your recent letters. It was a pleasure to hear from you personally about your good talk with Assistant Secretary Palmer.

You know, Mr. President, how much I value the warm friendship and close cooperation between Senegal and the United States. We are deeply proud to help your young nation build a better life for all her people. And I know from our messarable visit to Senegal how hard you are working toward that goal.

It is always good to have your wise thoughts, old friend. I am certain that the boads uniting our two nations will centians to grow stronger.

Mrs. Johnson joins me in conding our warmest personal regards.

15/ Lyndon B. Johnson

His Encollency Loopold Sedar Sengher President of the Republic of Senegal Dakar

LBJ/RPM/vmr

736

Dear Mr. President:

Mrs. Johnson and I are most grateful for the gifts you sent on the occasion of Assistant Secretary Palmer's recent visit to your country. The beautiful ebeny carving and gold medallion will always remind us of Africa in all her strength and richness.

Mr. Palmer has told me of his good talk with you. I know we share a common hope for peace and prosperity in Africa and the world. It was heartening, Mr. President, to have your encouragement in our efforts to find a just peace in Vietnam.

Thank you again for your thoughtfulness.

With best personal regards.

Sincerely,

/5/ Lyndon B. Johnson

His Excellency General Jean Bodel Bokassa President of the Central African Republic Bangui

LBJ/ RPM/vmr

# Thursday, September 12, 1968

#### MEMORANDUM FOR THE PRESIDENT

SUBJECT: Farewell Message to Prime Minister Barrow

2. Profile

State requests your approval of the attached farewell message to be delivered to Prime Minister Barrow on the morning of Monday, September 16, when he departs from the United States.

W. W. Rostow

Att.

Approve _	V	9/13/68
Disapprove		
Call me		

The Honorable
Errol Walton Barrow
Prime Minister of Barbados
c/o Office of the Chief of Protocol
Hilton Inn
Seattle, Washington

Mrs. Johnson and I have so much enjoyed having you and Mrs. Barrow as our guests. I hope your visit to other parts of the United States has been profitable.

I was glad to have the opportunity to discuss matters of interest to both our countries. I believe that these discussions will prove to be most useful as a basis for strengthening relations between Barbados and the United States.

Sincerely,

Presple

SEGRET.

Thursday, September 12, 1968

#### MEMORANDUM FOR THE PRESIDENT

SUBJECT: Your Meeting with Dr. Kurt Birrenbach,

Friday, September 13, 5:00 p.m.

Birrenbach is a leading member of Kiesinger's Christian Democratic Party in the German Parliament and is here as Kiesinger's personal emissary. His mission is to give us German reactions to the Czech situation and to get our thinking.

He has seen Secretaries Rusk and Fowler, George Ball, Nitse, Katsenbach and others of your senior advisers. On the Hill he has seen Congressmen Findley and Hayes, and Senators Cooper and Jackson. He will be seeing Senators Hatfield, Symington, Pearcy and Javits tomorrow.

### Issues Discussed with Birrenbach

-- Birrenbach asked how we could improve the political and military situation in Europe arising from the invation of Czechoslovakia.

We told him the United States accords NATO first priority.

 Birrenbach thought there should be an early NATO meeting of Defense and Foreign Ministers.

We were prepared for special NATO meetings provided we had a consensus on time and place and assurance of concrete results.

-- Birrenbach thought we ought to review the rotation system, look into possible redeployment to Germany of United States troops moved back to the United States, review force levels, review political warning time, and look into possible deployment of additional forces at the Bayarian border.

We said that if more is expected of the United States, the Europeans must do more. This included increased defense budgets, greater contributions to NATO, and an effective solution of the balance of payments problem arising from our NATO expenditures.

DECLASSIFIED E.O. 12356, Sec. 3.4

By Cb NARA, Date 1-5.95

-- Birrenbach suggested agreement not to withdraw from NATO for the next five or ten years and freesing of defense budgets.

We said that fundamental decisions on the permanence of NATO would have to be faced by the new Administration. We would welcome German views and those of the other Allies. We told Birrenbach that European consensus on NATO would be indispensable.

-- Birrenbach suggested that NATO should continue to favor a long-term detente policy, pursued with caution but without illusions.

We agreed.

## You may wish to:

- -- Ask for his assessment of the new situation in Europe and his impression of his discussions here.
- -- Tell him NATO and Europe are, and will continue to be basic security interests of the U.S. We do not walk away from our commitments.
- -- Point out that, 20 years after the end of World War II, we have a right to expect Europe to play a bigger role. By concrete actions now in response to the crisis (budgets, troops, offsets), Europe can make it easier for us to continue to play our proper role in the common defense and in our other common interests.
- -- Tell him we look to Germany to take a leading role in developing the European response to the new Soviet pressures.

Al Puhan will be coming over from State. I will be standing by with Ed Fried.

W. W. Rostow

gu .

SECRET

ww R)

### ACTION

Thursday, September 12, 1968 -- 3:00 PM

Mr. President:

Presfile

Attached, for your approval, is a proposed message to the fifth annual OAU Summit meeting (in Algiers, September 13-16). You sent a message to last year's OAU Summit in Kinshasa.

The main thrush of this message is to encourage the engoing OAU efforts to break the political impasse in the Nigerian civil war. It is fully in line with our current policy (1) to express our concern for the suffering, and (2) let the Africans have every chance to solve their own problems.

But Haile Selassie's try at peacemaking (the latest in 4 OAU efforts this year) has broken down, and everyone agrees this Summit is the last chance for the OAU to try its hand at the problem. (Nick Katsenbach and George Ball argue that if the OAU fails again we ought to look at possible UN involvement, though we would stay in the background as we are now).

This message is designed to tell the Africans time is running out, but we still back any hopes they have left. Nick and Joe Palmer agree this wording does the job of leaving your Nigerian options open.

I recommend you approve.

message approved

W. W. Rostow

Call me \_\_\_

HHS/RPM/vmr

# Proposed Presidential Message to Fifth Annual Assembly of Heads of State and Government of the Organisation of Afskan Unity

My Distinguished Friends:

America's thoughts and good wishes are very much with you in this most important meeting of the Organisation of African Unity. In the five years since its birth the OAU has made major contributions to the solution of African problems. Your historic work for peace and cooperation is needed more than ever in this time of testing.

We in America share your dream of the African future -- of a peaceful, prosperous centinent where all peoples may live in freedom and dignity and enjoy the fruits of their labor. That dream can be won only by perseverance and steadfast cooperation. And we share your proud confidence that it will come true.

We also know the importance you attach -- and rightfully so -- to the solution of Africa's problems by Africans. In Lagos, Kampala, Niamey and Addis Ababa, you have carried the hopes of the world in your tireless efforts to end the tragic fighting in Niguria. For we all know that the helpless victims of the Nigerian civil war have been denied succor too long and their angulah should not be allowed to continue. As you gather today, women and children far from the sound of battle are dying of starvation in that stricken land.

The Government and the people of the United States and many other countries outside Africa have already centributed food and medical supplies to help relieve the suffering. We stand ready to give further help.

Yet a terrible and paralysing deadlock still prevents life-saving relief supplies from reaching those who so desperately need them. And it is to you -- the Assembly of the OAU as the highest voice and conscience of Africa -- that the world now looks to break that deadlock. I caractly pray that your great influence and wisdem will lead both parties in the conflict to set aside partisan considerations and allow a prempt, effective solution to this agonising problem.

I do not underestimate the difficulties of your task. But I have every hope that your common dedication in the spirit of African unity will meet the challenge.

Sincerely.

HHS/RPM/vmr

Thursday, Sept. 12, 1968 3 p. m.

SECRET/SENSITIVE

#### MR. PRESIDENT:

You should know that the enemy appears to have repaired the railways all the way from Hanoi to the 19th parallel and is now bringing its infiltrators all the way to the 19th by rail, thus easing and accelerating drastically their capacity to infiltrate.

We estimate that they may save something like ten days by using the rail.

W. W. Rostow

SECRET/SENSITIVE attachment

Authority NLJ-CBS 21

By ics , NARS, Date 6-26-84

ZCZCKA 2386RESI 78 5A 2561550 ZXZK PP RMI DE P 121500Z FM DIRUSA TO OSCAR/UNIFORM LIMA 3.4(b)(1)(b)(b) 6.16c) SANITIZED E.O. 12958, Sec. 3.6 XXIMENPO 1 FTE12098 NLJ / PAC 02-64 3.4 (6)(1),(3),(6) By 60m, NARA, Date 3-20-F52C-SS 6.1(0)

Rostin

PROBABLE MOVEMBUT OF NVA INFILTRATION GROUPS BY RAIL

XXCC ...

SINCE AS EARLY AS 8 AUGUST, NVA GEUERAL DIRECTORZIE OF REAR SERVICES (GDRS) COMMUNICATIONS HAVE CONTAINED REFERENCES TO THE PROBABLE HOVEMENT OF EVA INFILTRATION OR GUPS BY RAIL. THE ACTIVITY APPEARS TO BE CENTERED WORTH AND SOUTH OF THE CITY

OF THANK HOA (19-48% 105-46E, WG 8189).

ON S AUGUST A MESSAGE WHICH MENTIONED THE MOVEMENT OF TRAIN(S) ALONG AN UNSPECIFIED STRETCH OF LINE TO MAKE R EPAIRS AND "DELIVER MATERIAL" APPEARED TO CENTER THIS ACTIVITY IN THE VICINITY OF THANH HOA. SINCE THAT DATE, AT LEAST TEN MESSAGES HAVE CONTAINED EITHER DIRECT OR INDIRECT REFERENCES TO THE USE OF RAIL TRANSPORTATION BY MVN INFILTRATION GROUPS AND NORTHWARD MOVING GROUPS OF UCUMDED PERSONNEL, CULMINATING IN A 6 SEPTEMBER NESSAGE WHICH REPORTED TROOPS "COMING IN BY RAIL."

AN 11 AUGUST MESSAGE DISCLOSED THAT SOME 350 SICK AND WOUNDED WERE TO GO BY RAIL. ALTHOUGH THE MESSAGE WAS SOMEWHAT CORRUPT, "K190," ASSOCIATED WITH RAILROADS IN THE AREA OF THANH HOA CITY, AND DONG VAN (20-38N 105-55E, WK 9681) U RAILROAD STATION BETWEEN

HANDI AND THANH HOA, WERE KINTIONED.

AN 18 AUGUST REPORT MENTIONED SENDING A LOCATOTIVE AND
"IF ITS GOOD," THEN SENDING A TRAIN ACROSS AN UNSPECIFIED ERIDGE.
A 22 AUGUST DIRECTIVE MENTIONED TRAVELERS BEING SENT DIRECTLY TO
BINK LUC, A RAILROAD STATION LOCATED AT 20-29N 106-01E (XH 0565),
WHILE ON 31 AUGUST, THE MANDLING OF 36 "TRAVELERS" AND SOME
WOUNDED PERSONNEL BEING SENT TO "THE CITY," (PROBABLY THANH HOA)
WAS DISCUSSED((1)). ALTHOUGH THE LATTER WISSAGE CONTAINED A
GENERIC VIETNAMESE TERM WHICH COULD BE APPLIED TO EITHER "TRAIN"
OR "BOAT," IT ALSO CONTAINED A REFERENCE TO A PLACE MAME KNOWN TO
BE NEAR DANG QUYEN, THE LOCATION OF AN ELIMENT OF WORKCAMP 13
(ON THE RAILLINE TO THANH HOA), WHICH AWONG OTHER DUTIES, IS
RESPONSIBLE FOR THE FORWARDING OF SICK AND WOUNDED PERSONNEL
NORTH/ARD((2)).

A 1 SEPTEMBER MESSAGE REPCR TED THAT GROUP DEPARTURES BY RAIL ON THE NIGHTS OF 2, 3 AND 4 SEPTEMBER HAD SEEN TEMPCRARILY POSTPONED((3)): ANOTHER MESSAGE OF 2 SEPTEMBER REPGRIED THAT PROBABLY THE SAME TRAVELERS WOULD BE COMING DOWN ON THE NIGHTS OF 5, 6 AND 7 SEPTEMBER, AND WERE TO BE MET ON THE NIGHTS OF 6, 7 AND 8 SEPTEMBER. STILL A THIRD MESSAGE ON 3 SEPTEMBER TO A PERSONALITY AT T-4 (LOCATED BY COLLATERAL IN NGA SON DISTRICT, NINN BINH PROVINCE IN THE VICINITY OF THE BIN SON RAILROAD STATION, 20-85N 105-1E, WH 8920) FURTHER CLARIFIED THE TRAVEL IT STATED THAT

RAIL, ON THE MIGHTS OF 2, 3 AND 4 SEPTEMBER HAD BEEN TEMPORARILY POSTPONED((3)) ANOTHER MESSAGE OF 2 SEPTEMBER REPORTED THAT PROBABLY THE SAME TRAVELERS WOULD BE COMING DOWN ON THE NIGHTS OF 5, 6 AND 7 SEPTEMBER, AND WERE TO BE NET ON THE NIGHTS OF 6, 7 AND 8 SEPTEMBER. STILL A THIRD MESSAGE ON 3 SEPTEMBER TO A PERSONALITY AT T-4 (LOCATED BY COLLATERAL IN NGA SON DISTRICT, WINH BINN PROVINCE IN THE VICINETY OF THE BIM SON RAILROAD STATICH, 28-050 105-51E, WH 8920) FURTHER CLARIFIED THE TRAVEL WHEN IT STATED THAT ENOUPS "40S4 TO 4055" WOULD TRAVEL TO PROBABLY DO LEN, A RAIL STATION LOCATED SOME 28 MILES DUE NORTH OF THANH HOA AT 19-59N 105-51E (WH 8809) ON THE 5TH, 67H AND 7TH, AND ON THE NICHTS OF THE 6TH, 7TH AND 8TH WOULD CONTINUE TO HOANG MAI UMICH IS A RAIL STATION AT 10-16W 105-43E (WG 7631) SOME 60 MILES SOUTH OF THANH HOA. OR OUPS 4064 AND 4085 WERE LATER REPORTED ARRIVING AT T-11 ON THE NIGHTS OF 9 SEPTEMBER. BASED ON THE LATTER INFORMATION, IT WOULD APPEAR THAT T-11 IS IN PROXIMITY TO HOANG MAI, AND IT WOULD ALSO APPEAR THAT THE GROUPS TRAVELED SOME 65-90 MILES IN ONE NIGHT ((2)) ALL NOTED RAIL MOVEMENTS TO DATE HAVE BEEN NORTH OF THE ISTH PARALLEL. THIS USAGE OF RAIL TRANSPORTATION, PROBABLY FROM T 4 TO T-11, WOULD ACCELERATE THE MOVEMENT OF NVA INFILtration groups southward through the infiltration pipeline and OBVIATES THE NECESSITY FOR OVERNIGHT STOPS AT INTERMEDIATE COMMO-LIAISON STATIONS. 3.4(b)(1),(3),(4)

25 12-68.

R509-68

((2)) 2/0

((8)) 2/Q

200

#### INFORMATION

COMPENSIAL

Pour tile

Thursday, September 12, 1968

Mr. President:

Since Temmy Thempsea rarely passes along rumors, you may wish to note the following cable which has just arrived.

"Correspondent Ed Stevens (protect) tells me rumors are current in Mescow that Kesygin has submitted his resignation in disagreement over policy toward Czechoslovakia. Also that Grechko opposed invasion, Mot knowing original source, I am unable evaluate these and other rumors fleating about the town."

W. W. Rostow

DECLASSIFIED

E.O. 12958, Sec. 3.6

NLJ 02-72

Bycom, NARA, Date 3-24-03

DECLASSIFIED
E.O. 12958, Sec. 3.5

NSC Memo, 1/30/95, State Dept. Guidelines
By NARA, Date 12 17-01

W. W. Restow:rln

CONFIDENTIAL

DECLASSIFIED

Authority FRUSGY-68, w1.12, 4214

By C. NARA. Date 12-17-01

SHOPEE

Thursday, September 12, 1968

#### MEMORANDUM FOR THE PRESIDENT

SUBJECT: U.S. Position on Spanish Base Negotiations

At Tab A is Nick Katzenbach's memo recommending you approve a package offer we would make to the Spanish in negotiating a 5-year renewal of our base rights agreement. Secretary Rusk meets with the Spanish Foreign Minister on Monday, September 16, to discuss the renewal.

Paul Nitse, Joe Barr, Charlie Zwick, and Walter Sauer, acting head of the Ex-Im Bank concur in the recommendation.

Our agreement with Spain covers a naval base for Polaris-armed nuclear submarises and two air bases. Secretary Clifford believes that we will continue to need a base position in Spain over the next five years, but that we should be able to consolidate the two air bases and close down one of them.

Our first base agreement with Spain was made in 1953. The present agreement was renegotiated in 1963. It expires this September 27, but provides for a 6-month consultation period beyond that date. We have nothing to gain from deferring the negotiations, however, since we need the bases. Postponement would probably put Spain in a better position to press for a higher price.

The recommended package comes down to the following:

- Grant aid, drawn largely from excess stocks, with a "fair value" of \$100 million but requiring budget funds (for rehabilitating the equipment) of \$40 to \$60 million over the 5-year period. (In the last agreement we gave the Spanish \$100 million in new military equipment, paid entirely from budget money.)
- -- Ex-Im credits or guarantees, under normal terms, of \$100 million for purchases of military equipment. (The Spanish bought about \$180 million in military equipment from us during the past five years. They paid cash or financed commercially. Their financial position was stronger than it is now, so they did not take advantage of our offer to provide some Ex-Im credits.)

This package will be far below what the Spanish request. We would tell them, however, that we also propose to close down one of our bases. This

SECRET

will help them domestically to accept the lower price. It helps us by cutting our costs.

The Spanish also request:

- -- A security Weaty with us such as we have with Japan. We refused this in the last negotiations and will do so again. We would go no further than the existing Joint Declaration of our common interests that went with the 1963 agreement. (The Joint Declaration is shown at Annex in State's memo)
- -- Exemption from the direct investment controls of our balance of payments program. We will say no.

Congressional consultations do not indicate any serious difficulties on the Hill:

- -- Secretary Clifford and Paul Nitse were in touch with Senator Russell and Congressmen Mahon and Rivers. Russell had some question about the price but was sympathetic; Mahon approved; and Rivers gave his enthusiastic and unqualified endorsement of the package and said we should get on with the agreement.
- -- Bill Macomber and his people spoke to Senator Hickenleeper (regretted we had to pay anything but recognized the need); Senator Sparkman (bases important, price not too high); Congressman Frelinghuysen (saw need, hoped we could negotiate it at the price). They also heard from the following:

Senator Mansfield - does not like a deal with Spain but goes along on security grounds and is pleased we may be able to close down one of the bases.

Senator Dirksen and Congressmen Albert, and Edna Kelly saw no problems.

Ford was ill, but his staff did not see any trouble.

I believe the package makes sense and that we should go ahead with the negotiations.

W. W. Rostow

Secret

SPORET

Required authorisation for negotiating offer to Spain:

Grant aid: (\$100 million fair value, subject to the availability of dunds, requiring new appropriations of o\$\$0-\$60 million over the 5-year period.)

Approve	Disapprove
ExIm credits or gu	sarantees of \$100 million for
military purchases	over the 5-year period.
Approve	Disapprove
그런 사람이 되었다. 학생들은 사람들은 그를 가지 않는데 하는데 하는데 하는데 하는데 하는데 하는데 하는데 하는데 하는데 하	re considering closing down one of and will consult with them before lon.
Approve	Disapprove

ERF:mst

SECRET



#### DEPARTMENT OF STATE

79-2

Washington, D.C. 20520

September 10, 1968

# SECRET

#### MEMORANDUM FOR THE PRESIDENT

Subject: United States Position on Spanish Base Negotiations

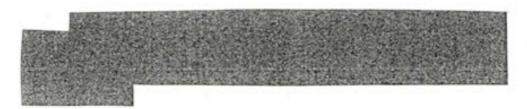
On September 16 the Spanish Foreign Minister will meet with Secretary Rusk in Washington to discuss a further five-year extension of our base rights agreements.

The Senior Interdepartmental Group has endorsed recommendations for these discussions prepared by the IRG/EUR under John Leddy's leadership. In essence, the SIG has concluded:



3.3 (b)(b)

-- that we will be unable to meet Spanish requests for assurances about their security as part of a five-year extension of the Agreement;



3.3 (b)(6)

-- that we should advise the Spanish, in the course of the negotiations, that we have under study a consolidation of our Air Force facilities, which would result in the deactivation of one of these air bases.

GROUP 3

Downgraded at 12 year intervals; not automatically declassified.

 (These recommendations are stated in more precise terms for your approval on pages 7-8.)

The recommendations have also been discussed with the Congress, and reaction has been favorable (see page 6).

# Discussion

We maintain our bases in Spain under a Defense Agreement signed in 1953. The arrangement was for ten years (1953-63), with the proviso that it could be extended for two additional five-year periods. It was renegotiated in 1963, and is now up for renewal for the remaining five-year period (1968-73).

At present the major United States facilities are: a naval base at Rota (near Cadiz), used as a station for Polaris-Submarines; an air base at Moron (near Seville), containing a sea/air rescue squadron and a mobile communications group; and an air base at Torrejon (near Madrid), used by the Military Airlift Command and a tactical fighter wing. (Another air base--at Zaragoza--was placed on a standby basis in 1964.)

3.3

Studies now under way suggest that we may be able to consolidate air force facilities--deactivate one of the air bases--without a reduction of our combat and combat support capabilities committed to NATO. The Department of Defense will submit recommendations on this point separately later this year.

# The Issues

In considering our negotiating posture, the SIG and the IRG/EUR identified four major issues:

SECRET

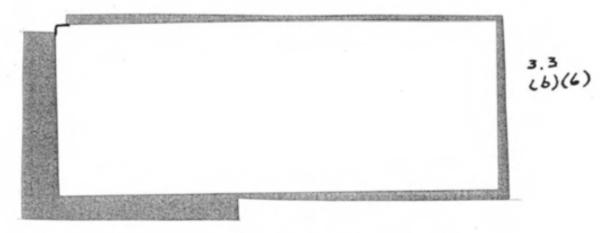
# 1. Why not defer this matter, letting a new Administration make its own decision?

The SIG agreed that we should try to renew our base rights quickly--although it recognized that the Spanish can delay if they wish.

The Agreement expires on September 26, but provides for a six-month consultation period beyond that date. Therefore, the next Administration would have only two months in which to negotiate should the Spanish decide to delay until January. They surely would take advantage of this fact and press hard for a higher price.

# 2. How big a military assistance package do we need as a quid pro quo for the extension?

The SIG approved the IRG/EUR recommendation to offer the Spanish:



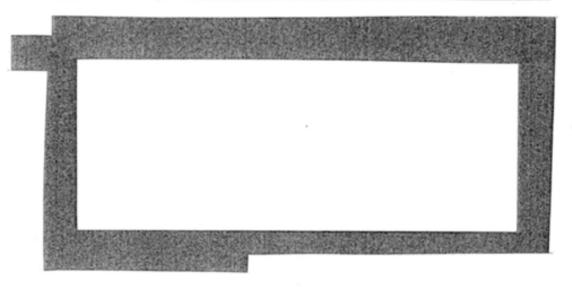
This offer would not adversely affect the U.S. balance of payments.

It was the unanimous judgment of the SIG that a grant-sales package of this order of magnitude will be

SECRET

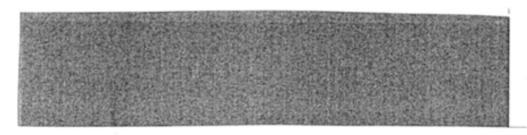
required to assure the continued unimpaired use of our Spanish facilities.





From the Spanish point of view, the proposed package is inferior to the 1963 arrangement because grant aid would be drawn from our second-hand excess equipment list whereas in 1963 they were able, by and large, to obtain new equipment.

Furthermore, in Spanish eyes, there have occurred several developments which justify a higher price:



3.3 (b)(6)

-- the presence of the Soviet fleet in the Mediterranean increases the importance to us of these facilities;

-- despite strong and persistent Spanish pleas for reclassification, we have decided to keep Spain in Schedule C under our direct investment control program--together with Common Market and other far more affluent countries.

# 3. What should we say to the Spanish about the reduction of our military presence?

The Spanish have repeatedly asked about our intentions to reduce or consolidate our military presence. Most recently, the Spanish Ambassador has formally presented the views of his government that, if unable to meet fully Spanish assistance requests, we consider a reduction in our military presence. This would help the Spanish government to accept an extension of the Agreement for a quid pro quo well below their request.

We are unable and unwilling to meet Spanish expectations by a substantial margin. Accordingly, a statement about our intentions is essential to make our offer acceptable.

The SIG agrees that the Secretary of State should be authorized to advise the Spanish Foreign Minister:

- -- we are seriously considering a consolidation of our Air Force operations in Spain by deactivation of one of the two air bases, probably Moron, which would result in a reduction of our personnel, both military and civilian.
- -- we will consult with the Spanish further on this point and take their views into account before making a final decision.
- 4. Can we meet Spanish requests for strengthening of the Joint Declaration?

At the time of the 1963 renewal, Spain asked for a relationship with us comparable to that of NATO countries. President Kennedy rejected this request. Instead, he approved a jointly issued declaration highlighting the common interests of the two countries (enclosure).

The Spanish have now raised this issue of a treaty relationship once again. The IRG/EUR has studied various proposals to change the language of the 1963 Joint Declaration. It has concluded that any further strengthening is not feasible. The SIG has approved the IRG/EUR findings with the understanding that we would consider such changes as the Spanish may offer provided they do not involve expanded security commitments or exceed the limits of an Executive Agreement.

#### Congressional Reactions

We have consulted about the proposed package with Senators Russell, Sparkman and Hickenlooper and Congressman Mahon.

3.3 (4)(6)

Hickenlooper and, in some measure, Russell expressed some regret that the Spanish should expect a substantial quid pro quo for arrangements serving the security of Europe as a whole. We reviewed the various reasons for increased Spanish sensitivity about our presence. They accepted our explanation and appeared relaxed (Hickenlooper) or sympathetic (Russell) on the proposed package.

We have also been in touch, through their respective staffs, with Senator Mansfield, Congressmen Albert, Ford, and Edna Kelly. None of these could foresee any difficulty.

-7-

### Recommendations

Accordingly, I recommend:

	3.3 (b)(6)
Approve	

Disapprove\_

3.3 (b)(c)

Approve	
Disapprove	

That you authorize Secretary Rusk to inform the Spanish Foreign Minister that:

SECRET

dation of our Air Force operations in Spain by deactivation of one of the two air bases, probably Moron;

b. we will consult with the Spanish further on this point and take their views into account before making a final decision.

Approve_	
Disapprove	

The Departments of Defense and Treasury and the Export-Import Bank concur in these recommendations.

\* \* \*

The Director of the Bureau of the Budget concurs in the proposed levels of grant and credit funding and notes that your approval thereof constitutes an Executive Determination to seek such funds as may be required in future years to fulfill the proposed commitment.

Under Secretary

Enclosure:

1963 Joint Declaration.

SECRET

### ANNEX JOINT DECLARATION

The Governments of Spain and of the United States of America have engaged in discussions regarding their mutual security interests and their future relations in political, military and economic matters of common concern. In affirming the importance of their bilateral Defense Agreement, which will be applied in the new five year period of its validity in the spirit of this Declaration, they consider it to be necessary and appropriate that the Agreement form a part of the security arrangements for the Atlantic and Mediterranean areas.

The United States Government reaffirms its recognition of the importance of Spain to the security, wellbeing and development of the Atlantic and Mediterranean areas. The two governments recognize that the security and integrity of both Spain and the United States are necessary for the common security. A threat to either country, and to the joint facilities that each provides for the common defense, would be a matter of common concern to both countries, and each country would take such action as it may consider appropriate within the framework of its constitutional processes.

The two governments, on behalf of the peoples of Spain and of the United States, have reaffirmed their friendship and mutual trust and their determination to establish a close cooperation in order to strengthen the common defense, and to continue regular consultations on all political, military and economic matters of common interest. The two governments have similarly affirmed their desire to encourage economic growth and the expansion of trade and other economic relations among nations. They have reaffirmed their recognition of the common dangers, and their determination to maintain a close working relationship on all matters affecting their common interests and security.

/In order

 In order to assure continuing joint consultations on certain special matters of interest to them, the two governments have agreed upon the arrangements set forth in an exchange of notes of this date.

Secretary of State of the United States of America Minister for Foreign Affairs of Spain

harfile

Thursday, Sept. 12, 1968 10:15 a.m.

MR. PRESIDENT:

Herewith some briefing notes for your talk with Phil Potter at 6:00 p.m. today.

#### Paris Negotiations and Vietnam

After the conventions, Hanol faces a fundamental political decision:

- -- to negetiate with this Administration; or
- -- to deal with the next Administration.

It also faces a fundamental military decision:

- -- to continue the third wave offensive;
- -- to stretch it out;
- -- to call it off.

After ten days of intensive military activity (Aug. 18-28), things are quieter for the mement.

We shall probably have the answer to those questions in the days and weeks ahead. We cannot forecast them now. The two Conventions were as helpful as anything could be in suggesting that they have no substantial reason to wait. Moreover, we have hopes that six months from now the Saigon government, the ARVN, and the military position on the ground will be even better than it is now. Nevertheless, we do not fully understand the minds of the men in Hanei. We can only:

- -- do everything imaginable to achieve an honorable settlement at the earliest possible date;
- -- but if that is not possible, to leave to the next President the best possible situation politically in Seigen and militarily on the ground.

#### Middle East

Only a naive man could be confident that we will be able to achieve an early peace in the Middle East. Nevertheless, we are working as hard on this problem as we are en Southeast Asia. A good deal of quiet diplomacy is proceeding. The critical period will be the meeting of the General Assembly later this menth in New York when the Foreign Ministers will all be present. We shall make a maximum effort at that time to see if the corner can be turned in the Middle East.

#### 3. Eastern Europe

Despite Dobrymin's assurance to Secretary Rusk about Rumania and Berlin, the situation in Central Europe is very uneasy. It will remain so until the bulk of the forces brought into Central Europe from Russia returns and the Csech political situation settles down. The men in Moscow showed that they were capable of a desperate military action against a background of fears which must objectively appear exaggerated to us. We do not even know whether the Moscow arrangements for Czechoslovakia will remain stable. Therefore, this is a time for alertness and prudence. We must not pretend that semething big and bad has not happened. It has happened. Work is going forward in NATO to take stock of its implications for the West. We shall not rush into extreme actions or adopt inflammatory postures; but we are taking stock in the face of the Soviet action and the increased presence of Soviet forces in Eastern Europe.

W. W. Rostow

for tile

#### Lunch Meeting With the President Thursday, September 12, 1968 - 1:00 pm

#### AGENDA

l. Report on Paris contacts. (Sec. Rusk)

Next steps.

2. U.S. Support for Vietnamese Political Development. (Sec. Rush and Sec. Clifford)

See Tab A. (You may wish to talk about this privately with Sec. Rusk and Sec. Clifford.)

- 3. Sec. Rusk's briefing of Senate and House Committees. (Sec. Rusk)
- 4. Report on Czechoslovakia. (Sec. Rusk)

Situation report.

5. Posture in NATO on Future of Strategic Missile Talks. (Sec. Rusk and Sec. Clifford)

Sec. Rusk has sent over the attached draft telegram (Tab B) in response to a request for guidance from Harlan Cleveland. Rather than forward this to you for formal clearance, I thought it better for you to discuss this matter directly with Sec. Rusk and Sec. Clifford. Clifford believes we should remain silent in NATO on this matter.

6. Other.

White House Guidalines, Feb. 24, 1983
By rg , NARA, Date 11-17-92

W. W. Rostow

WWRostow:rln

-TOP SEGRET\_

## TELEGRAM Department of State

INDICATE, COULCT

Classification

ACTION:

USMISSION NATO

INFO:

ALL NATO CAPITALS USMISSION GENEVA USUN NEW YORK Amembassy MOSCOW . Amembassy TOXYO Amembassy CANBERRA

DECLASSIFIED E.O. 12958, Sec. 3.5 State Dept. Guidelines NARA, Date 12-17-01

STATE

EXDIS

SUBJECT: Strategic Arms Limitation Talks

- 1. The question of when to proceed with prospective Soviet-American talks on SALT has been in abeyance in light of Czechoslovak situation. However, in view exceptional importance of this subject, present thinking is that such talks might well if practicable begin in the relatively near future notwithstanding desire maintain general disapproving posture towards Soviet action in Czechoslovskia. We believe there will be Allied consensus that SALT remains an urgent problem, but recognize that it is necessary to discuss this matter with Allies' rather than simply informing them of our intention to proceed.
- in near future 2. You are authorized to raise this subject informally in course of KAC Pormreps lunch minimum presenting rationale for possibility of

G/PM:RLGarthoff:1b/vin 9/10/68

Telegraphic transmission and elegitication approved by:

The Secretary

ACDA - Mr. Poster

8158

DOD - Mr. Halperia

USNATO - Amb. Cleveland JCS - Col. Strack (informed) EUR - Mr. Springsteen

PETERRYATION COPY

Classification

OF# DS-322

Jet B

# CORRECTIONS I' DE ON THIS ORIGINAL MUST BE MADE ON "& COPIES "BEFORE T FELEGRAM IS DELIVERED TO OC / TIAI, Root. 243

Page	2of te	learam t	0	USMISSION NATO - EXDIS
:				TOPOSONO
	<i>.</i> .		1 7	Classification

going ahead with SALT. Following are suggested lines of argument for your presentation.

- 3. US Government believes that there are matters on which it is in the interest of the Allies to continue contact with the Soviet Union despite the repugnance of Soviet aggression in Czechoslovakia and our general posture of demonstrating this repugnance by curtailing many normal contacts. The principal pending matter which we think should receive such treatment is SALT. We believe that in view of the difficulty we have had in getting Soviet agreement to engage in SALT it remains strongly in our interests to proceed with such talks despite the recent Soviet actions. Such talks are not a matter of conveying acquiescence in Soviet occupation of Czechoslovakia, but of coping with potentially dangerous arms spiral of both sides. And the arms race goes on. This also is not -- and has never been -- matter of placing faith in good Soviet intentions, but of trying to strike worthwhile hard bargain. While SALT talks will not now contribute to a general pattern of detente, their main alm -- to reduce the risks, dangers, and causes of a heightened strategic arms competition between adversaries -- is undiminished or even enhanced. Moreover, it is in our interests to pursue the matter when there appears to be some possibility of progress because as time goes on issues involved in SALT may become more complex and difficult. We wish to raise this subject in order to advise you of our line of thinking on this subject, and to have the benefit of your views.
- 4. In raising this subject in NAC we wish to protect option of possible beginning of SALT in a way that would avoid provoking Allied dissatisfaction or concern which suddenly might arise were we MACCANULY to announce at some point that SALT was to begin at a

201 020.01

CONTINUATION CHECT

Classification

## CORRECTIONS MADE ON THIS ORIGINAL MUST BE ! DE ON ALL COPIES DAS THE TELEGRAM IS DELIVERED TO OC | 1, Room 6243

Page_3	of telegram to_	USMISSION NATO - EXDIS
		TO- COORD
		Classification

given date. At the same time, we do not of course wish to prompt Allied reactions which would reduce our own freedom of action in deciding on timing of talks.

You chould, therefore, handle these consulations accordingly.

5. We expect to advise you the date for beginning SALT in time to permit informing NAC shortly before any public announcement. If unannounced private exchanges occur we shall inform you. As a further stage, we will provide guidance for you to indicate to the Council our general approach and opening position in the talks themselves.

GP-1

END

20 SECRET

CONTINUATION SHEET

Classification

#### September 12, 1968

Send LDX to Ben Read, S/S, from Walt Rostow

Please have the following message to Sir Robert Menzies from the President sent to Embassy London for delivery. Sir Robert can be reached care of Australia House, London. Also ask Embassy London to have flowers delivered in the name of the President.

#### Message follows:

"I was greatly distressed to learn from Kelth Waller of your illness. Get well soon, old friend, because Austin -- and many other places -- needs to hear your widdom and I need the comfort of your company."

Many thanks.

×3

#### Thursday, September 12, 1968

Pres file

#### MR. PRESIDENT:

Walt Butterworth, your former Ambassador to Canada, is in Washington to retire. He is at present the senior Foreign Service Officer of the United States and has had a distinguished career over the course of 40 years.

He would like to make a brief farewell call on you. If you wish, you could take the occasion to ask his impressions of the new Trudeau Government.

He will be here through Monday, September 16.

W. W. Rostow

Approve	
Disapprove	-
Call me	

P.S. Butterworth filed, in farewell, about the best written **Excluses** Service document I've read in the past eight years (attached). If nothing else, please read the marked passage on page 6.

W. W. R.

7 Mr. Fried has capy 834

DECLASSIFIED

Ambony NLJ02-47(49a) Rije KNARA Date 12.28.09

A-1620

CONFIDENTIAL

AIR PRIORITY

TO

DEPARTMENT OF STATE

INFO

SEE DISTRIBUTION LIST ON LAST PAGE

FROM

Amembassy OTTAWA

DATE:

September 4, 1968

SUBJECT:

A LAST LOOK AT THE PEARSON ERA AND A FIRST GLANCE

AT THE TRUDEAU GOVERNMENT

REF

10 FAM 000; 11 FAM 212.3-5; CERP C-1

#### INTRODUCTION

Five years of spastic performance by Liberal Party government of Canada under Prime Minister Lester B. Pearson ended on April 20 with the succession of the new Liberal Party leader and Prime Minister, Pierre Elliott Trudeau, who proceeded to establish himself and his Party in Parliament, at the general election on June 25, with the first majority government since the Diefenbaker Administration of 1958-62. In this period between Pearson's retirement and the Trudeau Government's first Speech from the Throne on September 12, it seemed to me desirable to review the events of the first eight months of 1968.

Pearson had announced in December of 1967 his intention to retire. this spring, but, in quite characteristic fashion, his schedule almost aborted when the Opposition defeated a money bill before Parliament on February 19, "Black Monday," and Pearson managed to keep his Government in being and avoid a general election only by obtaining last-minute support from the tiny Creditiste Party. To its close, the Pearson Administration of two minority governments sputtered and bungled, variously timorous and strident, striking vainglorious poses but failing to meet satisfactorily Canada's national and international problems. It left the electorate dissatisfied with the political leadership of rancorous old men, weary of political ineptitude, deeply troubled over internal tensions arising from federal-provincial and French-English disputes, worried about

GROUP 3

Downgraded at 12-year intervals, not automatically declassified

CONFIDENTIAL

WWButterworth

growing economic strains and disparities, and confused over national security and foreign policies. The Pearson (and Diefenbaker) years were failures, and Canadians for once were prepared to forsake the traditional "politics of complacency" and go for a change.

Their opportunity was presented by the candidacy of political neophyte Pierre Elliott Trudeau for the Liberal Party leadership at the Party's convention on April 6 and for a national mandate for the Prime Ministry at the general election on June 25. Trudeau won a sweeping parliamentary majority of 155 seats to the Opposition's 108. He did not promise the New Jerusalem, but his dramatic, swinging style seemed to promise change, implicit rather than explicit. His campaign platform of national unity, espoused as it was by a French-Canadian from Quebec, seemed a promise of deliverance from Canada's crisis of confidence and the constitutional impasse between Ottawa and Quebec City. His intellectual and physical courage was new and admired, and his refusal to make the usual political and economic promises and commitments became an asset which the Opposition, particularly Progressive Conservative Party leader Robert Stanfield, could not successfully match or attack.

Trudeau has yet to face his first Parliament on September 12, and his performance as Prime Minister cannot now be judged from the few important decisions and policy statements his Government has made. He has eschewed ideological labels and traded his left-leaning, "radical" past for "pragmatism" and "realism." There is some indication that he is preparing to come to terms with Canada's diminished role in the world, but it is uncertain whether he will check or perhaps even hasten Pearson's drift toward neutralism and decreasing involvement with world crises and in Western collective security measures. He himself seems more inclined to focus relatively more of his attention and resources on Canada's domestic political and economic problems, rather than in "crusading abroad" so much in the lamentable style of Lester Pearson.

#### DOMESTIC AFFAIRS

In the last four months of the Pearson Administration from January 1 to April 20, the Government continued to fulfill nearly all expectations that it would mismanage affairs if it possibly could. Pearson defied the most elementary rules of Cabinet organization and Government administration with the same blithe regard which Icarus had for natural law. His Ministers argued publicly at cross purposes, Trade and Commerce Minister Robert Winters even stating to a public, which could no longer be surprised or disappointed, that he intended to resign his portfolio because he could not support the Government's program of fiscal irresponsibility. There were no Cabinet secrets and in fact no clear and consistent policies, whether political or economic. The greatest disaster was, of course, "Black Monday" on February 19 when the Government failed to count heads accurately in a parliamentary third reading vote on

## CONFIDENTIAL

a supplementary tax bill and lost by 84-82. Despite the Opposition claim that the vote had been one of no-confidence, Pearson rushed back from a holiday in Jamaica and managed to secure a subsequent vote of confidence by winning the support of the eightmember Creditiste Party. So much parliamentary time was lost in the bare struggle for survival that the Government succeeded in putting through only half of its legislative program before Parliament was recessed to make way for the Liberals' leadership convention April 4-6.

But the four months were not a total fiasco. Pearson's federalprovincial constitutional conference in January achieved substantial success, and some regarded its conduct as Pearson's "finest hour." He himself thought of it as part of his principal legacy promoting national unity. He failed to obtain agreement from the provincial premiers for entrenchment of a Bill of Rights in the constitution, but did secure adoption of key recommendations of the Royal Commission on Bilingualism and Biculturalism regarding the use of French as an official language and the establishment of French schools in areas of numerically significant French-Canadian population centers throughout Canada. During the conference, Trudeau, as Minister of Justice, sat at Pearson's right hand and, as the eloquent champion of federalism, won that national prominence for the first time which enabled him to aspire successfully to Pearson's mantle. Though Pearson himself remained ostensibly above favoring one possible successor over another, it is known that he already preferred Trudeau. Pearson told me only a few days ago that he had no firm idea of the dependability of Trudeau, but he had faith in his intelligence and thought him probably a better politician than himself. He cited by way of example that he had been against Trudeau's calling an early election, but of course Trudeau had been proven right.

During this period, the Government also agreed to renewal of NORAD, though for only five years or half the previous period. This agreement notwithstanding, Pearson encouraged the drift toward neutralism and continued to run his defense forces down to personnel and equipment counts which made it increasingly evident Canada would be unable fully or expeditiously to fulfill its basic collective security commitments. With imposition of a defense budget freeze, necessary aircraft purchases and shipbuilding programs were abandoned or postponed, and military hardware replacement allocations altogether were cut by more than half.

With the popular concept of Pearson as a "nice, little guy," but one who was discredited as a political leader and regarded as inadequate for steering Canada through the modern age, Pierre Elliott Trudeau, his Minister of Justice, very quickly became the most popular choice to succeed him as Liberal Party leader and hence Prime Minister. With all but universal support and enthusiasm from the public media, Trudeau soared into favor with Canadians, who found in him what they admired in President Kennedy and all that Pearson,

#### CONFIDENTIAL

Diefenbaker, and Stanfield lacked -- youth (46, later discovered to be 48), charisma, a dramatic, swinging style, and an apparent intellectual detachment, honesty, and courage. He was known to have had a left-leaning political and economic philosophy as recently as five years back, but he successfully brushed away any damaging labels and called himself a "pragmatist" and a "realist."

A further asset was his being the one French-Canadian candidate. The Liberal Party "tradition" of a French-Canadian's succeeding an English-Canadian leader was of some help, but more important, he was assured of the votes of the bulk of Quebec's large delegation, whose tribal loyalty was engaged. Still, he was to be no shoo-in, since many conservative Liberals were unprepared to risk all on one who was an enigma even to his closest followers. At this point, Trudeau exhibited that courage and perhaps political sagacity that helped propel him to the top. He chose to make national unity and a strong federal government his main campaign theme, gambling that a reversal of Pearson's policy of making concessions to Quebec's aspirations for "special status" would win him English-Canadian backing and yet not alienate Quebec. He was right, and on the fourth ballot on April 6, he won the leadership with 1203 votes to Robert Winters' 954 and Consumer Affairs Minister John Turner's 195.

Succeeding Pearson as Prime Minister on April 20, Trudeau gambled again and immediately called a general election for June 25. His decision was presumably based on a desire to obtain his own mandate, especially to enhance his bargaining power in relations with Quebec's Union Nationale Government; a fear that economic problems might worsen and make an election victory later on more difficult; a belief he could reorganize the Cabinet and the Government with freer rein if he were his own master and not merely Pearson's heir; and evidence from the polls that popular preference for the Liberal Party under his leadership had risen to substantially over 50 per cent.

In the event, on June 25 he won 63% of the popular vote, taking 155 of Parliament's 264 seats, with representation from every province except Prince Edward Island. The Progressive Conservatives were reduced to 72 seats from 95, the New Democratic Party held its 21, though with a slight decrease in its proportion of the vote, the Creditistes won 14 over their previous count of 8 due mainly to economic dissatisfaction in rural Quebec, and the Social Credit Party was eliminated as a national party. Redistribution of ridings helped the Liberals a little because of their urban strength, but in the main it was "Trudeaumania," the captivation of the voters by Trudeau's style and the desertion of the "politics of complacency" for image politics, which gave Canada its first majority government in four elections. Just as important, Trudeau campaigned on two popular planks which demolished previous voting patterns. First, he stressed une nation, and he championed it as strongly in Quebec as elsewhere, meeting separatist hecklers and Union Nationale critics head on (he held exactly the number of seats which Pearson had last



won in Quebec). Stanfield, on the other hand, campaigned on a deux nations platform, which won him nothing in Quebec and only confused the rest of Canada. Second, Trudeau entirely stole what should have been Stanfield's thunder by calling for financial stringency and making practically no promises of economic projects anywhere. Facing what many observers estimated would be an upswing this year in Progressive Conservative Party fortunes because of Diefenbaker's replacement by Stanfield and the pressure of economic problems, Trudeau succeeded, as perhaps no other Liberal could have done except possibly Winters, in coming out on top -- and with a sweeping victory.

With his solid parliamentary majority, many of whose Liberal MP's owed their election to "Trudeaumania," and with as free a hand as a Canadian Prime Minister is ever likely to have, Trudeau formed his new Cabinet on July 5, appointing at least one Minister from every province (except P.E.I.) and constructing a membership of talented younger Liberals averaging under 50 years of age. Most observers praised the selections, and only conservative Trudeau critics pointed out that the seven Ministers closest to the Prime Minister and apt to influence policy most were all well left of center. Still, former Finance Minister Walter Gordon was gone from the scene, and the Cabinet contained no ardent nationalists or economic nationalists, with the possible exception of Communications Minister Eric Kierans.

Ahead of Trudeau lie two immediate problems of major proportions, both of them domestic. One is the complex of economic problems, beginning with the rash of strikes in progress or threatened and including inflationary pressures, regional economic disparities, and so on (see Economic Affairs below). The other is the chronic constitutional problem (with which regional economic disparities and equalization payments between provinces are closely linked). Trudeau's mandate for une nation and his ability to deal with Quebec's nationalist aspirations from strength have not removed the inner tensions and pressures working against unity and Confederation. French-English antipathies and federal-provincial jurisdictional disputes remain. Trudeau's policy is to create a Canada in which all, but of course notably the French-Canadians, can feel at home and realize their linguistic and sociological aims. But every provincial party in Quebec, including the Union Nationale and the Liberals, not to mention the separatist organizations, regards Quebec as the homeland of French-Canadians, accepts the deux nations theory as a minimum, and aspires to create an autonomy or "special status" for Quebec which would at least require diminished control from Ottawa. While Trudeau may have the initiative for the moment and bought time for constitutional negotiations, there is little reason to doubt that some "special status" party will remain in power in Quebec and obtain its own mandate in a future provincial election. Trudeau's task is to revise or rewrite the constitution in a way which will satisfy the demands of Quebec (and other provinces) without ceding a veto over national concerns. The next

federal-provincial constitutional conference is slated to convene in December and will consider at least three specific agenda items: implementation of the French-language recommendations of the Royal Commission on Bilingualism and Biculturalism, entrenchment of a Bill of Rights, and a new formula to alleviate regional economic disparities.

The Trudeau Government's first Speech from the Throne on September 12 will give the first comprehensive indication of future domestic and international policy. In the meantime, it is known that in its two months in office, the Government has acquired its own individual style, based not on informality as some expected, but on technocratic efficiency, toughness, secretiveness, and firm control from the top. There is some speculation that Trudeau may become too authoritarian and that his French background in law and governmental procedure may make him a poor parliamentarian. But on the other hand, his regard for law in the abstract has been scrupulous, and it is he who has called for social, political, and economic reform the better to achieve a "just society." On verra.

#### FOREIGN AFFAIRS

Throughout its last four months, the Pearson Government continued its feckless way in foreign affairs, the flower child dreaming the world's rocky fields were Elysian, hoping not to become involved in international disputes and seeking only to do good among the deserving poor and to give wise counsel to the wicked super-states. It had only partially absorbed the lessons of 1967 that its UN peacekeeping policy was not entirely effective (note President Nasser's demand that Canadian troops leave Egyptian soil) and that its virtue alone would not protect it from foreigners' assaults (note President de Gaulle's interference in Canadian domestic affairs). It sallied about in all directions, innocently "chasing after ever-receding chimeras," as F. S. Manor put it in the London Times. The Opposition was little different: some PC and all NDP leaders assumed all men were brothers and advocated diminution or retraction of Canada's collective security commitments to NATO and NORAD.

As in its refusal last year to subscribe to the Maritime Declaration before the Middle East war, the Pearson Government persisted in 1968 in making its little contributions to the disintegration of the concept of collective security. This leaning to opt out of responsibility for controlling crises threatening world security became almost a philosophy with the Pearson Government. It was ironic that it was Pearson, one of the principal non-U.S. authors of the North Atlantic Pact, who proceeded in his Administration to engage in actions which were designed, consciously or unconsciously, to weaken NATO. It pretended a detente in Europe was still within reach and that any confrontation of NATO by Warsaw Pact forces was seriously reduced (in February it cut its reserve army commitment to NATO by half). In the Korean and Pueblo affair, it took refuge

from possible Canadian involvement by hiding behind the skirts of the UN, much as it had used the ICC's in Southeast Asia to escape further responsibility there. External Affairs Minister Martin said in Parliament on January 30 at the height of the Korean crisis that the Government would have to decide on the applicability of the 1953 16-nation declaration of resolve to be "united and prompt to resist" attack (from North Korea), but "in any event the matter would have to be referred to the Security Council (where Russia could exercise a veto) before any action could be taken by the UN." Even a "Canadian initiative" to be a good officer in the Cyprus dispute was hastily and happily put on ice when UN Secretary General U Thant seemed disinclined to forego his own mediatory role. Canada's emphasis on peacekeeping activities themselves became more vulnerable to criticism, and the Government became somewhat less stouthearted in their defense. No official response was made to newspaper editorials in February which criticized the dispatch of Canadian peacekeeping units on exercises in Puerto Rico and Australia on the ground that both host countries were at war in Vietnam and Canada's neutrality might somehow be compromised.

With respect to the US, the Government continued to believe there was merit, at least with the electorate, in standing up to the US, often for the sake of independence alone. Consultation of the past was neglected, and Pearson and Martin continued "speaking out" against US policy, particularly regarding Vietnam. On January 1, Pearson suggested the idea that the US "gamble" on peace and negotiations over Vietnam and for a period unilaterally stop the fighting altogether.

Canada's suspension of relations with Gabon in March was a special problem, chiefly a domestic political and constitutional one involving the rivalry between Ottawa and Quebec City over jurisdiction in foreign affairs. Quebec Premier Daniel Johnson, maintaining the principle of provincial primacy in all educational and social matters, sent his Education Minister in February to the French-directed francophone countries' Education Ministers Conference in Libreville, where he was accorded the same treatment as representatives of sovereign states. After a brisk Ottawa-Libreville exchange of notes, the Pearson Government suspended relations with Gabon and said the same would happen to France if the Gabonese example were repeated by Paris. it turned out, Quebec's Education Minister did go to the succeeding conference in Paris in April, but relations with France were not suspended, since it was represented on all sides that no "invitation" had been issued Quebec and the conference was merely a "continuation" of the previous one. Martin swallowed hard at this successful extension of Quebec's external personality by "fait accompli" and said Ottawa's relations with Paris were on a business-as-usual basis.

The succession of Trudeau to the Prime Ministry and Mitchell Sharp to the Foreign Ministry on April 20 introduced quite a new note in the approach to foreign relations. What changes there will be in substance still remain to be seen. The reassessment of foreign policy which Trudeau promised during the general election campaign in May and June is still in progress and will not surface before my retirement. But Trudeau has dropped generous hints about the trend of his thinking. He has suggested a de-emphasis of Canada's European commitment to NATO (though "Canada should seek to strengthen its ties with the European nations") with a collateral increase in emphasis upon continental defense. The impact of the Soviet occupation of Czechoslovakia has not so far resulted in any public statement indicating a change or reversal of this direction, and Trudeau's remarks have in fact borne notably dovish accents about playing it cool and keeping the future of detente still very much in view. He has expressed special interest in Latin America (and on one occasion spoke in favor of OAS membership) and espoused more foreign aid there and elsewhere in the developing world. He has shown interest in more francophone ties. He has forecast a larger Pacific role for Canada. In particular, he has said it was a "necessity" to recognize and thereby to help de-isolate Peking, though he has mentioned "suitable terms" for any bilateral arrangement and said Taiwan's interests would be taken into account. On Vietnam, he has stated he believed US bombing of the North should cease altogether, but has supported US objectives. In all his statements, he has recognized the key importance to Canada of good relations with the US, whose interests in Canada he has discussed most circumspectly.

At the moment, pending any significant decision in foreign affairs, the new tone of policy statements is perhaps more important than their substance. In a paper on foreign policy issued on May 29, Trudeau said that the watchwords of his eventual policy would be pragmatic, realistic." Both he and Sharp, no doubt less timorous than Pearson and Martin both by instinct and the possession of a solid parliamentary majority, have criticized such sacred cows as UN peacekeeping. There has been, in fact, a creeping suggestion that they are preparing to come to terms with Canada's diminished role in the world. As stated in the May 29 paper, "our need is not so much to go crusading abroad as to mobilize at home our aspirations, energies, and resources behind external policies which will permit Canada to play a credible and creditable part in this changing world." But any such recognition of Canada's real influence and interests abroad by the adoption of new policies also raises disturbing questions. Are de-emphasis of foreign commitments and collateral emphasis on continentalism a signal of some new isolationism? Is there to be any change in the Pearson Administration's increasing neutralism and innocent wish that knotty foreign problems would just

evaporate? Trudeau stressed in his May 29 paper that "there has been a perceptible detente in East-West relations" and also said "we will look at our role in NORAD in the light of the technological advances of modern weaponry and of our fundamental opposition to the proliferation of nuclear weapons." How do these views augur for active Canadian participation in Western collective security measures? Will a "pragmatic, realistic" foreign policy be an improvement over the deceit or guilelessness of the Pearson years, or may not "pragmatism" turn out to be a shield to excuse possible lack of action and cooperation with the US and others when the going gets rough?



#### ECONOMIC AFFAIRS

In my review of 1967, I foresaw the likelihood that the ability of the Liberals to survive as the Government party and win the next general election would depend largely upon their management of the economy. And indeed for a few days in February it appeared that the Liberals, in suffering a humiliating defeat on their supplementary budget, had made their final blunder. Mismanagement in the Commons had compounded their mismanagement of the economy. They had failed to restrain aggregate demand adequately, had excessively expanded Government spending, and had sanctioned astronomical wage settlements, including a 30 percent increase for the Seaway workers dubbed the "Pearson formula." The result had been sluggish real growth, immoderate price/cost inflation, rising unemployment, unprecedentedly high interest rates, a housing shortage, reduced business profits, a loss of confidence in the Canadian economy at home and abroad and a mushrooming exchange crisis.

The Liberals bumbled through the crisis and the opportunity that had been accorded the Opposition was not repeated. With US help, the exchange crisis was weathered. With the advent of the Trudeau phenomenon, even the economy seemed to be affected. Although inflation continued and unemployment grew worse, real economic growth turned up, industrial production rose smartly, exports, particularly to the US, continued to expand, and exchange reserves started to build up anew.

Then, in the election campaign, the amazing turnabout occurred, with Trudeau projecting a new Liberal image of fiscal responsibility and Stanfield drifting into the position of seeming to be the less financially cautious contender. Just at the conclusion of the campaign, Trudeau demonstrated his economic toughness and differentiated his Government from Pearson's very specifically by allowing a strike on the Seaway rather than compromising the Government's hard-nosed position on wages for Seaway workers.

It is too early to predict how successfully the Trudeau Government will deal with Canada's economic problems, notably that of the confluence of cost/price inflation and unemployment. It is off to a reasonably good start. And the short to medium term outlook for the economy is generally favorable. For the balance of the year the rate of real growth may double over the first quarter. The election of a majority Trudeau Government has clearly given the business community a psychological lift. Additionally, interest rates have continued a downward trend, the rediscount rate has dropped from  $7\frac{1}{2}$  to 6 percent, and there is speculation that still another bank rate cut is possible before the end of the year. Grain shipments, which have dropped off sharply, leaving Canada with a record surplus carryover, could expand if recent adverse indications of production in the Communist countries are borne out. A strong underlying foundation



for future growth is provided by the developed world's most rapidly growing labor force. A particularly bright spot in the economy in recent months has been Canadian export performance. Exports to the US alone accounted for 12 percent of Canada's GNP in 1967. Consequently, the expected slowdown in growth in the US in the second half of 1968 and into 1969, while welcomed for the contribution it will make to international financial stability, causes some trepidation in Canada. A problem of immediate concern is the unemployment rate, which has risen nationally to 5.5 percent, with considerably greater impact in areas outside Ontario.

Economic policies the Government appears likely to follow which should buttress favorable economic trends include a continuing tight fiscal policy, a moderately expansionary monetary policy, the institution of a prices and wages review board, and, for the longer term, a further concentration on regional development, manpower and industrial specialization programs.

A major change in federal-provincial relations occurred during the final years of the Pearson Government with the Liberals' decision to desist from initiating new shared-cost programs. Economically, such programs accounted for much of the excess in governmental spending; politically, the risks were even greater. For, as I observed in my Review of 1965, because of the introduction of the concept of "opting out" of these joint endeavors the shared-cost program became a principal instrument of the Lesage Government in Quebec for making the Quebecois "maitres chez nous" and creating a de facto special status for Quebec within Confederation. Canada's introduction to a new federal politician--Pierre Elliott Trudeau--was inter alia as the leader of the philosophic attack against the shared-cost program approach.

The Liberals had, however, already been committed to introduce universal MEDICARE, and despite strong opposition, MEDICARE legislation came into effect on July 1, 1968. Thus far only two provinces have "opted in": Saskatchewan and British Columbia. The provinces continue to have misgivings about universal MEDICARE. Provincial premiers consider that their views were not adequately taken into account by the Pearson Government, and contend that their priorities are somewhat different; they would have placed education before universal MEDICARE.

The disaffection of the provinces in fact calls into question the reality of Pearson's "Cooperative Federalism." Clearly there will have to be further new departures in institutional arrangements and intensified usage of existing federal-provincial bodies such as the Tax Structure Committee if there is to be any agreement among the governments on priorities in programs, on harmonization of fiscal policies, and on the measures required to meet the challenges facing governments today.

A case in point is the Government's handling of the Carter Commission Report on Taxation. The provincial governments have objected to aspects of the report, including recommendations that would have shifted a greater proportional tax burden to the extractive industries and to foreign investors. The Government's recent announcement that it would introduce legislative proposals later in the year has aroused their suspicions, as well as our own.

The Carter Report provides an illustration of the increased complexity and intensified interdependence of the economic relations of Canada and the United States. The Report's proposal would introduce an intrinsic discrimination against foreign shareholders of Canadian corporations. Hopefully, the Trudeau Government will follow the Pearson Government's lead that the Report should not be implemented as a total package because it would establish a tax system too different from that of the US. Yet it will be a source of discontent and frustration for many Canadians that they cannot change their tax system as they see fit.

A new dimension in financial interdependence has developed in recent years. The first step came in 1963 when the US introduced the interest equalization tax and, after two days of financial crisis in Canada, agreed to exempt new Canadian issues from the tax. In return, Canada agreed to a ceiling on its reserves which it had previously refused. Then in late 1965 we decided to apply our direct investment guidelines to Canada. After months of controversy and recrimination, we announced that our subsidiaries in Canada should not behave other than as good commercial practice warranted. Given our reserves accord with Canada, and the access permitted to our market for Canadian debt issues, it was all so needless. A final irony was added earlier this year when, in the midst of a temporary Canadian exchange crisis, we found it necessary to exempt Canada from the program altogether. In return we gained a Canadian commitment to hold some reserves in long-term, relatively inconvertible securities that gives the appearance, at least, of aiding the US balance of payments.

Growing interdependence with the US was a characteristic of other aspects of US-Canadian economic relations during the Pearson Government's tenure. Our most important single negotiation in the Kennedy Round was with Canada and virtual free trade has been achieved in industrial raw materials, fossil fuels, forest products, fish, some agricultural commodities, farm machinery and automotive products. The Automotive Agreement was a major achievement. Our mutual automotive trade has increased in fantastic proportions, rising from three-fourths of a billion dollars in 1964 to three and one-half billion in 1967. Our own exports are up more than three-fold. Rationalization of the industry--almost entirely American owned--is proceeding apace.

Such accomplishments would not have been possible in the previous context. Canada would not have allowed its trade deficit in automobiles to grow to the extent required. Although we are experiencing an adverse shift in the trade balance, there is no cause for alarm. Canada is, and will continue to be, our largest and fastest growing export market. It is important that we defend our commercial interests—we have rightly refused to acquiesce in new side commitments to the Canadian Government by the automotive industry. But we must recognize our interests for what they are and not be dissuaded from the conclusion good sense impels upon us that the Automotive Agreement is and has been good for both countries and that other not dissimilar arrangements should be negotiated.

Some of the additional achievements in US-Canadian economic cooperation during the past several years include the Columbia River Treaty; the further expansion of Canadian exports of gas and oil to the US; the removal of the Canadian export tax on electricity and the development of a North American grid; the negotiation of a new and expanded civil air agreement; the establishment of a joint Balance of Payments Committee; the Canadian commitment to drop its automatic anti-dumping provision; and the establishment of a joint committee to examine agricultural trading problems.

What is most significant about these developments is their thrust toward economic interdependence. They are evidences, hopefully, of a nascent, pragmatic approach to the sharing of the resources of a continent which would accept a continental philosophy where such can be seen to be in the interests of both countries. The Trudeau Government gives some initial promise of being more pragmatic than was Pearson's; at the very least we can hope to continue our economic cooperation without the emotional, irrational braking and caterwauling of Walter Gordon.

It is with regret that I look back on one of the most trying aspects of the Pearson Government--its recurrent manifestations of economic nationalism--as blind to Canada's own interests as it was to the underlying economic realities that have forced the pace of our cooperation. Fortunately, by our unequivocal determination to defend our rights, we protected the US interest in most of Gordon's nationalistic sorties aimed to strike retroactively at American investment in Canada.

The latter days of the Pearson regime saw a decline in the force of economic nationalism. While a full recovery from the schizo-phrenia Canada suffers over the issue of foreign investments is not to be expected, our own sins of omission and commission have done much to retard the patient's recovery. Our application of balance of payments guidelines to Canada is an example. Additionally, our application of Foreign Assets Control regulations without general exemptions for non-strategic goods seems

particularly regrettable. If we would even offer reasonable compromises on what Canadians rightly find objectionable, the extraterritorial application of our legislation, our over-all image in Canada, and that of American firms operating here, would be markedly enhanced.

It was essentially because of our own errors that the Gordon Task Force on foreign ownership was commissioned. At this moment there seems to be little prospect of adoption of the Task Force's more extreme proposals, such as government purchase of products of US subsidiaries in Canada for delivery to areas prohibited under FAC regulations. But it has continued to attract the attention of the Canadian public and to fan the embers of economic nationalism.

What the future will hold is unknown. Trudeau's own comments have been reassuring though limited. The new government has failed the first test of its willingness to follow the Pearson government's departures from the internationally accepted standard of not applying discriminatory measures retroactively by having decided to redefine Canadian publications in such a way as to exclude Time and Reader's Digest -- publications which have long been established in this country. Such justification as has been provided amounts to nothing more than domestic political expediency, which was a major problem for us during the Pearson era. It is an unhappy augury that the Trudeau Government, which has a strong parliamentary majority, could not in this instance have taken the courageous line. For the time being, at least, discriminatory postal rates will not be applied to Time and Reader's Digest, but the Government has placed itself in a vulnerable position for pressures to be brought upon it to this end. The postal rate legislation is an unhappy Gordon legacy, and, while Gordon is gone, the new Postmaster General is none other than Eric Kierans, emotional and unorthodox, who led a vicious battle against US direct investment guidelines.

One quality of the Prime Minister that deserves special mention is his confidence in Canada. The lack of confidence in Canada has been a root cause of some of our difficulties. When one considers our disparities in size and power, it is hardly surprising that Canadians have reacted on occasion more from fright than assurance. But they have reason for confidence in their economic future and their poise is improving. Canada is one of the top economies in the world today. To underline this fact, if Canada achieves the target growth rate set by the Canadian Economic Council, the country's GNP in 1975 will be approximately 80 billion 1966 US dollars. Such an economy is roughly equivalent to that of 1963 France--whose leadership was hardly noted for lack of confidence.

Looking ahead at trade policy developments, Canada seems likely to continue to prefer a multilateral route to further trade



liberalization. Trudeau may steer a somewhat different course from Pearson's, but the multilateral emphasis is likely to remain. If our domestic circumstances augur well, I think we could usefully give discreet backing to a measure such as the King Bill, which would enable us to go to free trade reciprocally with Canada on a further substantial portion of our trade. It will be important that we emphasize from the outset to the Canadian Government, however, that any negotiations will have to be as between equals.

We will have to be watchful of the Government's efforts to rationalize and expand secondary industry in Canada at our expense by pressuring our subsidiaries to locate production and research facilities here that would otherwise be established in the United States. There is a disturbing tendency in Canada toward bilateral trade balancing by sector or by industry. Aside from the painful policies in the automotive sector in this direction before the negotiation of the Automotive Agreement, and the current efforts to expand the side commitments of the automotive industry, the Canadian Government has been pressing firms in other industries, notably in electronics, to balance their trade with the United States.

Multilaterally, Canada is a great supporter of the sector approach for trade liberalization and emphasizes GATT as the forum for further liberalization. At the same time a number of private Canadian citizens are in the forefront of the North Atlantic Free Trade Area movement. These proponents maintain that it would be risky to rely solely on the sector approach and that it is really an FTA encompassing the entire developed world, with special facilities made available for developing countries, and not merely an Atlantic FTA, that is being proposed. It would be well for us to take another hard look at this proposal ourselves.

I believe that we may, generally, demand more and obtain more from Canada in a multilateral economic context. We should not again countenance a special status for Canada in future trade negotiations. Moreover, as its contribution to multilateral defense ebbs and its economy and confidence grow, it should be urged to carry a larger burden of economic assistance for the developing nations. There is some indication of widespread support for increasing foreign aid in this country. Some Canadians already recognize that more will be expected of Canada in the future. As former Economic Council Chairman John Deutsch has said, "The rapid growth of the Canadian economy and of its foreign trade will bring larger international responsibilities—responsibilities to help maintain a flourishing system of international commerce and responsibilities to help the emerging nations and the poorer peoples. As Canada moves up in the ranks of the strong, much more will be expected of her."





#### CONCLUSION

There are some features in policy statements made by the Trudeau Government which could eventually be translated into decisions adversely affecting US interests. There has been the suggestion of a continuing drift to neutralism, of the Pearson variety. Trudeau has mentioned a possible diminution of Canada's European contribution to NATO and a correlative emphasis upon continental defense, which may signal some more isolationist approach to military security matters. He has indicated some faith in greater East-West detente (though the occupation of Czechoslovakia may mute this thesis) and inveighed against nuclear weapons. Though his reassessment of foreign policy is not yet completed, he has said that "our aim will be to recognize the People's Republic of China Government as soon as possible and to enable that Government to occupy the seat of China in the United Nations, taking into account that there is a separate Government in Taiwan." His own past -- and that of some of his closest advisers -- of "democratic socialism" may haunt the development of policy in ways no one now can foretell. He claims, however, to have become a 'pragmatist." Since becoming Prime Minister, Trudeau has also spoken out quickly on three international matters in ways causing the US or Western interests some embarrassment and revealing a certain immaturity of judgment or at least lack of experience. The first such statement, in which he advocated total cessation by the US of the bombing of North Vietnam on the very day the Paris preliminary peace talks began, was brought to his attention by the Embassy; he immediately apologized in effect; and since then has not once repeated the remark. The other two instances were lesser gaffes and required no similar response from the Embassy. There may be some indication then that he is undogmatic and willing to learn.

There are other features and policy indicators which should mean an improvement over the Pearson years from the US point of view. The Trudeau Government has a commanding majority in Parliament, which should enable it to act internally and externally with more decision, authority, and consistency. Trudeau has long proclaimed he opposes "nationalism," and he has clearly rejected "economic nationalism" in any Gordonian form. He has also decried "crusading abroad" and compulsive peacekeeping gestures or activities and has appeared to be prepared to recognize that Canada's voice in the world should correspond to its power and responsibility.

Above all, it does not appear at the moment that the Trudeau Government feels the same need as its predecessor to take lines independent of US policy just for the sake of independence. At a farewell meeting Sharp asserted to me for the second time he thought Canada would be an easier neighbor to live with. There are several straws in the wind that Canada's jealousy of us will be less (partly perhaps because the US image has adversely changed and our society come to appear less enviable). Judging from the important address



Page 17 of OTTAWA A-1620

in France in July made by Secretary of State Gerard Pelletier, Trudeau's closest Cabinet associate but for Regional Development Minister Jean Marchand, the Government will be inclined to be less suspicious of the US and less combative. It will be less troubled by national disparities and will make due allowance for the US, but only due allowance, dealing from confidence, not fright. It will always have "to consider the repercussions of our acts on our neighbor," as in working out a new China policy, but since Canadians are "slightly more dependent on the Americans than they are on us," it will be in Canada's interest to promote a mutually beneficial relationship. Between Canada and the US, "a sincere effort to create harmony remains the rule."

If this good sense can only prevail, the end of the Pearson as well as the Diefenbaker eras will not be grieved. It will be the lot and challenge of those who follow me here in Ottawa on my retirement this month to see what new relationship with the US the Trudeau Government will -- and can be induced to -- develop.

BURTERWORTH

#### DISTRIBUTION

#### INFO Addressees:

ATHENS ANKARA BONN BRUSSELS (for Embassy, USEC, US Mission NATO) COPENHAGEN THE HAGUE LISBON LONDON LUXEMBOURG OSLO PARIS REYKJAVIK ROME USUN GENEVA (for GATT and DISDEL) CINCLANT for POLAD CINCSAC for POLAD

#### THE WHITE HOUSE

#### WASHINGTON

#### SECRET/NODIS

Thursday, September 12, 1968

Mr. President:

Pres file

Herewith a capsule of Ambassador Bunker's 66th weekly report:

(good deal juntaristing test.)

#### A. General

-- Weak quiet from military and political viewpoints.

- -- Vietnamese are encouraged by enemy failures and by US convention results.
- -- Thieu sees Hanoi bid before elections for possible cease-fire in place and believes this would present great difficulties.
- -- VC terror shows staggering increase during month as if to exterminate all possible post-negotiation opposition. Weekly assassinations rose from 62 to 274; abductions rose from 92 to 429.
- -- Saigon rife with wildly unfounded coup rumors based on US election prospects.
- -- Three papers were suspended for one week for ignoring warning on printing false story. Seven other papers complied.
  - -- GVN announced removal of four province chiefs for corruption.
- -- Anti-corruption actions against officials is reflected in decline of petty graft and in hopeful, if skeptical, public mood. \* ( see marked per-
- -- Much remains to be done in anti-corruption efforts concerning top figures thus far immune from punishment.
- -- Thieu and Huong travel widely throughout the country; Thieu spurs civil defense groups, discusses peace, distributes land titles and encourages new high-yield rice planting.
- -- Thieu is preparing public opinion for coming negotiated settlement and for political struggle likely to follow.
- -- General An, able young commander of 23rd ARVN Division, killed in helicopter crash.
- -- Month-long review of refugee program, reveals I Corps, with over half of refugees and with more being created, as only problem area.
- -- Sihanouk rejects ICC inspection of activities in Cambodia. Rejection reflects distressing attempt to conceal enemy's documented large-scale activities.

#### B. Political

- -- Supreme Court selection schedule established.
- -- Thieu considering return of General Duong Van Minh from Thailand exile.
- -- Thieu returns Buddhist charter challenge to National Assembly for October consideration.

#### C. Military

DECLASSITION week; enemy losses force him to reassess strategy; 12,000 KIA

Authority Mcg/CB510

SECRET/NODIS

since August 18 with more than half inflicted by ARVN whose own KIA were twice as high as ours.

-- Our forces, with ARVN help, performed magnificently at Tay Ninh; Duc Lap fighting continues.

#### D. Pacification

-- Report deferred until next week when August HES figures available.

#### E. Economic

- -- Farm price supports remain too low despite our advice.
- -- War risk insurance decree still not issued.
- -- GVN to export 10,000 tons of surplus red rice; Secretary Freeman agrees in principle subject to review of details.

W. W. R.

Thursday, September 12, 1968

FOR THE PRESIDENT FROM AMBASSADOR BUNKER (Saigon 37663)

Herewith my sixty-sixth weekly message:

#### A. General

From both a political and military viewpoint, this has been a relatively quiet week. The Vietnamese continue to be encouraged by the apparent failure of the enemy to get his long anticipated large wave attacks moving. It is evident from the most recent intelligence that everywhere the attacks have been blunted and turned back with very heavy losses to the enemy. A significant development has been a sharp increase in terrorism, but this has had little or no effect on morale; on the contrary, most Vietnamese seem to read the increased use of terror as a sign of enemy weakness and frustration. I think that Vietnamese political leaders in general also continue to be heartened by the outcome of our national conventions. They consider that both Vice President Humphrey and Nixon are committed to principles which give them a reason to hope for a peace settlement which they can accept.

When I saw Thieu yesterday, he said he thought the Communists are having to revise their tactics in this offensive. Earlier he thought the Viet Cong would stage spectacular attacks against Saigon, Danang, and in the First Corps, but they apparently have decided that spectacular attacks will only lead to "spectacular casualties", which they cannot continue to take, and a "spectacular defeat" obvious to everyone for the third time this year.

This leads him to the conclusion that the third offensive will take the form of "persistent pressure" in one place and then another, where the Communist losses will not be so obvious and the effect on their morale and prestige less. This is also partly to conserve manpower. He expects these low-wave attacks will continue for as long as they can sustain them, possibly until after the U. S. elections when the Communists will review where they go from there.

He is inclined to think that Hanoi may come up with some new proposal between now and the elections, possibly a cease-fire-in-place. He is puzzled why they have not done so already, for this would present great difficulties to the Government of Vietnam and to us.

I said I was inclined to agree with him. I have been particularly struck by the staggering increases in assassinations and kidnapping over the last four weeks. Assassination of civilians had risen from 62 four weeks ago to 274 last week and abductions from 92 to 429. It was as though they were exterminating and eliminating every possible opponent in anticipation of some dramatic move on the negotiating front.

SECRET/NODIS

Authority neg/cas 10
By ag/la, NARA, Date 12-15-92

Turning to another subject, Thieu said jocularly, "There is now much speculation in Saigon about coups. One set of rumors has it that the U. S. Government thinks a new government must be installed that would be more amenable to a coalition settlement, and is plotting a coup before the elections to help Humphrey. Another rumor has it Nixon has sent an emissary here to discuss with Ha Thuc Ky a coup for a change of government to take place after Nixon wins. A third rumor is circulating that pro-Nixon Republicans in Vietnam are preparing a coup to take place before the elections in order to show how unstable things are here, discredit the Democratic administration, and help Nixon win." I said the Vietnamese have too much imagination, and Thieu agreed.

I noted in my last message reports of possible differences between Prime Minister Huong and President Thieu on measures against corruption, and I reported the suspension of three newspapers which carried an AP story about such differences. Thieu assured me yesterday that there were no such differences between Huong and himself. He described the circumstances surrounding the suspension of the three papers. Ten newspapers had the AP story and were warned in advance that it was untrue. The three papers which were suspended ignored the warning and printed the story. In fairness to the seven who had refrained, the three papers were suspended for a week.

In the meantime, the move against corrupt and incompetent officials continues. During the last week, the government announced that four province chiefs were being removed "in order to push forward vigorously the anti-corruption campaign". It was announced that two of the province chiefs are to be tried on charges of corruption. Thieu told me that all four were removed either for corruption or on suspicion of corruption.

Huong also announced the suspension of the Director of Examinations in the Ministry of Education because of allegations of graft and irregularities in the recent country-wide baccalaureate examinations. This move came in part as the result of an outcry by several Assembly deputies. The issue is particularly important now because failure in the baccalaureate examinations means immediate drafting into the army for many young men.

Since Tet, the government has moved to change twenty-three of the 44 province chiefs. Not all of these were made on grounds of corruption. One was due to wounds inflicted by the Viet Cong, one province chief died, a few resulted from normal end of tour duty, and some of them were replaced because of incompetence. However, of the 13 province chiefs whom we specifically recommended for removal, 8 have been sacked. Others against whom we did not have evidence have also been replaced because of corruption.

While ineffective and corrupt officials are being removed, at the same time Thieu and Huong are trying to find the best men available to replace them. There is general agreement that the new national police director, Tran Van Hai, is completely honest and that he has done a great deal to clean up the national police in the short time he has been in the job. He has removed and disciplined more than 500 police officials, and we have reports of decreased corruption by the police as a result.

A second training program for future province and district chiefs began

September 9 with 110 prospective candidates. Thieu told me yesterday a careful screening had been made of the candidates in order to get the best possible men for the job. Presumably, there will be more changes when the course is completed. I might add that Huong was reported as saying there are only 35 volunteers for the course; he commented that it is now well understood that province and district chiefs can no longer enrich themselves as a result of their position, and military officers are much less anxious for such duty as a result.

It is also probably worth noting that the government has acted against a corrupt Embassy official in Bangkok, and the notorious Mai Den has slipped out of the country, most likely because he feared arrest and trial for his many nefarious activities under General Loan.

I do not mean to say that corruption has been cleaned up by any means. There is still a great deal of skepticism here about the end result of the measures Thieu and Huong have taken, and that skepticism is an important political fact in itself. Critics are quick to point out no generals, indeed no top ranking officials, have been charged and tried. Thought not announced publicly in those terms, several top officials have been removed because of corruption; however, they particularly note that no action has been taken against General Loan or any corps commander despite many allegations. A great deal clearly remains to be done even within the civil service and the police. The military in particular need to clean house more energetically.

Nevertheless, I think it can be said the level of corruption has definitely been reduced. We hear from a variety of sources that the petty graft which was customarily extorted by various police and civil servants for their services has declined greatly. For example, the departing Japanese Ambassador told me that he had received reports that the fee of 100-300 (Japanese) piasters formerly demanded by the police for access to Tan Son Nhut Airport was no longer asked for and that "gifts" for the issuance of exist visas, sometimes running as high as 10,000 piasters, were no longer requested. Both our CORDS personnel and our provincial reporters are agreed that the new province and district chiefs are generally cleaner and considerably more effective than their predecessors. From a purely political point of view, I think it important that virtually all political elements give Huong credit for trying hard to eliminate corruption; even those who are skeptical about what has been accomplished still trust Huong and hope for his success.

Perhaps symptomatic of the progress, and the skeptical but still hopeful attitude of the psople toward the anti-corruption effort, is a humorous article which appeared recently in a local daily headed "contagious disease threat." The story solemnly recounts efforts by unnamed civil servants to force a fellow employee to take a sanity test. Their doubts about his sanity sprang from the observation that he not only processed documents with amazing speed and efficiency but steadfastly refused all "gifts" for his services. As the article notes, "no one in recent memory has gained a reputation for such an odd attitude towards the responsibilities of a government

position. The employee in question was even heard to remark, when asked why he turned down gifts, "I'm just trying to fulfill my duties in good conscience."

The article concludes that others now feared that this strange malady might become contagious.

I should also mention that both Thieu and Huong are travelling more widely and more frequently throughout the country. Last week, Thieu made a swing through the delta and also visited two provinces in the First Corps. He spoke to all sorts and conditions of men and women on these trips, often quite informally, and usually about the most pressing problem before the nation -- peace, very often he distributes land ownership titles as part of the land reform program, and he also frequently encourages the farmers to plant the new high yield varieties of rice which we and the Government of Vietnam have been pushing.

Last week, Thieu made a special point of meeting with civil defense groups and encouraging them to move forward in organizing a strong civil defense program. He told his audiences that civil defense must aim now in protecting the people in military terms, but even more important, after peace is restored, civil defense organizations must also serve to protect the nation in the political contest with the Communists. In the First Corps, while reassuring his people that there will be no coalition government and no coasiation of territory, Thieu also made it clear that the Communist threat will not end when the fighting stops. On the contrary, civil defense must then become more active because it must organize the people to wage the coming political struggle. (Prime Minister Huong made much the same kind of speech September 9 to officers beginning the training program for future province and district chiefs.)

In travelling around the country and speaking to his people, Thieu gets a first-hand look at the situation in the provinces while reminding the people that the Saigon government is concerned with their problems. He is also obviously preparing public opinion for the coming negotiated settlement and the political struggle likely to follow. I believe his efforts contribute materially to the growing feeling among political leaders of all persuasions that they must somehow find a way to unite in the coming political struggle.

Two areas where we and the Government of Vietnam are sometimes criticized may be worth a comment this week. It is pointed out every so often that we have lost three generals in the Vietnam war while the Army of the Republic of Vietnam has lost none. On Monday, General Truong Quang An, the able young commander of the 23rd ARVN Division, was lost in a helicopter crash near Duc Lap, the cause of which is not known but may have been enemy fire. His wife, a lieutenant in the Airborne Brigade, and Vietnam's first woman nurse-parachutist, was killed with him.

Our handling of refugees has, as you know, been much criticized in the past.

Messrs. Baxter and Kuehn, acting for the Inspector General of Foreign Aid, have
just completed an exhaustive four-week review of the refugee situation here (you
may remember Bill Baxter as the former rector of St. Mark's Episcopal Church
in Washington. They concluded that in three of the four corps, the refugee problem
is minor and is being adequately handled. In fact, Baxter told me that in the Second,



Third and Fourth Corps, they did not consider that it was any longer a problem. They were impressed by the quality and dedication of U. S. refugee advisors. Only in the First Corps did they find serious problems. More than half the total number of refugees are in this corps area and refugees are still being created. There they pointed out that many camps are in very bad condition, and mobilization is hampering efforts to help the refugees by pulling out experienced refugee workers. They recommended that a greater proportion of our own and Government of Vietnam resources be applied here and this is already underway.

Baxter and Kuehn also observed that in checking many military and civilian hospitals, they saw no civilian casualties suffering from napalm burns. They also noted that every U. S. military hospital visited had space available for civilian casualties.

I noted in my sixty-fourth message that we were hopeful that the ICC and the press would take up Sihanouk's invitation to visit the Ba Thu area to determine if there were in fact any enemy installations there. Sihanouk subsequently reneged on the invitation, and the Cambodian Government has publicly characterized the information we furnished them as "fiction".

I find this action by Sihanouk particularly distressing in light of the recent clear evidence that the Nam Lyr area in Cambodia was used as a staging ground for the attack on the Duc Lap CIDG camp. The North Vietnamese Army First Division moved into the Nam Lyr area in July, and it was elements of that division, operating from Nam Lyr, that attacked Duc Lap on August 23. 776 enemy and 161 allied personnel were killed in this action. We have provided so much evidence, and the scale of activity is so large that enemy use of Cambodian territory certainly cannot be unknown to Sihanouk. It seems to me quite evident that he wants to conceal the facts. It also seems apparent that neither this gross violation of Cambodian territory nor the heavy cost to allied forces has had any influence on his thinking, at least in terms of actions which might reduce the Viet Cong/North Vietnamese Army use of his territory.

#### B. Political

The schedule for the formation of the Supreme Court was established by the Senate this week. Judges, jurists, and prosecutors associations will select 150 electors by September 17. The electors will in turn name 30 candidates on October 5, and on October 15 the National Assembly will select nine Supreme Court judges from the 30 candidates.

Also during the week, a by-election was held in Saigon to fill the Lower House seat vacated when Deputy Tran Van Ngan died of a heart attack. Winner in a field of 27 candidates was Mr. Tran Kim Thoa, a member of the Saigon City Council active in social welfare work and known for her efforts on behalf of the poor and workers.

Speculation about the possible return of the exiled generals ran high again this week, particularly with regard to Big Minh. Thieu told me he personally has no objection to Minh's return, but some feel Minh is so politically naive, he could be

used by the Buddhists to create trouble. Minh has applied for permission to return, and Thieu is sending a friend to Bangkok to discuss the "facts of life" with him. If Minh does return, Thieu said he might make him an advisor or counselor to the President's office. He asked my views. I said Minh's return would create a good impression here and abroad. It would show that Thieu is confident about the stability of his regime and not worried about coups. It would be evidence of Thieu's efforts to develop national solidarity.

Thieu has passed the ball back to the Assembly on the Buddhist charter. In response to requests from 40 deputies that he abrogate the Tam Chau Charter, Thieu has sent a letter to the Assembly suggesting that they study and discuss the possible amendment of ordnance 10 as regards its provisions for religious organizations. The letter also reportedly suggests that the Assembly consider ways in which the constitutional provisions for freedom of religion can be made more concrete in terms of legislation. So far neither the Assembly nor the An Quang Buddhists have responded to this move. (The Assembly is in recess until October.)

Terror. Terrorism has taken a sharp turn upward. Vietnamese civilians killed by enemy terrorists during the past four weeks numbered 62, 120, 202, and 274, respectively. The figures on wounded are equally striking: 176, 247, 661, and 716. Saigon in particular was hard hit in the past week. One rocket struck the city, killing one and wounding 11 (the dead was a woman and the injured included eight children and two women); an information hall was blown up, with nine killed and 55 injured (the dead included two young girls and three children); four teachers were gunned down in the hall of a Saigon school (one dead, three wounded); plus numerous other incidents of grenade throwing, shootings, etc. In one 24-hour period, September 6, there were seven incidents, with a total of ten dead and 70 injured.

#### C. Military

As noted in the General section, this has been a relatively quiet week from the military viewpoint. No major assaults were launched on important targets. The general pattern of enemy activity was to avoid heavy contact and conserve manpower.

It appears that the enemy thought he could score significant successes in outlying areas in the round of attacks launched August 18. He believed we would be unable to react effectively without weakening dangerously the defenses of more important targets. If we did expose more important targets by our reaction, he would of course move to exploit that.

There is evidence that the enemy is now reassessing his strategy in light of the heavy losses suffered since August 18 in an effort which has availed him little. He has suffered at least 12,000 killed in action since that date (not including any estimate of casualties inflicted by B-52 strikes), which is over 75 percent of what the May offensive cost him in a comparable period. It is notable that Army of the Republic of Vietnam forces inflicted over half of these casualties. ARVN forces suffered more than twice as many killed (1,431) as did U. S. forces (636) during this period.

In the First Corps, the enemy's troubles were multiplied by Typhoon Bess. He was already short of food, and the additional losses of stored food may well force him to foray into the Quang Tri lowlands to gather food.

You will recall my report of August 22 of the brilliant stroke by elements of the Army of the Republic of Vietnam First Division against the 138th North Vietnamese Army Regiment in the eastern DMZ area. The 138th was so decimated by this and other attacks by the ARVN First Division that it appears to have been pulled back into North Vietnam. A new North Vietnamese Army Regiment has moved into that area recently.

In the Second Corps, the enemy has lost a total of 839 killed in action in the continuing action near Duc Lap. We estimate that at least two-thirds of the forces originally intended for the assault on Ban Me Thuot have been thrown into this "diversion". The Army of the Republic of Vietnam continues to do well there. For example, in an action near Duc Lap on September 8, the First Battalion, 45th ARVN Infantry, supported by our gunships, inflicted 47 killed in action on the enemy, captured 6 weapons, losing 2 ARVN killed and 2 wounded.

It is in the Third Corps that the hardest fighting goes on. Our forces are doing a magnificent job against the enemy in the Tay Ninh-Hau Nghia area in an attempt to defeat him there rather than to wait for him in Saigon. The Army of the Republic of Vietnam is doing its part in this fighting, as elsewhere. The Second and Ninth ARVN Airborne Battalions and the Second and the Fourth ARVN Marine Battalions are currently engaged against an enemy force of at least two battalions on the outskirts of Tay Ninh city. On September 6, a battalion of the ARVN 25th Division, reinforced by the 34th ARVN Ranger Battalion, killed 55 enemy in Tay Ninh Province while losing 15 killed and 17 wounded. On the same day, the 164th Regional Force Company, supported by ARVN artillery, killed 10 and captured 1 while suffering no casualties.

Enemy activity continued light in the delta. Army of the Republic of Vietnam forces kept pressure on with elements of the Ninth Division carrying out successful attacks in Sa Dec on September 5 and, along with Regional and Popular Forces, in Vinh Long September 8, and the 32nd ARVN Regiment (21st Division) continuing the operations in Ca Mau that I reported on last week.

#### D. Pacification

I am deferring discussion of pacification until next week when we shall have in hand the August figures for the hamlet evaluation survey, and I shall be able to give a more complete picture of where we presently stand.

#### E. Economic

Retail prices in Saigon fell significantly this week. The US AID index dropped 4 percent, despite a 2 percent increase in the retail price for rice. The decline was

due chiefly to widespread drops in prices of perishable foods, reflecting relatively secure conditions on main transport routes. The increase in rice prices seems due in part to the Government of Vietnam's withholding of U. S. rice from the Saigon market and may also be partly seasonal. Deliveries of delta rice to Saigon dropped significantly during the second half of August. We are now in mid-growing season, and from now until new-crop rice begins to appear, old-crop rice will tend to be firm in price.

Our latest soundings suggest that farm prices of paddy are still too low in the delta to encourage production, despite recent firming of retail prices in Saigon. We have, however, been unable to persuade the Government of Vietnam to take any further moves to support prices paid to the farmer.

The war risk insurance decree remains unissued. We are still very interested in this measure, because reports continue to come in showing low levels of commercial activity in many areas, and we believe confidence and war risk factors are important to a recovery.

The Minister of Economics has informed us that the Government of Vietnam will export 10,000 tons of surplus red rice for which there is no market in Vietnam. Secretary Freeman agreed in principle to this, subject to submission of details to the U. S. Government for review.

#### ACTION

Pres tile

Thursday, September 12, 1968

#### MEMORANDUM FOR THE PRESIDENT

SUBJECT: Dame Mabel Brookes

Bill Crook has carried out your instructions to convey your personal greetings to Dame Mabel. She responded with the attached letter, which I think you will want to see personally. She also enclosed a couple of magazines, one with an article by her, and one with an article about her collection of Napoleana at Elm Tree House. Both articles are marked.

A draft reply is attached for your possible signature.

W. W. Rostow

Atts

MWrlght:wpt

#### September 12, 1968

Dear Mabel:

Thanks so much for your charming letter. I'm glad that Bill Crock remembered to convey my affectionate greetings to you, and only wish I could have been there to do so in person. I'm also glad to learn that Bill and Eleaner have got off to such a good start. They are indeed a delightful couple, and I am confident they will do an excellent job of representing us in your country.

The political season is upon us, and I feel like an old war horse who sniffs the scent of battle. I hope to play some part in the campaign, although I am very busy with foreign affairs these days.

Your trip to St. Helens sounds both grand and historic, and I hope it works out. Let us know when your plans are firm; perhaps there will be a chance for us to get together.

We much appreciated the magazines, especially "The Epicurean" with your witty recollections of entertainment in the grand manner.

Lady Bird sends her love. Please give our very best to Norman; I'm so glad his health continues good. I'm sending you another pen, to remind you to write to me.

Sincerely.

[5] Lyndon B. Johnson

Dame Mabel Brookes
"Elm Tree House"
233 Domain Road
South Yarra 3141
Victoria, Australia

STATE:MWright:wpt

"Elm Tree House", 233 Domain Road, SOUTH YARRA. 3141 Victoria, Australia

7th. August, 1963

My dear hr. President,

Your new Ambassador called on me yesterday and I received the Presidential kiss, plus another on the other cheek for himself, and thus we became good friends in two minutes instead of so many hours. Are they not both charming and approachable! and in their own way have immediately taken their personal place among us. They spent two crowded days here, with lunches, dinners and formality, and not so formal cocktail parties, and remained unruffled by television and reporters, she being specially easy with the women, of whom she met great numbers. I saw them both at the Consul-General's party at the Melbourne Club, still cheerful, and as I am going to Canberra on the 14th. for a few days I hope soon to see more of them.

We asked all about you, and I am glad you are looking better. We were all concerned at the pictures published here a few weeks ago -

The House sits next week, commencing an uneasy session, mainly occupied in domestic problems, and one may expect some interesting results.

Nothing more has been mentioned in the press about the bones off Point Cook. Maybe more was forthcoming, but it evidently was considered too inconclusive to follow further. It leaves a sadness in me for I was very fond of our mutual friend, but one cannot get sentimental. Anyhow, when Bob returns from England I shall ask him if any more turned up. I have some kind of a feeling that Zara knows - but of course one says nothing.

There is a possibility I go for a few weeks to St. Helena early next year. The French Government are celebrating the Ti-Centenary of Napoleon's detention and death there, and are sending Prince Napoleon to represent them and to open the Pavilion as a museum of Napoleonic relics. This was where the Emperor stayed for some months with my family in 1816, and I gave the Briars and Pavilion to the French Government some few years ago. It would be a strange, brief reunion, and if Norman continues in his present health I feel it will be possible for me to go. I know, and like, Prince Napoleon who lives in Felgium. Otherwise things go on normally here with the usual outbursts of student activity that are suffered everywhere. There is a great and growing awareness of our great potential wealth not yet exploited, indeed, not fully assessed. The share market

is a significant guide. The war seems to be localising in the public mind and there has been some interest taken in the Republic of Nauru - a phosphate island, plus the Ellis and Gilbert islands that make a chain not too far from Fiji. It was once mandated to Australia, but now has commenced to function alone, and so of interest to both Japan and the Oppenheimers in South Africa, and Australia. The first President spent some weeks here - a dusky little man of a race pre-Polynesian, and was intelligent enough to politely confuse everyone! He was educated here and is a football devotee. Possibly, in the near future, his land may be of strategic interest. My nephew had something to do with him, and he and his wife came here to see me.

Please give my fond love to the First Lady. There was a good picture of her in the press last week. Any my love to you and thanks for the letter and the "Presidential kiss". (May I have another "Lyndon B. Johnson" pen? The one you gave me has run out of ink at long last).

Yours ever sincerely,