

SECRET

SEN W/WH HOUSE WHCA SITUATION ROOM EYES ONLY

NOV 3 '68 NOV 3 3 AM 2:46

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DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 91-498
By ju, NARA, Date 26-93

Pres file

FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAP82653

~~SECRET~~ SENSITIVE EYES ONLY

NOVEMBER 2, 1968

HEREWITH BUNKER'S INCOMING MESSAGE ON TOMORROW'S PRIVATE MEETING AND NOVEMBER 6, TO WHICH I REFERRED ON THE PHONE LAST NIGHT.
SAIGON 41765

1. I THINK IT WILL BE MOST CONVENIENT FOR THE DEPARTMENT IF MY REPLIES ARE KEYED TO THE OBSERVATIONS WITH MUCH OF WHICH I AM IN AGREEMENT.

2. A NEW ELEMENT HAS ENTERED THE SITUATION SINCE BOTH REFTELS WERE DRAFTED, HOWEVER, AND THAT IS THE MORTARING OF MY THO AND VINH LONG. WE SHOULD IN STRONGEST TERMS CALL FOR OBSERVATION OF OUR BILATERAL UNDERSTANDING WITH THE DRV AND USE IT AS AN ARGUMENT FOR THE NEED TO CONTINUE BILATERAL TALKS WITH THE DRV ON URGENT AND BASIC MATTERS OF THIS SORT.

3. WE AGREE THAT WE SHOULD PROPOSE TO LAU A BILATERAL MEETING ON PROCEDURES AND WE AGREE WITH THE REST OF THAT SUB-PARAGRAPH. ON THE OTHER HAND IF THIS FAILS I DON'T THINK WE NEED TO FIX A DATE FOR A MEETING INCLUDING THE NLF RIGHT AWAY. XUAN THUY HAS GIVEN US A WAY OUT. WHILE THE PRESIDENT DID ANNOUNCE THAT THERE WOULD BE A MEETING ON NOVEMBER 6, WE NOTE THAT XUAN THUY SAID THAT THE DATE OF THE MEETING "COULD BE EXACTLY ON THE 6TH OF NOVEMBER OR ON A LATER DATE" AND THAT HE WOULD AGREE TO THE 6TH "IF THIS IS THE US PROPOSAL." I THEREFORE THINK THAT WE COULD STALL ON THIS MATTER AND HOPE THAT WE WILL DO SO.

4. WITH RESPECT TO LAOS, WHILE IT IS HARD TO SEE HOW BRINGING IT UP COULD BE DONE WITHOUT THE PRESENCE OF THE NLF, I.E. WITHOUT A FULL-DRESS MEETING OF THE KIND THAT WE WOULD LIKE TO POSTPONE, I THINK THE GVN MIGHT NOT MIND US DISCUSSING THIS SUBJECT ON A BILATERAL BASIS.

5. WE CANNOT DO ANYTHING ABOUT HANOI HAVING A "PROPAGANDA FIELD DAY" IF THE FIRST SUBSTANTIVE MEETING IS POSTPONED. THEY ARE HAVING A PROPAGANDA FIELD DAY ALREADY ABOUT THE GVN DELAY IN GOING TO PARIS. IN OTHER WORDS, I COME OUT VERY STRONGLY IN FAVOR OF POSTPONEMENT IF AT ALL POSSIBLE.

6. WITH RESPECT TO SHIFTING THE PROCEEDINGS TO GENEVA, I THINK THIS MIGHT WELL BE SUGGESTED AT A LATER TIME AS PART OF SOME FACE-SAVING FORMULA THAT WOULD ALLOW THE GVN TO ATTEND THE NEW MEETING; BUT I DO NOT THINK IT SHOULD BE INJECTED AT THE PRESENT TIME, EITHER IN SAIGON OR IN PARIS.

7. REGRETABLELY WE FIND THAT THERE IS NOT MUCH THAT IS USEFUL IN XUAN THUY'S STATEMENT ABOUT HAVING THE GVN AT TALKS, SINCE IT IS SO CLOSELY BOUND UP WITH FORMULATION ABOUT A FOUR-POWER CONFERENCE.

EYES ONLY

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~~SECRET~~ EYES ONLY
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168 NOV 3 12:20
SITUATION ROOM
WHITE HOUSE

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OO WTE10
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SN: 3 07 23
DECLASSIFIED
E.O. 12958, Sec. 3.4
NY 91-498
By: ju, NARA, Date: 1-26-93

FROM WALT ROSTON
TO THE PRESIDENT
CITE CAP82652

~~SECRET~~ SENSITIVE EYES ONLY

NOVEMBER 2, 1968

I HAVE REFERRED -- DURING THE DAY -- TO BUNKER'S GENERAL VIEW OF HOW TO PROCEED BUT DIDN'T GET HOLD OF THE TEXT UNTIL NOW. HERE IT IS.

SUBJ: NEXT STEPS TO BRING GVN INTO CONFERENCE

1. I WANT TO LAY OUT IN THIS TELEGRAM SOME THOUGHTS ABOUT HOW WE MIGHT PROCEED IN ORDER TO BRING THE GVN INTO THE PARIS TALKS.
2. THIEU HAS SAID THE GVN WILL NOT ATTEND THE NOVEMBER 6 MEETING. OUR PLANNING NOW MUST BE TO BRING THIEU AROUND TO JOIN THE TALKS AT THE EARLIEST POSSIBLE TIME. I THINK HE WILL BE BROUGHT AROUND, AND CAN BE BROUGHT AROUND, IF WE MOVE VERY SKILLFULLY AND TIME OUR MOVES VERY CAREFULLY. IT WOULD BE BEST NOT TO TRY TO BLUDGEON HIM INTO THE CONFERENCE--CERTAINLY NOT AT THIS STAGE--BUT WE CAN, I THINK, BRING HIM AROUND WITHIN A REASONABLE TIME TO WHERE HE SEES THAT THIS IS THE WISEST, AND INDEED THE ONLY COURSE FOR HIM.
3. THE FIRST MOVE IS TO COUNTER THE HANOI AND NLF PROPAGANDA ABOUT UNCONDITIONAL CESSATION, SEPARATE DELEGATIONS, ETC.
4. OUR NEXT MOVE IS TO TELL THE FOREIGN MINISTER ABOUT THE PROCEDURAL ARRANGEMENTS WE HAVE WORKED OUT. I PROPOSE FROM NOW ON, AS OFTEN AS POSSIBLE, TO PROVIDE AIDE MEMOIRES, OR OTHER WRITTEN MEMORANDA, SO THAT THERE WILL BE NO DOUBT ABOUT WHAT WE ARE SAYING (AND I THINK PARIS MIGHT CONSIDER USING THIS DEVICE AS WELL).
5. WE SHOULD NOT MAKE OUR NEXT MOVE UNTIL SOMETIME AFTER THE ELECTION. THIEU IS CONVINCED THAT NIXON WILL WIN AND WILL FOLLOW A HAWKISH POLICY, AND THEREFORE HE CAN AFFORD TO WAIT. IF HUMPHREY WINS, THE GVN WILL GET THE MESSAGE, BUT IT WOULD DO NO HARM TO SEND IT TO THEM EXPLICITLY. IF NIXON WINS, THIEU WILL HAVE TO BE DISABUSED OF HIS ILLUSIONS AND THAT

CAN ONLY BE DONE IF IT COMES DIRECT FROM NIXON. AN INDICATION BY NIXON THAT HE FULLY SUPPORTS THE PRESIDENT'S EFFORTS AND THAT IT IS IMPERATIVE THAT THE GVN SHOULD COME TO THE PARIS TALKS, WILL BE OF THE UTMOST HELP. (A WRITTEN MESSAGE WOULD OBTAIN THE DANGER OF ANY MISUNDERSTANDING.)

6. WHEN THE MESSAGE SINKS IN, AND WHEN THIEU CALMS DOWN A LITTLE, HE WILL THEN HAVE TO REEXAMINE WHAT HE WILL DO. IT IS AT THIS POINT I THINK THE SUMMIT CONFERENCE OF THE TCC COUNTRIES COULD BE DECISIVE. AT THAT CONFERENCE WE COULD LAY OUT WHAT WE HAVE DONE, POINT TO THE ARRANGEMENTS OF THE PARIS TALKS AND OUR CONDUCT OF TREATING THE OTHER SIDE AS THOUGH THEY WERE PART OF ONE DELEGATION.

7. THE SUMMIT MEETING MIGHT ENABLE THIEU TO COME AWAY SAYING THAT HE IS SATISFIED THAT THE CONDITIONS HE DESCRIBED IN HIS SPEECH THIS MORNING HAVE BEEN MET, THAT ALL THOSE THERE RECOGNIZE THAT THE NLF IS NOT INDEPENDENT OF OR SEPARABLE FROM HANOI, ETC. A COMMUNIQUE OF THE TCC COUNTRIES COULD PERHAPS BE THE VEHICLE FOR ACHIEVING THIS. PAK CHUNG HEE WILL HAVE TO BE WORKED ON IN ADVANCE.

8. I DON'T THINK THIS CAN BE PUSHED IN TERMS OF A DEFINITE TIME FRAME. TO ATTEMPT TO PUSH THIS TOO FAST CAN BE SELF-DEFEATING. ASSUMING THAT THE PRESIDENT-ELECT WILL PLAY HIS ROLE AND ALLOWING A FEW DAYS FOR THE WORD TO SINK IN HERE, WE MIGHT BE ABLE TO MAKE THE PROPOSAL FOR A TCC CONFERENCE DURING THE WEEK OF THE 11TH, WITH THE CONFERENCE TO BE HELD TOWARD THE END OF THAT WEEK OR EARLY THE FOLLOWING WEEK. WE WOULD NEED TO MAKE AND TIME OUR MOVES CAREFULLY IN THE LIGHT OF OUR ASSESSMENT HERE SO AS TO BE SURE THE TCC CONFERENCE WILL DELIVER THE GOODS.

9. PARIS MEANWHILE MAY FIND THAT GETTING THE POINTS OF PROCEDURE SETTLED WILL IN ANY EVENT TAKE TIME, OR ELSE THEY MAY HAVE TO STRING MATTERS OUT THERE DURING THIS PERIOD. INCIDENTALLY IN DESCRIBING TO THE GVN OUR DEALINGS WITH THE NLF AND HANOI AT THE FIRST MEETINGS, WE SHOULD AVOID REFERRING TO THE NLF AND INSTEAD USE THE TERM "HANOI DELEGATION," WHICH IS IN ACCORDANCE WITH THE ASSURANCES I GAVE THIEU ON BEHALF OF THE PRESIDENT THAT WE WOULD TREAT THE OTHER SIDE IN PRACTICE AS ONE DELEGATION.

10. I DON'T THINK WE NEED TO BE DISCOURAGED. ALREADY WE HAVE WORD THAT SEVERAL CABINET MINISTERS ARE SAYING AMONG THEMSELVES THAT THE GVN WILL EVENTUALLY TAKE PART PARIS TALKS, THAT THIEU'S STATEMENT TODAY INVOLVED "SAVING FACE," AND THAT HE HAD TO AVOID THE APPEARANCE OF BEING A PUPPET. ONE PARTICULAR CABINET MINISTER SUGGESTED THAT A POSSIBLE WAY TO ASSIST THIEU IN MAKING THE MOVE BACK TO THE TALKS WOULD BE A PRESIDENTIAL ENVOY WHEN THINGS COOL DOWN AFTER WHICH THIEU COULD ANNOUNCE HE HAS RECEIVED THE ASSURANCES HE NEEDS TO SEND A DELEGATION TO PARIS.

DTG 030624Z NOVEMBER 1968

~~SECRET~~ EYES ONLY

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1968 NOV 13 PM 12:39
WHITE HOUSE
SITUATION ROOM

1968 NOV 3 17 16

Pres file

EEA667
OO WTE10
DE WTE 4196

FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAPS2663

~~SECRET~~ SENSITIVE

NOVEMBER 3, 1968

THIS INTERCEPT (AND OTHERS) SUGGESTS HANOI INTENDS TO COMPLY WITH DMZ CONDITION AND ACCEPT RECCE -- AT PRESENT, AT LEAST.

QUOTE: THE RECENT SUSPENSION OF AMERICAN BOMBING OF NORTH VIETNAM WAS REFLECTED IN A 2 NOVEMBER MESSAGE. PASSED BETWEEN UNIDENTIFIED ARTILLERY ELEMENTS BELIEVED TO BE OPERATING IN THE GENERAL VICINITY OF THE EASTERN DMZ. THE COMMUNIQUE REPORTED THAT PRESIDENT JOHNSON HAD ISSUED A DIRECTIVE, APPARENTLY TO CEASE "STRIKE AND DESTRUCTION ACTIVITY IN THE NORTH". THE MESSAGE ALSO ENCOURAGED "ALL COMRADES" TO CONTINUE TO HAVE FAITH IN "THE WAY OF THE PARTY". THE MESSAGE ALSO STATED THAT VIGILANCE MUST BE PURSUED BECAUSE "IN THE SOUTH, THE ENEMY STILL FIGHTS EVEN MORE FIERCELY". END QUOTE

~~SECRET~~

DTG: 031653Z NOV 68

DECLASSIFIED
E.O. 13292, Sec. 3.5
NLJ/RAC 02-117
By *iso*, NARA, Date *5-12-04*

XEROX FROM QUICK COPY

DECLASSIFIED

E.O. 12356, Sec. 3.4

NIJ 91-498

By ju, NARA, Date 1-26-93

~~SECRET~~

EYES ONLY

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Free file

NOV 3 12:25
WHITE HOUSE
SITUATION ROOM

EEAG61
OO WTE10
DE WTE 4185

FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAP82651

~~SECRET~~ SENSITIVE EYES ONLY

NOVEMBER 2, 1968

HEREWITH HARRIMAN AND VANCE RIGIDLY EXCLUDE ALL BUT A PROCEDURAL MEETING ON NOVEMBER 6. IN LIGHT OF THIS, KAIZENBACH AND BUNDY BELIEVE THAT WE HAVE ON NOVEMBER 6 EITHER BILATERAL PROCEDURAL MEETING OR POSTPONEMENT.

PARIS 23327
REFERENCE STATE 266133

QUOTE

1. THE SUGGESTIONS CONTAINED IN REFTEL ARE IN MAJOR RESPECTS IMPOSSIBLE AND CONTRARY TO THE POSITIONS WE HAVE PUT FORWARD UNDER INSTRUCTIONS IN OUR TALKS HERE. OUR DETAILED COMMENTS FOLLOW.
2. WE CAN RAISE WITH LAU THE SUGGESTION CONTAINED IN PARA. 1 OF REFTEL THAT WE MEET BILATERALLY ON NOV. 6 TO DISCUSS THE MATTERS CONTAINED IN SUB-PARA. A BUT ON THE BASIS OF NEGOTIATING RECORD SUB-PARA. B CANNOT BE RAISED UNTIL PROCEDURAL MATTERS ARE AGREED AND PLENARY SESSION IS CONVENED TO DEAL WITH SUBSTANTIVE QUESTIONS LAU MAY INSIST ON HOLDING US TO OUR OWN PROPOSAL THAT TALKS BEGIN NOT EARLIER THAN NOV. 6 (SUBSEQUENTLY CHANGED TO NOV. 6 BY THE PRESIDENTIAL STATEMENT) AT WHICH WILL BE INCLUDED REPRESENTATIVES OF THE US, THE RVN, THE DRV AND THE NLF. AS WE PREVIOUSLY SUGGESTED WE BELIEVE THERE ARE WAYS AROUND THIS PROBLEM, EITHER (A) SUGGEST A POSTPONEMENT OF THE MEETING, OR (B) TO CARRY OUT OUR PROPOSAL BY MEETING WITH REPRESENTATIVES OF THE OTHER SIDE LEAVING OPEN THE QUESTION OF WHO WILL BE THE REPRESENTATIVES ON OUR SIDE. IF THE GVN CANNOT BE BROUGHT ON BOARD BY THAT TIME, WE BELIEVE THAT WE SHOULD GO FORWARD WITH SUCH TALKS CONFINING THEM TO PROCEDURAL MATTERS.
3. WITH REFERENCE TO PARA. 2 OF REFTEL, WE BELIEVE IT WOULD BE UNWISE TO INJECT THE ISSUE OF LAOS AT THIS TIME FOR MANY OBVIOUS REASONS.

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4. WITH REFERENCE TO PARA. 3A OF REFTTEL, IF WE WISH TO SHOW VISIBLE PROGRESS ON NOV. 6 THERE IS LITTLE CHANCE OF DOING SO IF WE FOLLOW THE DEPARTMENT'S SUGGESTIONS. IN ORDER TO SHOW VISIBLE PROGRESS THERE HAS TO BE A MEETING.

IN ORDER TO HAVE A MEETING, IT HAS TO BE WITHIN THE GENERAL TERMS OF OUR AGREEMENT WITH THE DRV. TO MAKE SOME COMPLETELY UNACCEPTABLE PROPOSAL ON THE DMZ OR LAOS AT THIS BEGINNING STAGE AND EXPECT TO SHOW PROGRESS THEREBY, IS UNREALISTIC.

5. WITH RESPECT TO PARA. 3C OF REFTTEL, WE BELIEVE THE BEST PROCEDURE FOR STRINGING OUT THE PROCESS IS THAT WHICH WE HAVE ALREADY SUGGESTED--THE START OF PROCEDURAL DISCUSSIONS ON NOV. 6 OR THE POSTPONEMENT OF THE TALKS, PREFERABLE THE FORMER.

6. WITH REFERENCE TO PARA. 3D REFTTEL WE AGREE THAT WE MAY WISH AT SOME POINT TO FACE UP TO CONVENING A MEETING AT WHICH HANOI WAS FREE TO BRING THE NLF AND A SEAT WAS LEFT AVAILABLE FOR THE GVN, AS THE PRESIDENT IMPLIED IN HIS STATEMENT OF OCTOBER 31. WE BELIEVE THE TIME TO DO THAT FACING UP IS NOW OR ELSE POSTPONE THE MEETINGS. WE AGREE THAT IF HANOI URGES A WIDER MEETING WE SHOULD BE PREPARED TO SAY THE GVN IS NOT YET READY. THIS IS ONE WAY OF PROPOSING A POSTPONEMENT WHICH IS STRAIGHTFORWARD AND NOT INCONSISTENT WITH WHAT WE HAVE AGREED TO, NAMELY THAT A MEETING WILL NOT BE HELD BEFORE NOVEMBER 6. WE MUST POINT OUT, HOWEVER, THAT HANOI WILL HAVE A PROPAGANDA FIELD DAY FROM OUR REQUEST FOR A POSTPONEMENT. FINALLY, TO MENTION, AS PARA. 3D SUGGESTS, THE REASON FOR OUR BEHAVIOR IS THE PRE-CESSATION ROCKETING OF SAIGON IS DISINGENUOUS AND WILL ACHIEVE NOTHING.

7. WITH REFERENCE TO PARA. 4 OF REFTTEL, WE BELIEVE A FULL-SIZED BILATERAL MEETING WOULD BE A BAD IDEA. EVEN IF DRV AGREES, WHICH IS UNLIKELY, IT WILL ONLY LOOK LIKE A CONTINUATION OF OLD MEETING AND THUS NO VISIBLE PROGRESS. WE BELIEVE THAT WE CAN SHOW VISIBLE PROGRESS BY MOVING TO A SMALLER PROCEDURAL MEETING OF THE TYPE THAT WE USED AT THE START OF THE OFFICIAL CONVERSATIONS. PROCEDURAL MEETINGS ARE A PLAUSIBLE EXPLANATION TO COVER FAILURE TO PROCEED TO IMMEDIATE FULL-SCALE MEETING OF THE TYPE AGREED UPON.

8. WE DO NOT UNDERSTAND WHAT IS BEING SUGGESTED IN PARA. 6 REFTTEL. AS WE READ IT IT IS INCONSISTENT WITH THE PROPOSAL IN PARA. 1, IN WHICH WE WOULD TRY TO SETTLE PROCEDURES BILATERALLY.

9. WE WILL DEFER OUR COMMENTS ON PARA. 8 REFTEL OTHER THAN TO SAY THAT WE THINK THE SUGGESTION TO SHIFT THE MEETINGS TO GENEVA IS CONTRARY TO OUR OWN PROPOSAL AND WOULD BE INCOMPREHENSIBLE TO THE OTHER SIDE.

10. WITH REFERENCE TO PARA. 10, THE SUGGESTION THAT WE SHOULD ADVANCE THE ARGUMENT THAT "IT WOULD BE TRAGIC IF PROCEDURAL WRANGLES WOULD PREJUDICE THE CESSATION OF BOMBING" IS PATENTLY SPECIOUS. THE REASON FOR PROCEDURAL WRANGLING AT THIS POINT IS THE FACT THAT WE CANNOT CARRY OUT OUR OWN PROPOSAL FOR EXPANDED MEETING. THEREFORE, WE CANNOT UNDERSTAND HOW THIS WOULD JUSTIFY SUGGESTING THE RESUMPTION OF BOMBING.

11. IN SUMMARY, WE BELIEVE THE REALISTIC CHOICES OPEN TO US ARE AS FOLLOWS:

A. WE PROPOSE TO LAU A BILATERAL MEETING BETWEEN THE US AND DRV ON PROCEDURES TO BE HELD ON WEDNESDAY, THIS MEETING WOULD BE ATTENDED BY A REPRESENTATIVE OF THE US AND DRV, ALONG THE LINES OF OUR ORIGINAL PROCEDURAL DISCUSSIONS AT THE OPENING OF THE OFFICIAL CONVERSATIONS. IF PRESSED, WE WOULD EXPLAIN THE REASON FOR THIS PROPOSAL ON THE GROUNDS THAT THE GVN CANNOT BE THERE BY WEDNESDAY, NOVEMBER 6.

B. IF LAU REFUSES WE WOULD THEN HAVE TWO CHOICES, EITHER TO AGREE TO A MEETING INCLUDING THE NLF ON A "OUR SIDE-YOUR SIDE" BASIS IN WHICH REPRESENTATIVES OF THE TWO SIDES WOULD DISCUSS PROCEDURAL MATTERS, OR A FULL PLENARY SESSION ON AN "OUR SIDE-YOUR SIDE" BASIS, INCLUDING THE NLF BUT AT WHICH WE WOULD PROPOSE TO CONFINE DELIBERATIONS TO THE APPOINTMENT OF THE SUB-COMMITTEE TO CONSIDER RULES OF PROCEDURE.

12. WE BELIEVE THESE ALTERNATIVES ARE THE WAY TO PRESERVE THE INTEGRITY OF THE US IN LIGHT OF THE AUTHORIZED NEGOTIATING POSITION WE HAVE TAKEN. WE THINK THE BEST TACTIC WOULD BE TO PUSH FOR A PROCEDURAL MEETING WITH THE DRV ALONE OR IF NECESSARY WITH THE OTHER SIDE ON NOV. 6. THIS IS THE CLOSEST APPROXIMATION TO WHAT WE HAVE COMMITTED OURSELVES IN THE PROPOSALS WE MADE AND WHICH THE DRV ACCEPTED. WE WOULD ATTEMPT TO CONFINE THIS MEETING TO THE INFORMAL TYPE USED AT THE COMMENCEMENT OF THE OFFICIAL CONVERSATIONS. WE BELIEVE THERE IS A REASONABLE CHANCE THAT WE CAN ACHIEVE THIS.
UNQUOTE

~~SECRET~~

DTG 030329Z NOV 68

~~CONFIDENTIAL~~

1968 NOV 3 03 24

168 NOV 2 PM 10:32
WHITE HOUSE
SITUATION ROOM

EEA660
OO WTE10
DE WTE 4181

FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAP82648

DETERMINED TO BE AN
ADMINISTRATIVE MARKING
NOT NAT'L SECURITY
INFORMATION, E. O. 12356,
SEC. 1.1(a).

BY rg ON 3-11-93

Profile

~~CONFIDENTIAL~~

HEREWITH THE DEFENSE REPORT OF CONGRESSIONAL CONTACTS

WITHOUT EXCEPTION, ALL MEMBERS GREATLY APPRECIATED BEING CALLED
AND ADVISED OF SITUATION.

CONTACTED BY SECRETARY CLIFFORD:

RUSSELL
STENNIS
MAHON
RIVERS
HEBERT

- RESPONSE WAS FAVORABLE IN EACH INSTANCE.

CONTACTED BY SECRETARY NITZE:

JACKSON

- FAVORABLE, HIS QUESTIONS RELATED TO HIS CONCERN WITH
RUSSIAN STRATEGIC POSTURE.

BREWSTER

- STRONGLY FAVORABLE.

INOUE

- FAVORABLE.

HARDY

- THINKS THERE SHOULD BE A TIME LIMIT ON THE CESSATION
OF THE BOMBING BUT ACCEPTS THE PRESIDENT'S ACTION.

STRATTON

- FAVORABLE BUT ASSUMES WE GOT CONCESSIONS WE CANNOT
TALK ABOUT.

BATES

- FAVORABLE. MAIN QUESTION WAS ON WHAT HAS CHANGED.

ARENS

- SUPPORTS THE PRESIDENT. SAID THE TIMING UNFORTUNATE
BUT PERHAPS COULDN'T BE HELPED. HOPES GVN WILL CHANGE
THEIR MIND AND BE THERE ON THE 6TH.

LIPSCOMB

- SAYS HE HAS BACKED THE PRESIDENT AND WILL CONTINUE TO
STAY BEHIND THE PRESIDENT.

LAIRD

- HOPED THINGS WOULD WORK OUT. CONCERNED BY THE TIMING.
SAID PEOPLE ON THE STREET WERE UPSET; ATTRIBUTED THIS
TO POLITICAL CONSIDERATIONS. I SAID THE TIMING WAS
GOVERNED BY THE ACTIONS OF THE OTHER SIDE. THEY MAY
HAVE MADE CONCESSIONS WHEN THEY DID IN LIGHT OF THE
ELECTION.

CONTACTED BY SECRETARY BROWN:

CANNON

- ASKED WHETHER ABRAMS CAN RESPOND WITH AIR. I
SAID WHATEVER APPROPRIATE.

MILLER

- CONCERNED ABOUT STATUS OF NLF VS GVN AT NEGOTIATIONS.
ALSO QUERIES WHETHER ABRAMS CAN USE AIR POWER IF
NEEDED ACROSS DMZ AND WHAT DO WE DO IF THEY BUILD
UP DIRECTLY NORTH OF DMZ IN POSSIBLE PREPARATION FOR
ATTACK.

ALLOTT

- VERY DUBIOUS ABOUT TIMING AND MOTIVATION - BUT IS
KEEPING QUIET. ASKED HOW WE KNOW 40,000 NVNESE
ARE OUT.

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- FISHER - GAVE PRESS A STATEMENT SAYING NOT A POLITICAL ACT. WILL USE INFORMATION IF FURTHER QUESTIONED.
- BENNETT - ALMOST A LEMAY HAWK, BUT IS KEEPING QUIET. CRITICIZED JCS AND GENERAL WESTMORELAND AS AMBIGUOUS; SHOCKED THAT THEY RECOMMENDED THIS IN VIEW OF POSSIBLE INCREASE IN CASUALTIES, BUT -- WHEN HEARD OF NVN TROOP WITHDRAWALS, CONCESSIONS ON GVN, ABRAMS AUTHORITY TO STRIKE, SAID THESE ARE MODIFYING FACTORS.
- PIKE - SUPPORTS THE PRESIDENT. HE DOESN'T THINK THAT THE NVN ARE GIVING US ANYTHING WHICH HE CAN ADVERTISE TO HIS CONSTITUENTS AS MOVEMENT IN POSITION - E.G. ADMITTING GVN TO TALKS DOESN'T SOUND LIKE ANYTHING OF VALUE IN LONG ISLAND.
- RANDALL - LITTLE REACTION OUT THERE. WAR NOT MUCH ISSUE. REACTION WAS HOPEFUL.
- GUBSER - ASKED WHETHER HE CAN SAY RECCE WILL CONTINUE. I SAID YES. HE SAID HE WILL BE RESPONSIBLE IN HIS STATEMENTS. HOPES WE HAVE "A DOVE BY THE TAIL."

CONTACTED BY SECRETARY RESOR:

- DOMINICK - ASSUMED THAT THE PRESIDENT HAD SOME UNDERSTANDING BECAUSE HE THOUGHT THE PRESIDENT WOULD NOT UNDULY EXPOSE OUR FORCES. I, OF COURSE, EXPLAINED TO HIM THE TERMS OF THE CESSATION.
- S. O. LONG - THOUGHT THE PRESIDENT WAS ABSOLUTELY CORRECT IN TRYING TO DO ANYTHING HE COULD TO REDUCE THE LEVEL OF CONFLICT.
- IRWIN - APPROVED THE COURSE OF ACTION.
- PIRNIE - SUPPORTED BUT EXPRESSED SOME CONCERN ABOUT THE SOUTH VIETNAMESE ATTITUDE.
- BRAY - UNABLE TO CONTACT DIRECTLY. INFORMATION WILL BE PASSED TO CONGRESSMAN THROUGH AA.
- EVANS - UNABLE TO CONTACT DIRECTLY. INFORMATION WILL BE PASSED TO CONGRESSMAN THROUGH AA.

CONTACTED BY SECRETARY IGNATIUS:

- R. C. BYRD - WELCOMED THE PRESIDENT'S ANNOUNCEMENT AND SUPPORTS IT. "IT'S THE RIGHT THING TO DO."
- YOUNG, M. - SUPPORTS THE PRESIDENT AND SAID CALL WAS HELPFUL.
- MUNDT - SEEMED CONCERNED THAT GVN REPRESENTATIVES WEREN'T COMING TO PARIS
- ICHORD - SEEMED SOMEWHAT SKEPTICAL. SAID WILL BE INTERESTED TO SEE WHAT EFFECT IT HAS ON ELECTIONS. PARTICULARLY INTERESTED IN ABRAMS AUTHORITY TO RESPOND.
- LENNON - SAID NO ONE CAN QUESTION THE WISDOM, INTEGRITY AND JUDGEMENT OF THE JOINT CHIEFS. SAID THERE IS A CERTAIN SKEPTICISM IN HIS AREA. THOUGHT THE PRESIDENT MIGHT HAVE GIVEN SOME REASONS FOR THE ACTION HE TOOK.
- LEGGETT - FULLY SUPPORTS THE PRESIDENT'S ACTION. BUT DISTURBED AT A PRESS STORY IN CALIFORNIA THAT WE ARE TRIPLING THE WEIGHT OF OUR BOMBING IN LAOS.
- HICKS - PRESIDENT'S ACTION WIDELY ACCEPTED IN HIS DISTRICT AS THE RIGHT COURSE OF ACTION.
- CHAMBERLAIN - EXPRESSED REGRET THAT ANNOUNCEMENT CAME AT TIME OF ELECTION. SUGGESTED IN EFFECT THAT WE WERE REPEATING MISTAKES OF KOREA BY ATTEMPTING TO NEGOTIATE WITH COMMUNISTS.

KING HOPES AND PRAYS WE ARE ON THE RIGHT TRACK.

FROM QUICK COPY

- FLOOD - HASN'T HEARD A PEEP OF DISSENT IN HIS AREA-- EVERYONE SEEMS TO BE FOR THE PRESIDENT'S DECISION.
- CONTACTED BY SECRETARY VARNKE:
- MACHEN - UNABLE TO CONTACT DIRECTLY. INFORMATION WILL BE PASSED TO CONGRESSMAN THROUGH AA.
- O'KONSKI - SAID THAT HE CERTAINLY FEELS THAT THE PRESIDENT'S DECISION IS WORTH WHATEVER RISK IS INVOLVED. HE PRAYS TO GOD IT WILL BRING ABOUT PEACE.
- SCHWEIKER - UNABLE TO CONTACT DIRECTLY. INFORMATION WILL BE PASSED TO CONGRESSMAN BY AA WHO INDICATED CERTAINTY THAT PRESIDENT'S ACTION IN COMPLETE ACCORD WITH CONGRESSMAN'S THINKING.
- HALLECK - UNABLE TO CONTACT DIRECTLY. INFORMATION WILL BE PASSED TO CONGRESSMAN THROUGH AA.
- DICKINSON - HAD TWO BASIC QUESTIONS: DO WE EXPECT THE NLF TO ABIDE BY THE GROUND RULES? IS THERE ANY TIME LIMIT ON THE BOMBING HALT?
- WHALEN - SAID THAT THE PRESIDENT'S MOVE HAS HIS COMPLETE SUPPORT AND HE WOULD HAVE LIKED TO HAVE SEEN IT SOONER.

CONTACTED BY JACK L. STEPLER:

- BYRD (VA) - FEELS THERE IS SOME CONFUSION, ESPECIALLY IN LIGHT OF THIEU'S POSITION. WONDERS IF THIEU EVER SPECIFICALLY AGREED TO SIT WITH NLF IN PARIS. SEEMS SOMEWHAT SURPRISED AT JCS POSITION. RAISED QUESTION AS TO WHETHER ABRAMS CAN RESPOND BY AIR IN NORTH IF DMZ IS VIOLATED. ON THE WHOLE NOT HOSTILE--BUT SKEPTICAL AS TO WHAT WILL BE ACCOMPLISHED.
- SMITH, MC - SENATOR IS INDISPOSED. THEREFORE, DISCUSSED MATTER WITH AA, BILL LEWIS. LEWIS CONJECTURED THAT THIEU DOES NOT WANT TO GO TO PARIS BECAUSE HE THINKS NIXON WILL WIN THE ELECTION AND THUS HE DOES NOT WANT TO BE ASSOCIATED WITH A SOFTER LINE TOWARD NVN.
- THURMOND - UNABLE TO CONTACT DIRECTLY. INFORMATION WILL BE PASSED TO SENATOR THROUGH AA. AA SAID HE WAS CERTAIN THURMOND WOULD RAISE THE QUESTION OF HOW LONG WE WOULD STANDDOWN THE BOMBING.
- PHILBIN - FULLY SUPPORTS THE PRESIDENT'S POSITION.
- BYRNE, JA - IN FULL SUPPORT OF THE PRESIDENT'S POSITION. GOOD LOCAL REACTION.
- NEDZI - EXTREMELY PLEASED AT THE PRESIDENT'S ACTION AND HOPES THIS IS A STEP TOWARD DE-ESCALATION OF THE CONFLICT. IS NOT TOO WORRIED ABOUT THIEU'S POSITION. SAYS HE WILL COME ALONG IF THE TALKS BEGIN TO APPEAR MEANINGFUL.
- WILSON, C - FAVORABLE TOWARD POSITION TAKEN. IS PLEASED TO KNOW THAT WE ARE KEEPING OUR GUARD UP.
- SMITH, JV - UNABLE TO CONTACT DIRECTLY. INFORMATION WILL BE PASSED TO CONGRESSMAN THROUGH AA. AA FELT CERTAIN THAT CONGRESSMAN WOULD LOOK UPON THE PRESIDENT'S ACTION WITH FAVOR.
- SLACK - UNABLE TO CONTACT DIRECTLY. INFORMATION WILL BE PASSED TO CONGRESSMAN THROUGH AA. AA RAISED THE QUESTION OF WHETHER THERE IS A DEFINITE TIME PERIOD THAT WE WILL STAND-DOWN THE BOMBING.

ADDABBG - FULLY SUPPORTS PRESIDENT'S POSITION.

ADDITIONAL CONTACTS BY SECRETARY BROWN:

TOWER - WHY DID PROFESSIONAL MILITARY MEN MAKE PUBLIC STATEMENTS. SUSPICION OF MILITARY BEING GAGGED AND POLITICAL INSPIRATION. THIS DETRACTS FROM CREDIBILITY. STATEMENTS ON PART OF CHIEFS - THEN SUGGESTED QUESTIONING THEM. HE CLEARLY WAS SUSPICIOUS AND PRESSING THE NIXON CLAIM THAT "PEOPLE ARE SUSPICIOUS OF MOTIVATION."

PRICE - SUPPORTS WITH SOME SKEPTICISM BUT HOPES FOR BEST.

SYMINGTON - HE IS FOR IT, SOMEWHAT SURPRISED THAT JCS ARE.

ADDITIONAL CONTACT BY SECRETARY RESOR:

WHITTEN - ALL FOR TESTING GOOD FAITH FOR REASONABLE PERIOD OF TIME, BUT IF NO REAL MOVE TOWARD PEACE, HE WOULD INCREASE PRESSURE ACROSS THE BOARD.

DTG: 030137Z NOVEMBER 1968

~~CONFIDENTIAL~~

32

~~SECRET~~

SENT
WHCA

NOV 3 02 36

EEA659
OO WTE10
DE WTE 4183

FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAP82650

Pres file
NOV 2 PM 9:44
WHITE HOUSE ROOM
SITUATION ROOM

~~SECRET~~

THE NEW MEXICO REFERENCE MAY INDICATE AGNEW IS ACTING.
TWO REPORTS FOLLOW.

REPORT ONE:



3.4
(b)
(1,6)

REPORT TWO

THE NOVEMBER ONE, LAST, EDITION OF THE "WASHINGTON POST," A DAILY NEWSPAPER IN THE WASHINGTON, D.C. AREA, CARRIED AN ARTICLE CONCERNING MRS. ANNA CHENNAULT. THE ARTICLE INDICATED THAT MRS. CHENNAULT INTENDED TO PROCEED TO NEW YORK CITY WHERE SHE WOULD AWAIT THE ELECTION RESULTS ON NOVEMBER FIVE, NEXT, WITH PRESIDENTIAL NOMINEE RICHARD M. NIXON.

ON NOVEMBER TWO, INSTANT, AT SEVEN TEN A.M., MRS. CHENNAULT'S CAR WAS OBSERVED IN THE PARKING GARAGE AT TWO FIVE ONE ZERO VIRGINIA AVENUE, N.W.

AT ONE FORTY FIVE P.M., SHE DEPARTED HER RESIDENCE AND ENTERED THE AUTOMOBILE. IT WAS BEING DRIVEN BY HER CHAUFFEUR AND PROCEEDED TO THE BALTIMORE-WASHINGTON PARKWAY WHERE IT WAS LAST OBSERVED HEADING NORTH AT TWO FIFTEEN P.M.

ARRANGEMENTS HAVE BEEN MADE WITH THE NEW YORK OFFICE OF THE FBI FOR THEM TO OBSERVE THE CAR EN ROUTE AND TO UNDERTAKE DISCREET SURVEILLANCE WITH REFERENCE TO HER ACTIVITIES WHILE IN NEW YORK.

SANITIZED
E.O. 12958, Sec. 3.6
NLJ/RAC 02-108
By isa NARA, Date 9-30-03

DTG: 030208Z NOV 1963

~~SECRET~~

~~SECRET~~

~~CONFIDENTIAL~~

SENT
WHCA

33
WHITE HOUSE
SITUATION ROOM
NOV 2 1 PM 9:27

NOV 3 02 21

EEA637
OO WTE10
DE WTE 4182

FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAP82649

Pres file

~~CONFIDENTIAL~~

NOVEMBER 2, 1968

REF WITH:

- FURTHER MORTAR ATTACKS ON MY THO
 - AN ATTACK ON ANOTHER PROVINCIAL CAPITAL, VINH LONG.
- THIS MEANS THAT EITHER:
- THE VC ARE NOT ABOARD; OR
 - HANOI IS USING THIS DEVICE TO MAKE US TALK TO THE NLF.

IN EITHER CASE, VANCE MUST HIT LAU HARD TOMORROW; AND RUSK (OR ME) DOBRYNIN.

1. AT 021310 EST, THE CITY OF MY THO, LOCATED 38 NAUTICAL MILES SOUTHWEST OF SAIGON, WAS ATTACKED BY ENEMY MORTARS FOR THE SECOND TIME IN ONE DAY. THIS ATTACK CONSISTED OF 18 ROUNDS OF 82-MM MORTAR FIRE WITH THE ROUNDS IMPACTING IN THE SAME HEAVILY POPULATED SOUTHWEST AREA OF THE CITY HIT EARLIER BY 20 ROUNDS OF MORTAR FIRE. SOME OF THE MORTAR ROUNDS IMPACTED IN AN ARVN COMPOUND. OTHER ROUNDS LANDED IN THE CIVILIAN PORTION OF THE CITY INCLUDING THE MARKET AREA. CASUALTIES FROM THIS SECOND ATTACK WERE FOUR ARVN SOLDIERS KILLED AND SEVEN ARVN AND 13 VIETNAMESE CIVILIANS WOUNDED. CUMULATIVE CASUALTIES FOR THE TWO ATTACKS ARE FIVE ARVN SOLDIERS KILLED, SEVEN WOUNDED (6 RF, 4 ARVN, 23 SVN CIV). DAMAGE ESTIMATES FOR THE TWO ATTACKS HAVE NOT BEEN REPORTED.

2. AT 021030 EST, THE CITY OF VINH LONG (POP 30,000, CAPITAL OF VINH LONG PROVINCE), LOCATED 53 NAUTICAL MILES SOUTHWEST OF SAIGON, RECEIVED 8 ROUNDS OF 82-MM MORTAR FIRE. ALL ROUNDS IMPACTED IN A POPULATED AREA OF THE CITY. NEGATIVE PERSONNEL CASUALTIES HAVE BEEN REPORTED AND DAMAGE TO THE AREA IS UNKNOWN.

DECLASSIFIED
E.O. 12356, Sec. 3.4
BY 94-218

NOV 68

By CL, NARA, Date 7-31-95

~~CONFIDENTIAL~~

QUICK COPY

EEA654
OO WTE10
DE WTE 4176

FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAP82643

~~SECRET~~ SENSITIVE EYES ONLY

~~SECRET~~

NOV 2 23 06

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 91-498

By ju, NARA, Date 1-26-93

EYES ONLY
34
WHITE HOUSE
SITUATION ROOM
NOV 2 1968
Pres file 2 PM 8:31

NOVEMBER 2, 1968

HEREWITH THE TENTATIVE IDEAS WE ARE TRYING OUT ON ELLSWORTH.

FOLLOWING MESSAGE IS TRANSMITTED FOR YOUR URGENT CONSIDERATION. IT HAS NOT BEEN SEEN AS YET BY THE PRESIDENT AND IS THEREFORE SUBJECT TO CHANGE WHEN REVIEWED BY HIM. AS INDICATED PARA 5. WE NEVERTHELESS NEED SAIGON'S VIEWS SOONEST.

1. FOR VANCE'S MEETING ON NOVEMBER 3 WE HAVE WEIGHED THE THOUGHTS IN PARIS 23320 AND THE BASIC STRATEGIC APPROACH IN SAIGON 41738. BALANCING ALL THE FACTORS, OUR CONCLUSION IS THAT VANCE SHOULD TAKE THE POSITION ON SUNDAY THAT THERE SHOULD BE A BILATERAL US/DRV MEETING, UNDER EXISTING GROUND RULES AND PROCEDURES, ON NOVEMBER 6, IN ORDER TO CONSIDER TWO MATTERS:

A. PROCEDURES FOR SUBSEQUENT MEETINGS TO FIND A PEACEFUL SETTLEMENT, UNDER THE REPRESENTATION FORMULA PREVIOUSLY UNDERSTOOD WITH HANOI;

B. FIRM AND EXPLICIT UNDERSTANDINGS RESPECTING BOTH THE US AND DRV REFRAINING FROM THE PRESCRIBED MILITARY ACTIONS IN OR NEAR THE DMZ, AND MEASURES TO MAKE THIS MORE EFFECTIVE. (WE HAVE IN MIND PROPOSALS HAVING TO DO WITH THE ICC OR MIXED COMMISSIONS, THE LATTER HAVING BEEN COGENTLY URGED FROM SAIGON IN RECENT TRAFFIC.)

2. IN ADDITION, WE WOULD CONSIDER RAISING AT THE SAME MEETING--ALTHOUGH NOT NECESSARILY WITH ADVANCE NOTICE TO HANOI-- SOME IMMEDIATE FORM OF ACTION TO BRING ABOUT COMPLIANCE WITH THE LAOS ACCORDS. WE NEED SAIGON'S JUDGMENT WHETHER THIS WOULD BE DISRUPTIVE TO THE GVN.

3. THE CONSIDERATIONS THAT LIE BEHIND THIS BASIC INSTRUCTION ARE AS FOLLOWS:

A. THE PRESIDENT'S STATEMENT AND THE GENERAL LEVEL OF EXPECTATION HERE MAKE IT IMPORTANT TO SHOW SOME VISIBLE PROGRESS ON OR ABOUT THE 6TH.

B. THIEU'S SPEECH SPEAKS OF A SESSION OF WHAT HE CALLS "EXPLORATORY TALKS" ON THE 6TH, AT WHICH THE GVN WOULD NOT BE PRESENT. WE THUS ASSUME SAIGON WOULD HAVE NO PROBLEM.

C. WE NEED IN ANY EVENT TO DISCUSS PROCEDURES BILATERALLY, AND THE POINTS MADE IN SAIGON 41738/SUGGEST THAT WE WISH TO STRING THIS PROCESS OUT FOR AT LEAST A SHORT TIME, AND UNTIL THE FACTORS CITED IN PARA 5 OF THAT MESSAGE COME INTO PLAY.

D. WE BELIEVE WE SHOULD NOT ACCEPT ANY MEETING ON THE NEW REPRESENTATION FORMULA UNTIL WE SEE MORE CLEARLY HOW THINGS ARE GOING IN SAIGON. WE MAY WISH AT SOME POINT TO FACE UP TO THE CONVENING OF A MEETING AT WHICH HANOI WAS FREE TO BRING THE NLF AND A SEAT WAS LEFT AVAILABLE FOR THE GVN. INDEED, WE SEE SOME POSSIBLE ADVANTAGES IN OUR DEMONSTRATING THAT WE WOULD IN FACT TREAT THE TWO AS ONE; ON THE OTHER HAND, HANOI WOULD PROBABLY CROW OVER SUCH A GATHERING AS DE FACTO RECOGNITION OF THE NLF. WE NEED SAIGON'S JUDGMENT WHAT THE NET BALANCE WOULD BE, BUT FOR PURPOSES OF NEXT WEDNESDAY'S MEETING THIS SEEMS TO US FAR MORE DRASTIC TREATMENT THAN WE CAN CONTEMPLATE UNDER THE GENERAL APPROACH SET FORTH IN SAIGON 41738. HENCE, ANY ATTEMPT BY HANOI ON SUNDAY TO URGE A WIDER-TYPE MEETING SHOULD BE REJECTED. VANCE SHOULD BE PREPARED SIMPLY TO SAY THAT THE GVN IS NOT YET READY AND THAT ITS WHOLE ATTITUDE ON FRIDAY AND SATURDAY WAS HARDLY IMPROVED BY THE ROCKETING OF SAIGON AND THE HITTING OF A SIGNIFICANT CATHOLIC CHURCH. (THEY MAY REPLY WITH ALLEGATIONS ABOUT OUR MILITARY ACTS, BUT LET US TAKE THE OFFENSIVE ON THIS.)

4. AS TO ATTENDANCE, WE WOULD VISUALIZE THAT THE WEDNESDAY MEETING SHOULD HAVE FULL-SIZE REPRESENTATION. WE HAVE CONSIDERED A VARIATION OF PARIS' SUGGESTION--NAMESLY, HAVING ONLY TWO REPRESENTATIVES EACH OF THE US AND DRV. THIS WOULD BE BETTER IN ONE SENSE, IN THAT IT WOULD CREATE THE IMPRESSION OF A REALLY PROCEDURAL MEETING. ON THE OTHER HAND, IF WE WERE RIGHT IN THINKING THAT THE DMZ IS A FIRST-RATE TOPIC WITH WHICH TO SHOW PROGRESS AND AT THE SAME TIME NOT REPEAT NOT OFFEND THE GVN, THE FULL DELEGATIONS WOULD FIT IT MUCH BETTER. THE SAME IS TRUE OF OUR POSSIBLE THOUGHT OF RAISING LAOS.

5. SAIGON SHOULD COMMENT URGENTLY ON THESE INSTRUCTIONS, TO REACH US NOT LATER THAN MIDNIGHT, OUR TIME, TONIGHT. WE SHALL BE STANDING BY TO REVIEW THOSE COMMENTS AND CONFIRM OR AMEND THE INSTRUCTIONS ACCORDINGLY.

6. IN TERMS OF THE DETAILED POINTS MADE IN PARIS 23320, OUR PRESENT INCLINATION WOULD BE TO TAKE THE POSITION ON WEDNESDAY THAT THE FIRST BROADER MEETING SHOULD BE A SUMMARY SESSION ALONG THE LINES OF PARA 6 -- I.E., TO APPOINT A COMMITTEE TO DRAW UP THE RULES OF PROCEDURE. BUT WE WOULD LIKE MORE LEISURELY SAIGON COMMENTS ON PARIS' THOUGHTS. DEPENDING ON THE STATE OF THINGS IN SAIGON, WE MAY WELL WISH TO THROW OUT A NUMBER OF POSSIBILITIES ON WHICH WE WOULD HAVE TO AVOID GETTING FIRMED UP AT ALL AT THAT TIME. AGAIN, THE DMZ WOULD GIVE US A HANDY "PROGRESS PEG."

7. PROVISIONALLY, WE CONCUR WHOLLY WITH PARIS' VIEWS (PARA 13) THAT IN THESE THREE RESPECTS WE WILL HAVE TO MAKE SIGNIFICANT CHANGES.

8. FINALLY, WE HAVE THE FOLLOWING MORE GENERAL THOUGHTS ON WHICH WE WOULD APPRECIATE SAIGON AND PARIS COMMENT IN THE NEXT DAY OR TWO:

A. WOULD IT BE USEFUL FOR SAIGON TO PURSUE WITH THANK OR OTHERS THE QUESTION OF DIVISION OF LABOR BETWEEN OURSELVES AND THE GVN? IF WE WERE ABLE TO REACH CLEAR AGREEMENT, THIS MIGHT BE ANOTHER PEG WITH WHICH TO MOVE THIEU OFF HIS DEMAND FOR EXPLICIT ASSURANCES FROM HANOI THAT IT WILL TALK TO THE GVN.

B. CAN SAIGON IMMEDIATELY MAKE USE OF XUAN THUY'S STATEMENT IN PARIS TODAY, WHICH COMES PRETTY CLOSE TO DEMANDING THAT WE PRODUCE THE GVN AT THE TALKS, AND CAN THIS BE USED TO SAY THAT HANOI DEFINITELY WILL TALK TO THEM?

C. WOULD IT HELP THIEU'S PROBLEM -- WITHOUT SERIOUSLY COMPENSATING DRAWBACKS AS PARIS SEES IT -- TO SUGGEST MOVING THE SUBSTANTIVE MEETINGS FROM PARIS TO GENEVA? WE RECOGNIZE THAT THIS WOULD BE A RE-OPENING OF A POINT CLEARLY AGREED IN THE TALKS WITH HANOI, AND A CHANGE IN OUR OWN PUBLIC STATEMENTS. IS THERE ANY CHANCE THAT IT WOULD PRODUCE A GAIN IN SAIGON THAT COULD CONCEIVABLY BE WORTH THESE DRAWBACKS?

9. WE RECOGNIZE THAT THIS APPROACH WILL GIVE PARIS MAJOR DIFFICULTIES SINCE DRV MAY WELL INSIST THAT THEY HAVE OUR CONSENT TO BRINGING NLF TO ANY FUTURE MEETINGS, EVEN ON PROCEDURAL MATTERS. AT SAME TIME IT IS CLEAR THAT US-DRV-NLF TALKS, NO MATTER WHAT THE SUBJECT, WOULD PROBABLY RAISE SERIOUS PROBLEMS FOR SAIGON. IF OUR ESTIMATE OF THIS IS WRONG WE WOULD APPRECIATE SAIGON INFORMING US.

10. WE THINK THAT VANCE SHOULD STATE FRANKLY TO DRV THAT PROCEDURAL ISSUES CONTINUE TO RAISE PROBLEMS AND THAT WE THINK IN VIEW OF WISH OF BOTH SIDES TO ACHIEVE SERIOUS NEGOTIATIONS WITH RESPECT TO PEACE IN VIET-NAM, IT IS DESIRABLE THAT ALL PROCEDURAL MATTERS BE CLEARLY RESOLVED BEFORE THE NLF AND GVN JOIN THE DISCUSSIONS. AFTER ALL, THE USG HAS ALREADY TAKEN THE EFFECTIVE STEPS WHICH DRV HAD INSISTED UPON AND IT WOULD BE TRAGIC IF PROCEDURAL WRANGLES SHOULD PREJUDICE THE CESSATION OF BOMBING. ALL THESE ARE MATTERS WHICH CAN BE WORKED OUT DIRECTLY WITH THE DRV, AS INDEED IS THE ISSUE OF THE DMZ AND LAOS, AND WE SHOULD PROCEED ON A CAUTIOUS BASIS WITH NEITHER SIDE SEEKING TO PRECIPITATE CRISES WHICH COULD DESTROY CONSTRUCTIVE STEPS ALREADY TAKEN.

DTG 022156Z NOV 68

EYES ONLY

35

~~CONFIDENTIAL~~ EYES ONLY

SENT
WHCA

NO. 2 22 52

EEA633
OO WTE10
DE WTE 4177

FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAP82644

Free file
'68 NOV 2 PM 6:26
WHITE HOUSE
SITUATION ROOM

~~CONFIDENTIAL~~ EYES ONLY

YOU WILL BE PLEASED TO KNOW THAT HIS HOLINESS THE POPE HAS
ACTED PROMPTLY ON YOUR LETTER TO HIM, AS THE FOLLOWING INDICATES.

QUOTE DEAR MR. PRESIDENT:

WITH REFERENCE TO YOUR LETTER OF OCTOBER 31,
1968 ADDRESSED TO HIS HOLINESS, POPE PAUL VI,
I HAVE BEEN REQUESTED TO INFORM YOU THAT THE
DESIRE WHICH YOU EXPRESSED HAS NOW BEEN BROUGHT
TO THE ATTENTION OF HIS EXCELLENCY, THE APOSTOLIC
DELEGATE IN SAIGON, IN THE SENSE INDICATED,
AND IT IS HOPED THAT THESE EFFORTS WILL HAVE
SATISFACTORY RESULTS.

ACCEPT, MR. PRESIDENT, THE RENEVED ASSURANCES
OF MY HIGHEST CONSIDERATION.

THE APOSTOLIC DELEGATE END QUOTE

DT: 62222 NOV 68

~~CONFIDENTIAL~~ EYES ONLY

DECLASSIFIED

E.O. 12356, Sec. 3.4

NJ 94-218

By clr, NARA, Date 7-31-85

SENT
WHCA

36

NO. 2 22 46

SANITIZED
E.O. 13292, Sec. 3.5
NLJ/RAC 02-117
By io NARA, Date 5-12-04

~~SECRET~~

WHITHOUSE
SITUATION ROOM
EYES ONLY
NOV 2 PM 6:19

EEA651
OO WTE10 WTE15
DE WTE 4173

FROM WALT ROSTOW
TO THE PRESIDENT
INFO GEORGE CHRISTIAN
CITE CAP82640

~~SECRET~~ SENSITIVE LITERALLY EYES ONLY

NOVEMBER 2, 1968

Free file

HEREWITH A SITUATION REPORT PLUS SOME INTELLIGENCE ITEMS

1. A MINOR URGENT ITEM. SEC. CLIFFORD, WITH THE AGREEMENT OF GENERAL WHEELER, WOULD LIKE TO SEND OUT AN ORDER TONIGHT TO MOVE THE NEW JERSEY TO SUBIC BAY FOR MAINTENANCE, ETC. IT IS OVERDUE. THEY WOULD LIKE YOUR ASSENT.

YES ----- NO CALL ME -----

2. AFTER LENGTHY DISCUSSIONS TODAY, SEC. RUSK AND SEC. CLIFFORD AS WELL AS NICK KATZENBACH, GENERAL WHEELER, ETC., PROPOSED THAT WE GO OUT TO SAIGON FIRST; GET BUNKER'S COMMENTS; AND, IF HE AGREES, INSTRUCT VANCE ALONG THE FOLLOWING LINES, FOR HIS MEETING TOMORROW MORNING WITH THE NORTH VIETNAMESE -- ASSUMING THIS IS AGREEABLE TO YOU.

A. WE WOULD PROPOSE A BILATERAL U S - HANOI MEETING ON WEDNESDAY, NOVEMBER 6; THAT IS, WITHOUT THE PRESENCE OF THE NLF.

B. THE MEETING WOULD CONSIST OF A DISCUSSION OF PROCEDURES FOR THE WIDER MEETING PLUS TWO MATTERS OF SUBSTANCE WHICH CAN LEGITIMATELY BE DISCUSSED BETWEEN THE U S AND HANOI:

-- FIRING UP AND MAKING EXPLICIT ARRANGEMENTS ON THE DMZ. IN THE COURSE OF PRIVATE CONVERSATIONS, THE DRV ONCE SAID THE DMZ COULD BE THE FIRST ITEM ON THE AGENDA. IT IS IMPORTANT IN THE U S AND FOR SAIGON THAT WE SURFACE THE DMZ AND MAKE IT FIRM.

-- LAOS. SEC. RUSK WISHES US JOINTLY WITH HANOI TO ASK THE TWO CO-CHAIRMEN TO GET TO WORK PROMPTLY FULLY TO ENFORCE THE 1962 ACCORDS ON LAOS. I BELIEVE THIS IS AN IMPORTANT THING TO DO AT AN EARLY STAGE IN PARIS BECAUSE YOU HAVE ALREADY GONE TO KOSYGIN ON THIS MATTER AND SEC. RUSK HAS TALKED WITH DOBRYNIN.

3. WE SHALL RAISE WITH BUNKER THE POSSIBILITY OF A U S MEETING WITH THE NLF PRESENT AS PART OF THE HANOI DELEGATION. THE MAJORITY VIEW IS THIS WOULD BE A SHOCK IN SAIGON. ON THE OTHER HAND, WE ALL LOOKED AT THE PROPOSITION THAT IT MIGHT BE STABILIZING IN SAIGON IF, IN FACT, HARRIMAN WERE TO SAY BEFORE AND AFTER THE MEETING THAT WE TREATED THEM AS A SINGLE DELEGATION.

BUT, ON BALANCE, SEC. RUSK, SEC. CLIFFORD, AND THE REST OF US FEEL THAT THE BEST THING TO NEGOTIATE WOULD BE A BILATERAL FOR THE 6TH. WE ARE NOT IN VERY GOOD SHAPE TO INSIST THAT HANOI NOT BRING ALONG ITS FRIEND; AND WE WILL HAVE TO MAKE A LATER DECISION IF THEY DO INSIST. A MEMORANDUM OF MAX TAYLOR'S SUGGESTS THAT HE COULD GO ALONG WITH A U S-HANOI-NLF MEETING IN WHICH WE MAKE IT ABSOLUTELY CLEAR WE WOULD DISCUSS NO SOUTHERN POLITICAL ISSUES AND TREAT THEM AS A SINGLE DELEGATION. I FEEL IT SHOULD BE BILATERAL UNLESS THE GVN CHANGE ITS MIND, WHICH IT IS UNLIKELY TO DO UNTIL AFTER THE ELECTION.

4. WITH THE CABLE TO NIXON FROM A NUMBER OF SOUTH VIETNAMESE SENATORS; BUNKER'S STRONG FEELING THAT THIEU WILL NOT MOVE UNTIL AFTER THE U S ELECTION; AND AN ITEM WHICH I FILE IMMEDIATELY BELOW, IT SEEMS ABSOLUTELY CLEAR THAT WHETHER OR NOT ANY U S POLITICAL GROUPS HAVE PLAYED A PART, SAIGON IS HOLDING OUT TO SEE WHO IS ELECTED AND IF THE SITUATION WILL BE DIFFERENT ON THESE ISSUES AFTER THE ELECTION. SECRETARIES RUSK AND CLIFFORD --AND BUNKER-- BELIEVE THE FIRST ORDER OF BUSINESS AFTER THE ELECTION WILL BE FOR PRESIDENT JOHNSON TO GET THE PRESIDENT-ELECT IN; TELL HIM THE WHOLE STORY; AND INSIST THAT HE GET WORD TO SAIGON TO GET THEMSELVES TO PARIS IF THEY ARE NOT TO LOSE IN THE U S THE POLITICAL BASE FOR OUR VIETNAM POLICY. THE EXTRA ITEM OF INTELLIGENCE WHICH BEARS ON THIS MATTER IS THE FOLLOWING FROM A ONE HUNDRED PERCENT SURE SOURCE: QUOTE THIEU ALSO SEES A DEFINITE CONNECTION BETWEEN THE MOVES NOW UNDERWAY AND PRESIDENT JOHNSON'S WISH TO SEE VICE PRESIDENT HUMPHREY ELECTED. THIEU REFERRED MANY TIMES TO THE U S ELECTION AND SUGGESTED TO HIS VISITORS THAT THE CURRENT TALKS ARE DESIGNED TO AID HUMPHREY'S CANDIDACY. THIEU HAS SAID THAT JOHNSON AND HUMPHREY WILL BE REPLACED AND THEN NIXON COULD CHANGE THE U S POSITION. END QUOTE. THE ITEM IS DATED OCTOBER 26.

5. IN FACT, SEC. RUSK BELIEVES THAT YOU SHOULD NOW CALL NIXON, IN THE LIGHT OF STATEMENTS MADE BY HIS ENTOURAGE THAT PRESIDENT JOHNSON HAD GIVEN THE IMPRESSION THAT THE DEAL WITH SAIGON WAS ALL SEWED UP, AND TELL NIXON RIGHT NOW THE FOLLOWING.

-- THE DEAL WITH SAIGON WAS LOCKED UP WITH THIEU, KY AND OTHERS IN MID-OCTOBER;

-- THIEU AND KY PERSONALLY NEGOTIATED IN A GOOD, HARD BARGAINING SESSION ON 28 OCTOBER THE JOINT COMMUNIQUE;

-- THE DEAL BECAME UNHOOKED ONLY AT THE LAST MINUTE. WE KNOW SOE, BUT NOT ALL, THE REASONS WHY IT HAS BECOME UNHOOKED. IN PART, THIEU MAY BE HAVING TROUBLE WITH HIS CIVILIAN POLITICIANS; BUT IT IS BUNKER'S JUDGMENT THAT THERE IS SOME CONNECTION IN THIS HOLD BACK ON ABSOLUTELY SECONDARY ISSUES PREVIOUSLY AGREED, BEACUSE OF THE U S ELECTION.

-- NIXON SHOULD BE REMINDED THAT THIS IS EXACTLY THE KIND OF PROBLEM THAT PRESIDENT EISENHOWER, VICE PRESIDENT NIXON, AND SECRETARY DULLES HAD TO COPE WITH IN 1953 DEALING WITH SYNGMAN RHEE DURING THE PEACE NEGOTIATIONS.

-- IF NIXON IS ELECTED ON TUESDAY, THE PRESIDENT WILL GO INTO THIS MATTER URGENTLY IN DETAIL, INDICATING THE STAKES INVOLVED FOR BOTH VIETNAM AND THE UNITED STATES IN GETTING TO PARIS SOON.

-- IN THE MEANWHILE, THE PRESIDENT WOULD WISH TO URGE NIXON THAT HE SHOULD BE EXTREMELY CAREFUL IN WHAT HE SAYS IN THE NEXT FEW DAYS SO AS NOT TO INFLAME THE SITUATION OR TO WIDEN THE GAP.

THE NATIONAL INTEREST IS THAT WE ALL FIND WAYS TO MOVE AHEAD TOWARDS PEACE.

6. IN THE FOLLOWING CIA REPORT WE GET KY'S REACTION TO WHAT HAS TRANSPIRED. HE CALMED DOWN A LITTLE WHEN HE READ YOUR SPEECH; BUT IN PARAGRAPH 6 HE IS THINKING IN TERMS OF SOMETHING LIKE A TWO-TRACK POLICY (OR EVEN ONE-TRACK) RATHER THAN GOING TO PARIS AT ALL. I WOULD GUESS THAT IT WOULD BE BETTER IF WE CAN WORK OUT THE ARRANGEMENT IN PARIS. BUT WE DO HAVE OPTIONS IF THIEU CAN'T GET TO PARIS AT ALL.

QUOTE

1.36(4)

[REDACTED] FROM LT COLONEL PHAM VAN MINH, EXECUTIVE DIRECTOR OF VICE-PRESIDENT KY'S OFFICE WHO WAS AWARE HIS REMARKS WOULD REACH UNITED STATES OFFICIALS. HIS COMMENTS ON KY'S ATTITUDES WERE BASED ON A SHORT TALK HE HAD WITH THE VICE PRESIDENT ON THE MORNING OF 1 NOVEMBER AND ON A MORE LENGTHY CONVERSATION WITH KY THAT EVENING.

1. VICE PRESIDENT NGUYEN CAO KY'S INITIAL REACTION TO PRESIDENT JOHNSON'S 1 NOVEMBER SPEECH ANNOUNCING A BOMBING HALT WAS ONE OF ANGER AND FRUSTRATION. KY SAID THAT THE UNILATERAL NATURE OF THE BOMBING HALT EXPOSED "THE TRUE FACE OF THE AMERICANS" AND THE NEED TO GUARD AGAINST FURTHER AMERICAN PRESSURE AND DUPLICITY.

2. BY THE EVENING OF 1 NOVEMBER KY HAD CALMED DOWN AND WAS MORE PHILOSOPHICAL ABOUT THE JOHNSON ANNOUNCEMENT. HE ACKNOWLEDGED THAT PRESIDENT JOHNSON HAD CHOSEN HIS WORDS CAREFULLY, RECOGNIZING SOUTH VIETNAMESE SENSITIVITIES. KY STILL BELIEVED, HOWEVER, THAT THE AMERICANS ACTED FOR DOMESTIC POLITICAL REASONS, SHOWED LITTLE APPRECIATION FOR SOUTH VIETNAMESE VIEWPOINTS, AND PRESSED THEIR CONSULTATIONS WITH THE GOVERNMENT (GVN) WITH UNNECESSARY HASTE. STILL, KY REASONED, THE WAR MUST GO ON AND THE GVN MUST MAKE THE BEST OF A BAD SITUATION AND WORK TO PRESERVE ITS INDEPENDENCE.

3. KY BLAMED THE BASIC WEAKNESS AND THE OVER-DEPENDENCE OF THE THIEU GOVERNMENT ON THE AMERICANS DURING THE PAST YEAR FOR ENCOURAGING THE U.S. TO TAKE THE VIETNAMESE FOR GRANTED. HE HOPED THIEU HAD LEARNED A LESSON AND WOULD MAINTAIN A MORE FORCEFUL AND INDEPENDENT STAND ON FUTURE ISSUES VITAL TO THE GVN'S SECURITY.

4. KY HAS GIVEN THIEU HIS ASSURANCE OF FULL COOPERATION IN REPAIRING THE DAMAGE DONE TO THE GVN BY THE BOMBING HALT TALKS. THE PAST TWO WEEKS HAVE CLEARLY BROUGHT THE TWO MEN CLOSER TOGETHER. THEY HAVE APPEARED WITH INCREASING FREQUENCY TOGETHER IN PUBLIC AND CONSULT OFTEN ON THE PHONE AND FACE-TO-FACE. IF THIEU CONTINUES TO SEEK KY'S ADVICE AND SUPPORT IN THE NEXT FEW WEEKS, THE FORMER DIFFERENCES BETWEEN THEM MAY BE REPAIRED. KY BELIEVES THAT THIEU SHOULD PUBLICIZE THE US/GVN TALKS OF THE PAST TWO WEEKS TO SHOW THE PEOPLE THE NATURE OF THE PRESSURE THE GVN HAS BEEN UNDER AND TO DRAMATIZE THE STRENGTH OF THE GVN'S LEADERSHIP AND SO PROMOTE NATIONAL UNITY.

5. KY BELIEVES THAT THE UNILATERAL NATURE OF THE BOMBING HALT PRECLUDES BOTH THE GVN'S RUSHING TO THE PARIS TALKS AS AN EAGER PARTICIPANT AND HIS OWN PRESENCE AT PARIS, EITHER AS DELEGATION HEAD OR AS A BACKGROUND POLICY MAKER. HIS OTHER REMARKS APPARENTLY SUGGEST THAT HE FEELS THAT THE GVN HAS LITTLE ALTERNATIVE TO MAINTAINING ITS OBSERVER DELEGATION IN PARIS.

6. KY HAS SUGGESTED THAT PERHAPS IT WOULD BE BEST IF BOTH HANOI AND THE U.S. WITHDREW FROM SOUTH VIETNAM AS QUICKLY AS POSSIBLE. HE BELIEVES THAT, GIVEN A REASONABLE DEGREE OF UNITY, THE GVN IS NOW STRONG ENOUGH TO DEFEAT THE VIET CONG ON THE BATTLEFIELD AND THE NATIONAL LIBERATION FRONT POLITICALLY.

END QUOTE

7. THE FOLLOWING SIGNIFICANT INTELLIGENCE REPORT INDICATES THAT THE NORTH VIETNAMESE TEND TO LINK THE BOMBING HALT TO PRESIDENTIAL ELECTIONS AND THINK WE MAY RESUME SHORTLY AFTER THE ELECTION.

QUOTE

A REFLECTION OF THE AMERICAN BOMBING HALT IN NORTH VIETNAM WAS CONTAINED IN A 2 NOVEMBER COMMUNIQUE

1.3(a)(4)

THE RECIPIENT OF THE COMMUNIQUE WAS INFORMED THAT VARIOUS UNITS IN THE NORTH WERE TO GUARANTEE THAT CADRE AND SOLDIERS RETURNED TO THEIR NORMAL ACTIVITIES. HOWEVER, THE MESSAGE CAUTIONED THE RECIPIENT TO "BE ON GUARD" AGAINST A RESUMPTION OF AIR STRIKES.

THE REASON FOR THE HALT, ACCORDING TO THE REPORT, WAS DIRECTLY ATTRIBUTED TO THE SUCCESS ENJOYED BY COMMUNIST FORCES "IN THE SOUTH". THE REPORT CONTINUED BY INDICATING THAT ALLIED FORCES WERE DE-ESCALATING IN ORDER TO "SOLIDIFY FORCES" IN THE SOUTH.

THE COMMUNIQUE CONCLUDED WITH A REFERENCE TO THE UPCOMING U.S. PRESIDENTIAL ELECTIONS. THE ELECTIONS WERE REPORTEDLY BEING HELD IN ORDER TO "SWINDLE THE PEOPLE". THE ORIGINATOR OF THE DISPATCH ORDERED THAT "VARIOUS UNITS" WERE TO INSURE THAT THEIR PERSONNEL REMAIN ALERT SINCE, AFTER THE PRESIDENTIAL ELECTIONS, AMERICAN BOMBING IN THE NORTH WOULD RESUME.

1.3(a)(4)

END QUOTE

8. FINALLY, THE FOLLOWING INTELLIGENCE REPORT FROM VIENTIANE IS FURTHER EVIDENCE OF THE INCIDENTS OF SOVIET-CHICOM FRICATIONS OVER VIETNAM.

QUOTE

1. THERE ARE NEW SIGNS OF AGGRAVATED FRICTION BETWEEN SOVIETS AND CHICOMS IN NORTH VIETNAM. TWO OF THESE HAVE RECENTLY BEEN REPORTED TO US IN VIENTIANE.
2. FIRST IS FACT THAT SOVIET FRATERNAL DELEGATIONS GOING TO HANOI SEEM TO HAVE CEASED TRANSIT ACROSS CHINA. IT WILL BE NOTED THAT LATEST ICC FLIGHT TO HANOI CARRIES CONSIDERABLE GROUP RUSSIAN PASSENGERS. SOVIET AMBASSADOR CONFIRMED TO ME LAST EVENING THAT THESE WERE TRADE UNION AND OTHER REPRESENTATIVES WHO FOUND IT "SAFER" TO TRANSIT CAMBODIA AND LAOS RATHER THAN CHINA.
3. FROM ICC SOURCES WE HEAR THAT THERE WAS RECENTLY LARGE BRAWL BETWEEN SOVIET AND CHINESE SEAMEN. AS RESULT, SHORE LEAVES ARE RESTRICTED TO ALTERNATE DAYS. AIRGRAM FOLLOWS WITH DETAILS.

END QUOTE

9. I WILL BE FILING AS SOON AS I GET IT, A COPY OF THE OUTGOING TO BUNKER WHICH WILL PUT TO HIM THE STRATEGY WE PROPOSE TO INSTRUCT VANCE TO FOLLOW TOMORROW IN PARIS. YOUR EARLY GUIDANCE IS DESIRABLE, BECAUSE WE SHALL HAVE TO DISPATCH DURING THE NIGHT TO VANCE.

10M SEC RUSK BELIEVES WE SHOULD BE MAKING NO STATEMENTS ON THE SAIGON SITUATION. WE SHOULD HUNKER UP AND TAKE IT FOR A FEW DAYS. I, HOWEVER, HAVE BEEN BACKGROUNDING (FOR EXAMPLE, CROSBY NOYES, HENRY BRANDON, GEORGE SHERMAN, TOM LAMBERT, PHIL POTTER) TO PLAY IT COOL; GIVE THIEU A CHANCE TO WORK OUT HIS POLITICS IN SAIGON; AND KEEP AN EYE ON THE DMZ. I DO CONFESS I AM A LITTLE WORRIED ABOUT THE SHELLING OF CITIES. I HAVE JUST RECEIVED, FOR EXAMPLE, THE FOLLOWING REPORT:

QUOTE

AT 021125 EST, THE CITY AND ARVN COMPOUND OF MY THO (POP 50,000) LOCATED 38 NAUTICAL MILES SOUTHEAST OF SAIGON, SUSTAINED AN 82-MM MORTAR ATTACK CONSISTING OF APPROXIMATELY 20 ROUNDS. INITIAL REPORTS INDICATE THAT THE MAJORITY OF THE ROUNDS FELL IN THE SOUTHWEST PORTION OF TOWN COVERING A WIDE AREA OF THE POPULATED PORTION. PRELIMINARY INFORMATION INDICATES THAT 10 SOUTH VIETNAMESE CIVILIANS WERE WOUNDED.

END QUOTE

I AM SURE VANCE SHOULD HIT HANOI HARD ON THIS TOMORROW-- FORCING THEM TO TAKE RESPONSIBILITY FOR THE VC. THOSE SHELLS WERE DELIVERED VIA HANOI. WE SHOULD ALSO TALK TO THE RUSSIANS.

DTG 022031Z NOV 68

~~SECRET~~

EYES ONLY

~~CONFIDENTIAL~~

SENT
WHCA

37

EEA 652
OO WTE10 WTE15
DE WTE 4175

68 NOV 2 22 43
68 NOV

WHITE HOUSE
SITUATION ROOM

FROM: WALT ROSTOW
TO : THE PRESIDENT
INFO: GEORGE CHRISTIAN
CITE: CAP82642

Pres file 3 PM 6:41

~~CONFIDENTIAL~~

NOVEMBER 2, 1968

SUBJECT: SECOND BATCH OF TELEGRAMS ABOUT YOUR OCTOBER 31 ADDRESS

1. HERewith A SUMMARY ANALYSIS OF THE SECOND BATCH OF TELEGRAMS EXPRESSING REACTION TO YOUR ADDRESS OF THURSDAY EVENING. SINCE MY REPORT OF YESTERDAY AFTERNOON, AN ADDITIONAL 760 TELEGRAMS REACHED THE WHITE HOUSE BY NOON TODAY.

2. THIS GROUP OF 760 INCLUDES 458 (OR 60 PERCENT) CRITICAL AND 302 (OR 40 PERCENT) FAVORABLE TELEGRAMS. YOU RECALL THE FIRST BATCH FROM YESTERDAY WAS A TOTAL OF 331 TELEGRAMS DIVIDED BETWEEN 225 (OR 68 PERCENT) CRITICAL AND 106 (OR 32 PERCENT) FAVORABLE.

3. THE OVERALL TOTAL FOR THE TWO DAYS THEN IS 1,091 TELEGRAMS SPLIT BETWEEN 683 (OR 62.5 PERCENT) CRITICAL AND 408 (OR 37.5 PERCENT) FAVORABLE.

4. THE TREND IN THIS FLOW OF TELEGRAMS IS MORE THAN A DOUBLING IN VOLUME LINKED WITH AN EIGHT POINT SWING FROM CRITICAL TO FAVORABLE COMMENT.

5. THE 458 CRITICAL TELEGRAMS OF TODAY EXPRESSED THESE PRIMARY THEMES:

- A. ATTRIBUTED YOUR DECISION TO DOMESTIC POLITICAL MOTIVATION IN AN EFFORT TO HELP VICE PRESIDENT HUMPHREY GET ELECTED--296 (OR 65 PERCENT) OF THE CRITICAL TELEGRAMS. (INCLUDES 14 TELEGRAMS FROM RELATIVES OF SERVICEMEN IN, ENROUTE OR KILLED OR WOUNDED IN VIETNAM).
- B. CONCLUSIONS THAT YOU HAVE ENDANGERED THE LIVES AND SAFETY OF AMERICAN FORCES IN VIETNAM--93 (OR 20 PERCENT) OF THE CRITICAL TELEGRAMS. (INCLUDES 15 TELEGRAMS FROM PERSONS WITH RELATIVES IN, ENROUTE OR KILLED OR WOUNDED IN VIETNAM).

DETERMINED TO BE AN ADMINISTRATIVE MARKING CANCELLED PER E.O. 12350, SEC. 13 AND ARCHIVIST'S MEMO OF MAR 18 1982

C. OTHER PRIMARY THEMES--SUCH AS "YOU CANNOT TRUST COMMUNISTS; WHAT HAVE YOU GOTTEN IN RETURN? WHERE IS THE RECIPROCITY? SELLOUT AND SURRENDER," AND EXPRESSIONS OF PERSONAL ABUSE--69 (OR 15 PERCENT) OF THE CRITICAL MESSAGES.

6. TODAY'S 302 FAVORABLE TELEGRAMS EXPRESSED THE GENERAL THEME THAT THIS IS A FURTHER STEP TOWARDS PEACE, AND CONVEYED "CONGRATULATIONS; THANK YOU;" AND "GOD BLESS YOU." YOUR DECISION AND ANNOUNCEMENT WAS ATTRIBUTED TO: "WISDOM, COURAGE, STRENGTH, SINCERITY, STATESMANSHIP". A FEW REGRETTED YOUR IMMINENT LOSS OF LEADERSHIP. MANY CALLED YOU A "GREAT PRESIDENT, STATESMAN, AND PATRIOT." SEVERAL INDICATED THEY WOULD VOTE NOW FOR HUMPHREY AND MUSKIE. TWO TELEGRAMS WERE FROM PERSONS WITH RELATIVES SERVING IN VIETNAM.

A. FROM THE RANKS OF LABOR: TELEGRAMS FROM MR. AND MRS. WALTER REUTHER AND FROM MR. AND MRS. VICTOR REUTHER; 18 TELEGRAMS FROM VARIOUS UAW LOCAL REGIONAL ORGANIZATIONS; ONE TELEGRAM FROM WILLIAM POLLOCK PRESIDENT OF THE TEXTILE WORKERS NATIONAL. HANK BROWN OF THE TEXAS AFL-CIO SENT A TELEGRAM OF SUPPORT.

B. FROM RELIGIOUS GROUPS: 17 TELEGRAMS FROM PERSONS RANGING FROM INDIVIDUAL MINISTERS AND PASTORS TO NATIONAL FIGURES SUCH AS: DR. WILLIAM A. WEXLER, PRESIDENT OF THE B'NAI B'RITH; A. DALE FIERS, PRESIDENT OF THE DISCIPLES OF CHRIST; FREDERICK NOLDE, INTERNATIONAL AFFAIRS DIRECTOR OF THE WORLD COUNCIL OF CHURCHES; ERNEST GROSS, INTERNATIONAL AFFAIRS CHAIRMAN OF THE NATIONAL COUNCIL OF CHURCHES; MRS. ROBERT CLAYTOR, PRESIDENT OF THE NATIONAL YWCA; MRS. LEONARD WEINER, PRESIDENT OF THE NATIONAL COUNCIL OF JEWISH WOMEN; GILBERT WHITE, CHAIRMAN OF THE AMERICAN FRIENDS SERVICE COMMITTEE; H. ERNEST BENNETT, CHAIRMAN OF THE MENNONITE CENTRAL COMMITTEE.

C. FROM NATIONAL FIGURES: TELEGRAMS HAVE COME IN FROM SENATOR JAVITS, SENATOR YARBOROUGH; MAYOR ALIOTO; MAYOR LINDSAY; JUDGE SARAH HUGHES; WILLIAM DRIVER; ARTHUR DEAN; JOE JOHNSON OF THE CARNEGIE ENDOWMENT; ABRAHAM FEINBERG; ARMAND HAMMER; BOB BENJAMIN OF NEW YORK; AND JIM CHAMBERS OF THE DALLAS TIMES HERALD. SUPPORTIVE TELEGRAMS ALSO CAME FROM MIGUEL GUAJARDO, CONGRESSMAN OROZCO, AND ZSA ZSA GABOR.

SO FAR ONLY A HANDFUL OF LETTERS HAVE COME IN. BY MONDAY WE EXPECT MANY MORE. I WILL REPORT ON THEM.

DTG. 022128Z NOVEMBER 1968

~~CONFIDENTIAL~~

~~SECRET~~

38

SENT
WHCA

68 NOV 2 21 36

68 NOV 2 2 PM 5:04
WHITE HOUSE
SITUATION ROOM

EEA650
OO WTE10 WTE15
DE WTE 4174

FROM WALT ROSTOV
TO THE PRESIDENT
INFO GEORGE CHRISTIAN
CITE CAP82641

~~SECRET~~

50 U.S. WERE KILLED IN ACTION DURING THE 24 HOUR PERIOD WHICH ENDED AT 11 A. M. EST, FRIDAY 1 NOVEMBER. THUS 21 HOURS OF THE REPORTING PERIOD WERE PRIOR TO THE BOMBING CESSATION. 12 OF THE KILLED RESULTED FROM 5 INCIDENTS IN I CORPS. 11 WERE KILLED IN THE MINING OF THE LANDING SHIP TANK (LST) WESTCHESTER COUNTY. THE REMAINING 27 CASUALTIES RESULTED FROM WIDELY SCATTERED SMALL UNIT ACTIONS IN I, III AND IV CORPS, NOT SPECIFICALLY REPORTED DURING THIS PERIOD. THERE WERE NO REPORTED CASUALTIES IN THE II CORPS.

Per file

DTG: 022118Z NOV 1968

~~SECRET~~

DECLASSIFIED

E.O. 12356, Sec. 3.3

DA Memo. Jan. 5, 1988

By ag NARA Date 3-8-93

EEA648
OO WIZI@
DE WTE 4172

FROM WALT ROSTOV
TO THE PRESIDENT
CITE CAP82639

SENT
WHCA

39
Pres file

~~SECRET~~

NOV 2 20 52

~~SECRET~~

NOVEMBER 2, 1968

HEREWITH PROPOSED RESPONSE TO MRS. GANDHI FOR YOUR CLEARANCE.

DEAR MADAME PRIME MINISTER:

THANK YOU FOR YOUR MESSAGES OF OCTOBER 27 AND NOVEMBER 1.
I GREATLY VALUE THESE EXPRESSIONS OF SUPPORT.

YOU KNOW FROM MY OCTOBER 31 ADDRESS TO THE NATION THAT,
AS A RESULT OF MY DECISION TO ORDER THE CESSATION OF BOMBARDMENT
OF NORTH VIET-NAM, WE NOW EXPECT PROMPT, PRODUCTIVE, SERIOUS,
AND INTENSIVE NEGOTIATIONS IN AN ATMOSPHERE THAT IS CONDUCTIVE
TO PROGRESS.

AS I SAID ON OCTOBER 31, THIS NEW PHASE OF NEGOTIATIONS DOES
NOT MEAN THAT A STABLE PEACE HAS YET COME TO SOUTHEAST ASIA.
THERE MAY WELL BE VERY HARD FIGHTING AHEAD, AND THERE WILL
CERTAINLY BE VERY HARD NEGOTIATING, BECAUSE MANY DIFFICULT
AND CRITICALLY IMPORTANT ISSUES ARE STILL FACING THE
NEGOTIATORS.

IN THIS SITUATION, IT IS MOST IMPORTANT THAT GOVERNMENTS
LIKE THAT OF INDIA WHICH HAVE INFLUENCE IN HANOI NOW EXERCISE
THAT INFLUENCE TO THE FULLEST EXTENT IN ORDER TO PERSUADE THE
NORTH VIETNAMESE LEADERS TO DE-ESCALATE THE CONFLICT PROMPTLY
AND SERIOUSLY. WE HAVE MADE A MAJOR MOVE; NOW LET THOSE WHO
HAVE ASSESSED HANOI AS BEING GENUINELY INTERESTED IN
DE-ESCALATION AND PEACE SEE IF THESE ASSESSMENTS HAVE SUBSTANCE.

THERE IS ONE OTHER FIELD IN WHICH YOUR GOVERNMENT IS IN A
POSITION TO PLAY A CONSTRUCTIVE ROLE IN THE INTERESTS OF PEACE.
AS CHAIRMAN OF THE INTERNATIONAL CONTROL COMMISSIONS ESTABLISHED
UNDER THE 1954 AND 1962 GENEVA ACCORDS, INDIA HAS
RESPONSIBILITY IN THE CONTROL AND SUPERVISION OF THE GENEVA
PROVISIONS ON CESSATION OF HOSTILITIES IN BOTH VIET-NAM AND
LAOS. I KNOW HOW DIFFICULT IT HAS BEEN TO CARRY OUT THESE
RESPONSIBILITIES IN THE FACE OF HANOI'S CONSISTENT INTRANSIGENCE
OF THE YEARS. HOWEVER, I DO NOT THINK WE SHOULD PERMIT THIS
INTRANSIGENCE TO BLOCK THE DISCHARGE OF INTERNATIONALLY
ACCEPTED RESPONSIBILITIES FOR THE MAINTENANCE AND SUPERVISION
OF PEACE. FOR EXAMPLE, NORTH VIETNAMESE TROOPS HAVE NO BUSINESS
BEING IN LAOS AND SHOULD GO HOME.

I WOULD THEREFORE HOPE THAT IN THE COMING MONTHS THE
GOVERNMENT OF INDIA WILL ACTIVELY AND FORCEFULLY SEEK TO
DISCHARGE ITS RESPONSIBILITIES ON THE INTERNATIONAL CONTROL
COMMISSION. EFFECTIVE INTERNATIONAL SUPERVISORY ARRANGEMENTS
ARE OF COURSE A VITAL ELEMENT OF A STABLE PEACE IN SOUTHEAST
ASIA. I HOPE THAT INDIA WILL DEMONSTRATE IN BOTH WORDS AND DEEDS
THAT IT UNDERSTANDS THIS PRINCIPLE AND ACTIVELY SUPPORTS
ITS REALIZATION.

68 NOV 2 PM 4:01
WHITE HOUSE
SITUATION ROOM

DA-3 022010Z NOV 1968

DECLASSIFIED
EO 13526, Sec. 3.4
NJ 94-218
By cl, NARA, Date 7-31-95

STRICTLY CONFIDENTIAL COPY

~~SECRET~~

SENT
WHCA

40

EEA646
OO WTE 10 WTE 15
DE WTE 4169

1968 NOV 2 20 10

FROM W W ROSTOW
TO THE PRESIDENT
INFO GEORGE CHRISTIAN
CITE CAP82636

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 94-218
By CG, NARA Date 8-2-96

68 NOV 2 PM 3:42
WHITE HOUSE
SITUATION ROOM

~~SECRET~~

SUBJECT: PANAMA

SECRETARY RUSK HAS ASKED FOR YOUR AUTHORIZATION TO RESUME DIPLOMATIC RELATIONS WITH PANAMA DURING THE WEEK OF NOVEMBER 4-8. I UNDERSTAND, HOWEVER, THAT HE PLANS TO MOVE ONLY TOWARD THE END OF THE WEEK, AND NEEDS YOUR DECISION NO LATER THAT TUESDAY, NOVEMBER 5.

STATE HAS COMPLETED CONSULTATIONS WITH ALL OTHER OAS COUNTRIES FIFTEEN NATIONS HAVE NOW RECOGNIZED, INCLUDING MEXICO, CHILE, COLOMBIA, URUGUAY, ARGENTINA, NICARAGUA, HONDURAS, BOLIVIA, AND PARAGUAY IN THIS HEMISPHERE, AND GREAT BRITAIN, SPAIN, REPUBLIC OF CHINA, ISRAEL AND SWITZERLAND ELSEWHERE. SEVERAL OTHERS ARE EXPECTED TO FOLLOW BY THE MIDDLE OF NEXT WEEK.

THE PROVISIONAL GOVERNMENT IS IN FULL CONTROL AND THE COUNTRY IS CALM. THE GOVERNMENT HAS ASSURED US PUBLICLY AND PRIVATELY THAT IT WILL HOLD ELECTIONS TO REPLACE DEPOSED PRESIDENT ARIAS WITHIN A FEW MONTHS, AFTER REFORM OF THE ELECTORAL CODE. A THREE-MAN MEMBER ELECTORAL TRIBUNAL HAS JUST BEEN ANNOUNCED COMPOSED OF PROMINENT PANAMANIAN OF SOME DISTINCTION.

PRESS CENSORSHIP IS BEING RELAXED. PRO-ARIAS NEWSPAPERS WERE PERMITTED TO RESUME PUBLICATION NOVEMBER 1. BASIC CONSTITUTIONAL GUARANTEES REMAIN SUSPENDED, BUT MANY ARIAS SUPPORTERS ARE NOW BEING ALLOWED TO RETURN TO PANAMA OR RELEASED FROM CONFINEMENT.

THE MILITARY JUNTA CONTINUES EFFECTIVELY IN CONTROL OVER THE OPERATIONS OF CIVILIAN CABINET. BUSINESS CONDITIONS HAVE RETURNED TO NORMAL.

DEPOSED PRESIDENT ARIAS REMAINS IN WASHINGTON. HE HAS NO IMMEDIATE PLANS TO RETURN TO PANAMA AND SEEMS INCREASINGLY RESIGNED TO HIS FATE. HOWEVER, HE CONTINUES TO ARGUE FOR A DELAY OF US RECOGNITION TO PERMIT HIM TIME TO RALLY HIS SUPPORTERS' RESISTANCE. HE ALSO IS SPREADING STORIES HERE ABOUT ALLEGED COMMUNIST INFLUENCE IN THE JUNTA. (CIA IS CHECKING CAREFULLY ON THIS ANGLE.) BOB ANDERSON AND TOM MANN HAVE BOTH TALKED TO ARIAS, AS HAVE MEDIUM LEVEL STATE DEPARTMENT OFFICIALS. HE SEEMS VERY GRATEFUL FOR THE UNDERSTANDING AND DIGNIFIED TREATMENT HE HAS RECEIVED AT US HANDS.

SECRETARY RUSK BELIEVES DELAY IN RESUMING RELATIONS BEYOND NEXT WEEK COULD JEOPARDIZE OUR FUTURE WORKING RELATIONS WITH THE NEW GOVERNMENT AND MAKE IT MORE DIFFICULT EVENTUALLY TO REACH A CANAL SETTLEMENT. BY TUESDAY, RELATIONS WILL HAVE BEEN SUSPENDED LONGER THAN WAS THE CASE WITH THE NEW GOVERNMENT IN PERU. WE WILL ALSO HAVE GOTTEN ABOUT ALL POSSIBLE MILEAGE FROM RECOGNITION AS A LEVER TO PUSH THE PANAMANIAN JUNTA TOWARD A CONSTITUTIONAL SETTLEMENT. FURTHER DELAY WOULD PROBABLY BE SELF-DEFEATING. WE CAN CONTINUE TO USE OUR SIZEABLE ECONOMIC AID PROGRAM FOR THIS PURPOSE AFTER RECOGNITION.

I RECOMMEND THAT YOU AUTHORIZE SECRETARY RUSK TO RESUME RELATIONS AT A TIME OF HIS CHOOSING DURING THE WEEK OF NOVEMBER 4-8.

THE TEXT OF THE RUSK MEMORANDUM TO YOU FOLLOWS:

APPROVE -----

DISAPPROVE -----

CALL ME -----

MEMORANDUM FOR THE PRESIDENT

RECOMMENDATION

THAT YOU AUTHORIZE THE RESUMPTION OF OUR DIPLOMATIC RELATIONS WITH THE NEW GOVERNMENT OF PANAMA IN THE TIME FRAME NOVEMBER 4-8.

APPROVE ----- DISAPPROVE -----

DISCUSSION:

THE NATIONAL GUARD OF PANAMA REMOVED PRESIDENT ARNULFO ARIAS FROM OFFICE ON OCTOBER 11, 1968. THE PROVISIONAL GOVERNMENT, HEADED BY A MILITARY OFFICER, HAS AN ALL CIVILIAN CABINET AND IS IN FULL AND EFFECTIVE CONTROL OF THE COUNTRY.

WE HAVE CONSULTED EXTENSIVELY WITH OTHER AMERICAN REPUBLICS CONCERNING RELATIONS WITH THE NEW REGIME, IN ACCORDANCE WITH RESOLUTION XXVI OF THE SECOND SPECIAL INTER-AMERICAN CONFERENCE (RIO DE JANEIRO, 1965). THAT RESOLUTION RECOMMENDS THAT GOVERNMENTS IN THEIR CONSULTATIONS CONSIDER WHETHER THE DE FACTO AUTHORITIES PROPOSE TO HOLD FREE ELECTIONS WITHIN A REASONABLE TIME AND WHETHER THEY AGREE TO FULFILL THEIR COUNTRY'S INTERNATIONAL OBLIGATIONS, TO RESPECT HUMAN RIGHTS, AND TO COMPLY WITH COMMITMENTS ASSUMED UNDER THE ALLIANCE FOR PROGRESS.

BOTH IN PUBLIC STATEMENTS AND IN ORAL AND WRITTEN ASSURANCES TO UNITED STATES OFFICIALS IN PANAMA, THE NEW PANAMANIAN GOVERNMENT HAS EXPRESSED ITS GOOD INTENTIONS CONCERNING THE POINTS COVERED IN RESOLUTION XXVI. THESE ASSURANCES HAVE COME FROM BOTH CIVILIAN AND MILITARY MEMBERS OF THE PROVISIONAL GOVERNMENT. ASSURANCES HAVE ALSO BEEN PROVIDED TO US IN THE FORM OF A LETTER FROM THE FOREIGN MINISTER REPLYING TO OUR AMBASSADOR'S INQUIRY ABOUT THE PROVISIONAL GOVERNMENT'S VIEWS CONCERNING RESOLUTION XXVI. THE TEXT OF THIS LETTER IS ENCLOSED.

THE PROVISIONAL GOVERNMENT HAS PUBLICLY DECLARED THAT IT WILL HOLD ELECTIONS; AND THE FOREIGN MINISTER HAS INFORMED OUR AMBASSADOR THAT THE VOTING WILL TAKE PLACE IN ABOUT A YEAR. THE GOVERNMENT'S PUBLICLY STATED GOAL IS TO ENSURE THROUGH REFORMS IN THE ELECTORAL CODE THAT THE BALLOTING WILL NOT BE MARRIED BY FRAUD, AS HAS HAPPENED FREQUENTLY IN PANAMA IN THE PAST. THE GOVERNMENT WILL NOT PERMIT ARIAS TO BE A CANDIDATE BUT HAS INDICATED THAT IT IS WILLING TO CONSIDER PARTICIPATION BY HIS POLITICAL PARTY.

IN A WRITTEN REPLY TO AN INQUIRY FROM THE INTER-AMERICAN COMMISSION ON HUMAN RIGHTS, THE PROVISIONAL GOVERNMENT HAS STATED ITS RESPECT FOR CIVIL LIBERTIES WHILE ACKNOWLEDGING THAT IT HAS IMPOSED RESTRICTIVE MEASURES DURING THE NATIONAL EMERGENCY. IT HAS RELAXED SOME OF THE CONTROLS IMPOSED AT THE TIME FOR THE COUP, NOTABLY THE CURFEW AND VEHICLE CHECKS. ARIAS SUPPORTERS WHO TOOK REFUGE IN THE CANAL ZONE ARE GRADUALLY

BEING ALLOWED TO RETURN TO PANAMA, WHILE MOST OF THOSE WHO WERE JAILED HAVE BEEN RELEASED. SOME 200 PERSONS ALLEGED TO BE COMMUNISTS ARE STILL BEING HELD, HOWEVER. A FEW OF THE LEADING ARIAS COLLABORATORS HAVE BEEN FORCED INTO EXILE. PRESS CENSORSHIP CONTINUES, NOTWITHSTANDING PROMISES TO END IT SHORTLY. BASIC CONSTITUTIONAL GUARANTEES REMAIN SUSPENDED.

THE GOVERNMENT HAS GIVEN US WRITTEN ASSURANCES THAT IT WILL HONOR ALL OF PANAMA'S INTERNATIONAL OBLIGATIONS AND WILL OBSERVE COMMITMENTS PREVIOUSLY ASSUMED UNDER THE ALLIANCE FOR PROGRESS.

EIGHT LATIN AMERICAN NATIONS (MEXICO, CHILE, COLOMBIA, ARGENTINA, BOLIVIA, PARAGUAY, HONDURAS, AND NICARAGUA) HAVE RESUMED RELATIONS WITH PANAMA, AND WE EXPECT SEVERAL OTHERS TO DO SO SHORTLY. OUTSIDE THE HEMISPHERE, GREAT BRITAIN, SPAIN, AND THE REPUBLIC OF CHINA HAVE RECOGNIZED THE NEW GOVERNMENT.

IN CONSIDERING RESUMPTION OF RELATIONS, WE MUST TAKE INTO ACCOUNT NOT ONLY RESOLUTION XXVI BUT ALSO OUR SPECIAL INTERESTS IN PANAMA, CENTERING ON THE PANAMAN CANAL. OUR POSITION IN PANAMA MAKES A PROLONGED INTERRUPTION OF OFFICIAL TIES WITH THE DE FACTO AUTHORITIES UNDESIRABLE.

IN ADDITION, WE HAVE A NUMBER OF PRESSING ITEMS OF BUSINESS WHICH CANNOT BE DEALT WITH UNTIL WE RESUME RELATIONS. THE MOST IMPORTANT OF THESE INVOLVES THE SEA LEVEL CANAL STUDIES, THE COMPLETION OF WHICH REQUIRES THAT WE OBTAIN PERMISSION TO CONDUCT A SITE SURVEY DURING THE NEXT DRY SEASON, WHICH BEGINS IN DECEMBER.

RESUMPTION OF RELATIONS ALSO HAS A BEARING ON ARIAS' CURRENT ACTIVITIES IN THE UNITED STATES. RESUMPTION WOULD PROBABLY SERVE TO LIMIT THE IMPACT OF ARIAS' PRONOUNCEMENTS AND LESSEN THE PROBLEM OF HIS ERRATIC AND DRAMATIC BEHAVIOUR BY DIMINISHING THE CREDIBILITY OF HIS CLAIM TO BE THE LEGITIMATE PRESIDENT OF PANAMA.

OUR COURSE OF ACTION IN DEALING WITH THE NEW PANAMANIAN REGIME HAS BEEN FULLY CONSISTENT WITH OUR DESIRE NOT TO APPEAR TO BE EMBRACING A MILITARY REGIME THAT HAS OVERTHROWN A CONSTITUTIONAL PRESIDENT. IN PUBLIC STATEMENTS, IN CONSULTATIONS WITH OTHER LATIN AMERICAN NATIONS, AND IN OUR DEALINGS WITH THE PROVISIONAL GOVERNMENT, WE HAVE MADE CLEAR OUR DISAPPROVAL OF THE MILITARY COUP.

RESUMPTION OF RELATIONS WITH PANAMA ON NOVEMBER 4 WOULD MEAN A PERIOD OF SUSPENDED RELATIONS OF 24 DAYS. WE RESUMED RELATIONS WITH PERU 23 DAYS AFTER THE COUP IN THAT COUNTRY. TO DELAY RESUMPTION WITH PANAMA SUBSTANTIALLY LONGER THAN WE DID IN THE CASE OF PERU, WHEN THE PANAMANIAN PROVISIONAL GOVERNMENT HAS BEEN FAR MORE FORTHCOMING THAN THE PERUVIAN JUNTA REGARDING RETURN TO ELECTED GOVERNMENT, IS LIKELY TO BE MISUNDERSTOOD. IT WOULD ALSO INCREASE THE PROSPECTS FOR RESENTMENT ON THE PART OF THE ELEMENTS NOW GOVERNING PANAMA, TO THE DETRIMENT OF OUR LONG-TERM RELATIONS AND SPECIAL INTERESTS THERE.

WE HAVE NOW REACHED A POINT WHERE THE ADVANTAGES TO BE GAINED THROUGH THE PRESSURE OF NON-RECOGNITION ARE SMALL IN COMPARISON TO THE CONSTRUCTIVE INFLUENCE WE MIGHT EXERCISE ON THE NEW GOVERNMENT IF RELATIONS WERE RESTORED. MOREOVER, FURTHER DELAY IN RESUMING RELATIONS WILL ONLY SERVE TO REDUCE OUR STANDING WITH A GOVERNMENT WHOSE GOODWILL AND COOPERATION WE REQUIRE IN ORDER TO CARRY OUT OUR SPECIAL OBLIGATIONS AND RESPONSIBILITIES IN PANAMA. I THEREFORE BELIEVE THAT RESUMPTION OF RELATIONS IS COMPATIBLE WITH BOTH OUR HEMISPHERIC OBJECTIVES AND OUR SPECIAL INTERESTS IN PANAMA.

DEAN RUSK

OFFICIAL TRANSLATION OF LETTER FROM THE FOREIGN MINISTER OF
THE PROVISIONAL GOVERNMENT OF PANAMA

OCTOBER 24, 1968

MR. AMBASSADOR:

IN REPLY TO YOUR LETTER DATED OCTOBER 16, 1968, I HAVE THE HONOR TO INFORM YOUR EXCELLENCY, WITH REFERENCE TO POINTS 2 (A) AND (B) OF RESOLUTION XXVI OF THE SECOND SPECIAL MEETING OF MINISTERS OF FOREIGN AFFAIRS AT RIO DE JANEIRO, AS FOLLOWS:

(A) THE PROVISIONAL GOVERNMENT JUNTA, HEADED BY THEIR EXCELLENCIES COLONEL JOSE MARIA PINILLA FABREGA AND COLONEL BOLIVAR URRUTIA PARRILLA, HAS MADE A DECISION TO HOLD TRULY HONEST ELECTIONS. THAT MEANS AN ELECTION CAMPAIGN WITH FULL GUARANTEES FOR ALL CITIZENS, AND VOTING CONDUCTED WITH COMPLETE HONESTY, SUBJECT TO LEGAL PROCEDURES WHICH WILL BE DECIDED UPON, WITHOUT APPEAL, BY A COURT COMPOSED OF JUDGES WHO, BECAUSE OF THEIR EXPERIENCE AND HONESTY, INSPIRE TRUST. FOR THAT PURPOSE, CONSIDERATION IS NOW BEING GIVEN TO APPOINTING NEW JUDGES TO THE ELECTORAL COURT.

THE NECESSARY CONSULTATIVE STEPS WILL BE TAKEN IN DUE COURSE TO AMEND THE ELECTORAL CODE, WITH A VIEW TO CLARIFYING VARIOUS PROVISIONS WHOSE INTERPRETATION HAS GIVEN RISE TO DISPUTES. MOREOVER, THESE CONSULTATIVE STEPS WILL BE INTENDED TO DETERMINE THE DATE OF THE ELECTIONS:

(B) THE GOVERNMENT JUNTA WILL, IN ACCORDANCE WITH ARTICLE 4 OF THE CONSTITUTION OF THE REPUBLIC, ABIDE BY THE RULES OF INTERNATIONAL LAW. THAT MEANS THAT IT WILL FULFILL ALL INTERNATIONAL COMMITMENTS: AND

(C) THE GOVERNMENT JUNTA WILL TAKE STEPS TO ENSURE RESPECT FOR THE HUMAN RIGHTS CONTAINED IN THE AMERICAN DECLARATION OF THE RIGHTS AND DUTIES OF MAN. NATURALLY, DURING A NATIONAL EMERGENCY SUCH AS THIS ONE, SOME FUNDAMENTAL RIGHTS AND GUARANTEES ARE RESTRICTED. I THINK IT FITTING TO EMPHASIZE, WITH RESPECT TO THE AFOREMENTIONED DECLARATION, THAT WHAT THE PEOPLES OF AMERICA DESIRE IS THAT THE PRINCIPLES CONTAINED IN IT BE EMBODIED IN A CONVENTION, AND ALSO THAT AN INTER-AMERICAN COURT OF HUMAN RIGHTS BE ESTABLISHED SO THAT EACH MAN MAY HAVE A FORUM BEFORE WHICH HE MAY ASSERT HIS RIGHT TO RESPECT FOR HUMAN DIGNITY. PANAMA WILL CONTINUE TO FULFILL ALL COMMITMENTS ASSUMED BY THE SIGNATORIES OF THE DECLARATION OF THE PEOPLES OF AMERICA AND TO ABIDE BY THE GENERAL PRINCIPLES OF THE CHARTER OF PUNTA DEL ESTE.

I AVAIL MYSELF OF THIS OPPORTUNITY TO RENEW TO YOUR EXCELLENCY THE ASSURANCES OF MY HIGHEST AND MOST DISTINGUISHED CONSIDERATION.

CARLOS ALFREDO LOPEZ GUEVARA,
MINISTER OF FOREIGN AFFAIRS

DTG: 021855Z NOV 68

SECRET

~~SECRET~~

ACTION

Saturday - November 2, 1968

TO: The President
FROM: W. W. Rostow
SUBJECT: Panama

Presfile

Secretary Rusk has asked for your authorization to resume diplomatic relations with Panama during the week of November 4-8. I understand, however, that he plans to move only toward the end of the week, and needs your decision no later than Tuesday, November 5,

State has completed consultations with all other OAS countries. Fifteen nations have now recognized, including Mexico, Chile, Colombia, Uruguay, Argentina, Nicaragua, Honduras, Bolivia, and Paraguay in this Hemisphere, and Great Britain, Spain, Republic of China, Israel and Switzerland elsewhere. Several others are expected to follow by the middle of next week.

The Provisional Government is in full control and the country is calm. The Government has assured us publicly and privately that it will hold elections to replace deposed President Arias within a few months, after reform of the electoral code. A three-man member electoral tribunal has just been announced composed of prominent Panamanians of some distinction.

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 94-218
By CB, NARA Date 8-2-96

Press censorship is being relaxed. Pro-Arias newspapers were permitted to resume publication November 1. Basic constitutional guarantees remain suspended, but many Arias supporters are now being allowed to return to Panama or released from confinement.

The military junta continues effectively in control over the operations of a civilian cabinet. Business conditions have returned to normal.

Deposed President Arias remains in Washington. He has no immediate plans to return to Panama and seems increasingly resigned to his fate. However, he continues to argue for a delay of US recognition to permit him time to rally his supporters' resistance. He also is spreading stories here about alleged Communist influence in the junta. (CIA is checking carefully on this angle.) Bob Anderson and Tom Mann have both talked to Arias, as have medium level State Department officials. He seems very grateful for the understanding and dignified treatment he has received at US hands.

Secretary Rusk believes delay in resuming relations beyond next week could jeopardise our future working relations with the new government and make it more difficult eventually to reach a canal settlement. By Tuesday, relations will have been suspended longer than was the case

with the new government in Peru. We will also have gotten about all possible mileage from recognition as a lever to push the Panamanian junta toward a constitutional settlement. Further delay would probably be self-defeating. We can continue to use our sizeable economic aid program for this purpose after recognition.

I recommend that you authorize Secretary Rusk to resume relations at a time of his choosing during the week of November 4-8.

The text of the Rusk memorandum to you follows:

Approve ___

Disapprove ___

Call me ___

Cc - George Christian

SWLewis:mm

THE SECRETARY OF STATE
WASHINGTON

3303

4/a : in our
2. Poston

14475

November 1, 1968

~~SECRET~~

MEMORANDUM FOR THE PRESIDENT

DECLASSIFIED
E.O. 12958, Sec. 3.6

NLJ 94-218
By cb, NARA Date 8-2-96

Subject: Resumption of Diplomatic Relations with
New Panamanian Government

Recommendation

That you authorize the resumption of our diplomatic relations with the new Government of Panama in the time frame November 4-8.

Approve _____ Disapprove _____

Discussion:

The National Guard of Panama removed President Arnulfo Arias from office on October 11, 1968. The Provisional Government, headed by a military officer, has an all civilian cabinet and is in full and effective control of the country.

We have consulted extensively with other American Republics concerning relations with the new regime, in accordance with Resolution XXVI of the Second Special Inter-American Conference (Rio de Janeiro, 1965). That resolution recommends that governments in their consultations consider whether the de facto authorities propose to hold free elections within a reasonable time and whether they agree to fulfill their country's international obligations, to respect human rights, and to comply with commitments assumed under the Alliance for Progress.

Both in public statements and in oral and written assurances to United States officials in Panama, the new Panamanian Government has expressed its good intentions concerning the points covered in Resolution XXVI. These assurances have come from both civilian and military members of the Provisional Government. Assurances have also been provided to us in the

~~SECRET~~
GROUP 3

Downgraded at 12-year intervals;
not automatically declassified

form of a letter from the Foreign Minister replying to our Ambassador's inquiry about the Provisional Government's views concerning Resolution XXVI. The text of this letter is enclosed.

The Provisional Government has publicly declared that it will hold elections; and the Foreign Minister has informed our Ambassador that the voting will take place in about a year. The Government's publicly stated goal is to ensure through reforms in the electoral code that the balloting will not be marred by fraud, as has happened frequently in Panama in the past. The Government will not permit Arias to be a candidate but has indicated that it is willing to consider participation by his political party.

In a written reply to an inquiry from the Inter-American Commission on Human Rights, the Provisional Government has stated its respect for civil liberties while acknowledging that it has imposed restrictive measures during the national emergency. It has relaxed some of the controls imposed at the time of the coup, notably the curfew and vehicle checks. Arias supporters who took refuge in the Canal Zone are gradually being allowed to return to Panama, while most of those who were jailed have been released. Some 200 persons alleged to be Communists are still being held, however. A few of the leading Arias collaborators have been forced into exile. Press censorship continues, notwithstanding promises to end it shortly. Basic constitutional guarantees remain suspended.

The Government has given us written assurances that it will honor all of Panama's international obligations and will observe commitments previously assumed under the Alliance for Progress.

Eight Latin American nations (Mexico, Chile, Colombia, Argentina, Bolivia, Paraguay, Honduras, and Nicaragua) have resumed relations with Panama, and we expect several others to do so shortly. Outside the Hemisphere, Great Britain, Spain, and the Republic of China have recognized the new Government.

In considering resumption of relations, we must take into account not only Resolution XXVI but also our special interests

in Panama, centering on the Panama Canal. Our position in Panama makes a prolonged interruption of official ties with the de facto authorities undesirable.

In addition, we have a number of pressing items of business which cannot be dealt with until we resume relations. The most important of these involves the sea level canal studies, the completion of which requires that we obtain permission to conduct a site survey during the next dry season, which begins in December.

Resumption of relations also has a bearing on Arias' current activities in the United States. Resumption would probably serve to limit the impact of Arias' pronouncements and lessen the problem of his erratic and dramatic behavior by diminishing the credibility of his claim to be the legitimate President of Panama.

Our course of action in dealing with the new Panamanian regime has been fully consistent with our desire not to appear to be embracing a military regime that has overthrown a constitutional President. In public statements, in consultations with other Latin American nations, and in our dealings with the Provisional Government, we have made clear our disapproval of the military coup.

Resumption of relations with Panama on November 4 would mean a period of suspended relations of 24 days. We resumed relations with Peru 23 days after the coup in that country. To delay resumption with Panama substantially longer than we did in the case of Peru, when the Panamanian Provisional Government has been far more forthcoming than the Peruvian Junta regarding return to elected government, is likely to be misunderstood. It would also increase the prospects for resentment on the part of the elements now governing Panama, to the detriment of our long-term relations and special interests there.

We have now reached a point where the advantages to be gained through the pressure of non-recognition are small in comparison to the constructive influence we might exercise on the new Government if relations were restored. Moreover, further delay in resuming relations will only serve to reduce our standing with a Government whose goodwill and cooperation

~~SECRET~~

4

we require in order to carry out our special obligations and responsibilities in Panama. I therefore believe that resumption of relations is compatible with both our hemispheric objectives and our special interests in Panama.

Dean Rusk

Dean Rusk

Enclosure:

Letter to Ambassador Adair
from Provisional Government
Foreign Minister Lopez Guevara,
dated October 24, 1968.

~~SECRET~~

~~CONFIDENTIAL~~

DEPARTMENT OF STATE

416
DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 94-218
By cb, NARA Date 8-2-96

Official translation of letter from the Foreign Minister of
the Provisional Government of Panama

October 24, 1968

Mr. Ambassador:

In reply to your letter dated October 16, 1968, I have the honor to inform Your Excellency, with reference to points 2 (A) and (B) of Resolution XXVI of the Second Special Meeting of Ministers of Foreign Affairs at Rio de Janeiro, as follows:

(A) The Provisional Government Junta, headed by Their Excellencies Colonel Jose Maria Pinilla Fabrega and Colonel Bolivar Urrutia Parrilla, has made a decision to hold truly honest elections. That means an election campaign with full guarantees for all citizens, and voting conducted with complete honesty, subject to legal procedures which will be decided upon, without appeal, by a court composed of judges who, because of their experience and honesty, inspire trust. For that purpose, consideration is now being given to appointing new judges to the electoral court.

~~CONFIDENTIAL~~

GROUP 3

Downgraded at 12-year intervals;
not automatically declassified.

The necessary consultative steps will be taken in due course to amend the Electoral Code, with a view to clarifying various provisions whose interpretation has given rise to disputes. Moreover, these consultative steps will be intended to determine the date of the elections:

(B) The Government Junta will, in accordance with Article 4 of the Constitution of the Republic, abide by the rules of international law. That means that it will fulfill all international commitments: and

(C) The Government Junta will take steps to ensure respect for the human rights contained in the American Declaration of the Rights and Duties of Man. Naturally, during a national emergency such as this one, some fundamental rights and guarantees are restricted. I think it fitting to emphasize, with respect to the aforementioned Declaration, that what the peoples of America desire is that the principles contained in it be embodied in a convention, and also that an Inter-American Court of Human Rights be established so that each man may have a forum before which he may assert his right to respect for human dignity. Panama will continue to fulfill all commitments assumed by the signatories of the Declaration of the Peoples of America and to abide by the general principles of the Charter of Punta del Este.

~~CONFIDENTIAL~~

3

I avail myself of this opportunity to renew to Your Excellency the assurances of my highest and most distinguished consideration.

Carlos Alfredo Lopez Guevara,
Minister of Foreign Affairs

~~CONFIDENTIAL~~

~~SECRET~~

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WHCA

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DE WTE 4167

1968 NOV 2, 18 58

FROM WALT ROSTOW
TO THE PRESIDENT
CITE CAP82634

Pres file
NOV 2 2:10 PM
WHITE HOUSE
SITUATION ROOM

~~SECRET~~

NOVEMBER 2, 1968

HEREWITH GORTON MAKES SOME AMENDS TO CROOK FOR HIS TANTRUM.

(CABLE FROM AMB. CROOK FOLLOWS)

QUOTE 1. ON EVENING NOV 1, THREE PEOPLE CLOSE TO PRIME MINISTER (LEN KEWITT SECRETARY PRIME MINISTER'S OFFICE, TONY EGGLETON PRESS SECRETARY, AND AINSLIE GOTTO PRIVATE SECRETARY) EACH AT DIFFERENT TIMES INFORMED ME OF PRIME MINISTER'S "AFFECTION AND HIGH REGARD FOR THE AMERICAN AMBASSADOR" AND EXPRESSED REGRET OVER THE PM'S "TEMPER TANTRUM" OF THE MORNING. EACH MADE CLEAR THAT PM'S ATTITUDE ON THAT OCCASION WAS "DIPLOMATIC AND NOT PERSONAL".

2. THIS CURIOUS SEQUENCE LED TO GREATER SURPRISE WHEN AT 1 AM NOV 2 PRIME MINISTER CAME UNANNOUNCED WITH A PARTY OF TWO AND APPEARED IN MY DRAWING ROOM. HE HAD OBVIOUSLY HAD A LIQUID EVENING AND WAS IN HIGH SPIRITS. EGGLETON COMMENTED ON HIS DEPARTURE "YOU SHOULD BE FLATTERED THAT AFTER SUCH A DAY THE PM SHOULD CHOOSE TO RELAX IN YOUR HOUSE". I WAS AS PUZZLED AS FLATTERED BUT THE GESTURE WAS OBVIOUSLY INTENDED AS A REASSURANCE. UNQUOTE

~~SECRET~~

DTG: 021838Z NOV 68

XEROX FROM QUICK COPY

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 02-140
By isa, NARA, Date 5-20-03

SENT
WHCA

Handwritten signature
43

NOV 2 15 34

EEA642
OO WTE 10 WTE 15
DE WTE 4165

FROM: WALT ROSTOW
TO: THE PRESIDENT
INFO: GEORGE CHRISTIAN
CITE: WH82632

UNCLAS

NOVEMBER 2, 1968

1968 NOV 2 AM 10:45
WHITE HOUSE
SITUATION ROOM

THE INDIAN AMBASSADOR DELIVERED LATE YESTERDAY EVENING THE FOLLOWING MESSAGE FROM PRIME MINISTER GANDHI. THE TEXT IS BEING SENT BECAUSE THE INDIAN NEWS SERVICE RELEASED IT PUBLICLY.

A REPLY TO THIS LETTER AND ONE RECEIVED THREE DAYS AGO IS BEING PREPARED.

MESSAGE BEGINS:

"DEAR PRESIDENT JOHNSON,

MAY I EXPRESS MY ADMIRATION FOR YOUR WISE AND COURAGEOUS DECISION ON STOPPING THE BOMBING OF NORTH VIETNAM.

JUST A FEW DAYS AGO I WROTE TO YOU BECAUSE IT SEEMED THAT YOU WERE ON THE BRINK OF THE DECISION AND YET THERE WAS SO MUCH WHICH COULD FORCE A TURNING BACK. I DO SINCERELY HOPE THAT RESPONSE WILL BE QUICK AND ADEQUATE AND THAT THE TALKS WILL NOW MAKE PROGRESS TOWARDS A PEACEFUL SETTLEMENT.

MILLIONS OF PEOPLE IN ASIA AND IN OTHER PARTS OF THE WORLD ARE GRATEFUL FOR YOUR BOLD AND IMAGINATIVE STEP. THEIR GOOD WISHES ARE WITH YOU FOR SUCCESS IN YOUR NOBLE EFFORTS TO ACHIEVE A LASTING PEACE IN THIS REGION.

WITH KIND REGARDS,

YOURS SINCERELY,
INDIRA GANDHI

MESSAGE ENDS

DTG: 021515Z NOV 68

XEROX FROM QUICK COPY

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 91-498
By ju, NARA, Date 1-26-93

~~SECRET~~

44

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DE WTE 4164

FROM WALT ROSTOW
TO THE PRESIDENT
INFO GEORGE CHRISTIAN
CITE CAP82631

Pres file

1968 NOV 2 AM 8:55
WHITE HOUSE
SITUATION ROOM

~~SECRET~~ SENSITIVE

NOVEMBER 2, 1968

BUNKER'S ANALYSIS OF THIEU'S SPEECH AND HANOI'S STATEMENT INDICATES THAT, IN EFFECT:

-- THE NEGOTIATION ON A WIDENED BASIS HAS ALREADY BEGUN VIA PUBLIC STATEMENT;

-- WE MUST WORK OUT TODAY EXTREMELY CAREFULLY WHAT WE SAY IN PUBLIC TO PERMIT THIEU TO GO FORWARD.

I SHALL BE IN TOUCH WITH THE PEOPLE HERE AND ORGANIZE ANY STATEMENT FOR YOUR CONSIDERATION.

SAIGON 41764

1. AS EXPECTED, HANOI HAS COME OUT WITH THE CLAIM THAT THE BOMBING CESSATION REPRESENTS A CLEAR VICTORY, THAT IT IS UNCONDITIONAL, AND THAT THE NLF HAS BEEN ADMITTED TO THE TALKS AS A SEPARATE ENTITY--IN OTHER WORDS THAT THERE WILL BE A "FOUR-POWER" CONFERENCE. AT THE SAME TIME PRESIDENT THIEU HAS JUST SAID THAT THE GVN WILL NOT SIT DOWN WITH THE NLF AS A SEPARATE ENTITY.

2. IT SEEMS TO ME THAT WE WILL HAVE CONSIDERABLE ADVANTAGE IN NAILING HANOI'S MISSTATEMENTS AS HARD AS WE CAN, BECAUSE BY IMPLICATION THIS WILL ALSO SERVE TO COUNTER THE ERRONEOUS IMPRESSION HERE THAT WE HAVE ACCEPTED THE NLF AS A SEPARATE ENTITY. IN OTHER WORDS, WE CAN DISABUSE OUR CRITICS HERE AND CONTRIBUTE TO THE RESTORATION OF UNITY WITH THE GVN BY HITTING OUT HARD AT HANOI AND BY IMPLICATION STRAIGHTENING OUT THIEU.

3. ACCORDINGLY, I RECOMMEND THAT WE PULL OUT ALL STOPS IN MAKING CLEAR THAT WE NEVER HAVE AND DO NOT NOW RECOGNIZE THE NLF AS A SEPARATE ENTITY. THE CONTINUITY OF OUR POLICY IN THIS RESPECT COULD BE DEMONSTRATED BY QUOTING FROM HARRIMAN'S AND VANCE'S STATEMENTS IN PARIS OVER RECENT MONTHS, AND THEN QUOTING FROM THE PRESIDENT'S OCTOBER 31 STATEMENT THAT WE IN NO WAY RECOGNIZE THE NATIONAL LIBERATION FRONT IN ANY FORM.

4. WE WOULD THEN STATE THAT ON THE MATTER OF NON-RECOGNITION OF THE NLF WE ARE IN FULLEST AGREEMENT WITH THE GVN AND WE MIGHT ADD THAT IF (OR WHEN) THE GVN PARTICIPATES IN THE TALKS, SUCH PARTICIPATION COULD IN NO WAY BE INTERPRETED AS RECOGNITION OF THE NLF EITHER BY THEM OR BY OURSELVES SINCE IT IS AN INSTRUMENT OF HANOI AND NOT AN INDEPENDENT ENTITY, LET ALONE A GOVERNMENT. AS FAR AS WE ARE CONCERNED, THE NLF IS PART OF HANOI.

5. OUR INITIAL ANALYSIS OF THIEU'S SPEECH INDICATES THAT THERE ARE THINGS HE HAS SAID ABOUT THE NLF WITH WHICH WE COULD EXPRESS AGREEMENT, FOR INSTANCE THE PHRASE THAT HANOI IS FREE TO ORGANIZE ITS DELEGATION AS IT LIKES (WHICH IMPLIES THAT THERE IS NO OBJECTION PER SE TO THE PRESENCE OF THE NLF.) WE WILL HAVE OTHER THOUGHTS ON FURTHER STEPS WHICH WILL COME IN SEPTEL.

6. WE HAVE JUST SEEN RADIO HANOI'S 0300 GMT STATEMENT WITH ITS EXTRAVAGANT CLAIMS ABOUT THE NLF HAVING "LIBERATED FOUR FIFTHS OF THE TERRITORY OF SOUTH VIET-NAM", PLUS THE REMARK THAT THE PRESENCE OF THE GVN WILL NOT MEAN THAT THE DRV RECOGNIZES IT. WE WILL OF COURSE WANT TO NAIL THE MISSTATEMENT ABOUT THE EXTENT OF VC CONTROL, BUT WE COULD USE THE STATEMENT ABOUT NON-RECOGNITION OF THE GVN AS PEG ON WHICH TO HANG REMARKS ABOUT THE RECOGNIZED INTERNATIONAL STATUS OF THE GVN, A STATUS WHICH EVEN BY THE REMOTEST STRETCH OF PROPAGANDA CANNOT BE ATTRIBUTED TO THE NLF.

SAIGON 41771

SUBJECT: COMMENTS ON THIEU'S SPEECH

REF: SAIGON 41764

1. WOULD APPRECIATE BY FLASH MESSAGE THE DRAFT OF ANY PUBLIC COMMENT THAT THE DEPT INTENDS TO MAKE ON THIEU'S SPEECH FOR OUR COMMENTS. WE MAY BE ABLE TO MAKE SUGGESTIONS WHICH WOULD BE HELPFUL IN TERMS OF NEXT STEPS. WE ARE SENDING YOU A "NEXT STEPS" TELEGRAM SOONEST.

2. THE PROBLEM IS HOW TO HANDLE TWO KEY MATTERS WHICH GIVE THEM THE GREATEST DIFFICULTY: OUR SIDE/YOUR SIDE, AND THEIR FEAR THAT WE WILL IMPOSE A COALITION AT THIS CONFERENCE, AN INDICATION OF THEIR DISTRUST OF US. THE TWO HAVE NOW BEEN LINKED TOGETHER. ON BOTH SUBJECTS THERE IS MUCH WE CAN SAY PUBLICLY THAT WOULD BE HELPFUL WITH OUR LOCAL AUDIENCE, AND ASSUME THIS BE THE BASIS OF DEPT'S COMMENTS.

DTG: 021303Z NOV 68

~~SECRET~~

~~SECRET~~

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DE WTE 4154

FROM BROMLEY SMITH
TO THE PRESIDENT
CITE CAP82623

Profile

~~SECRET~~ SENSITIVE

SECRETARY RUSK ASKS YOUR APPROVAL TO SEND THE DRAFT LETTER WHICH FOLLOWS TO PRIME MINISTER GORTON. THE PRIME MINISTER BLEW UP IN THE PRESENCE OF OUR AMBASSADOR BUT LATER CALMED DOWN AND ISSUED A SATISFACTORY PUBLIC STATEMENT ON THE BOMBING CESSATION.

BEGIN TEXT

DEAR PRIME MINISTER:

AMBASSADOR CROOK HAS REPORTED TO ME YOUR PERSONAL DISTRESS OVER THE LATE ARRIVAL OF THE CABLES INFORMING YOU OF MY DECISION TO ANNOUNCE A BOMBING CESSATION ON THE BASIS OF A CONTINGENCY ON WHICH I THOUGHT WE WERE ALL AGREED. I MYSELF REGRET THAT IT WAS NOT POSSIBLE TO INFORM YOU SOONER. AFTER ALL ARRANGEMENTS HAD BEEN MADE, WE RAN INTO A SURPRISING AND DISAPPOINTING DIFFICULTY WITH THE SOUTH VIETNAMESE GOVERNMENT OVER SECONDARY QUESTIONS. THIS WAS PARTICULARLY DISTRESSING BECAUSE WE HAVE BEEN PROCEEDING AT ALL STEPS IN THE CLOSEST CONSULTATION WITH PRESIDENT THIEU AND, WE HAD EVERY REASON TO BELIEVE, WITH HIS FULL AGREEMENT. THE NET EFFECT WAS THAT WE WERE ON THE TELEPHONE TO THE VERY LAST MINUTE ATTEMPTING TO FIND A BASIS ON WHICH WE AND THE SOUTH VIETNAMESE COULD MAKE A JOINT ANNOUNCEMENT. NATURALLY THIS WOULD HAVE BEEN A CRUCIAL POINT FOR THE OTHER TROUP CONTRIBUTING COUNTRIES COULD IT HAVE BEEN ACHIEVED.

WE HAVE TRIED TO KEEP YOUR GOVERNMENT FULLY ABREAST WITH THE MOST UP-TO-DATE DEVELOPMENTS AND WILL CONTINUE TO DO SO IN THE FUTURE. CERTAINLY WE WISH TO DO EVERYTHING IN THE CIRCUMSTANCES TO FULFILL OUR OBLIGATIONS TO YOU AND TO YOUR GOVERNMENT. I AM SURE YOU UNDERSTAND HOW COMPLEX IT IS FOR ME TO DEAL WITH MANY GOVERNMENTS SIMULTANEOUSLY AND DEAL WITH MY OWN RATHER COMPLICATED PROBLEMS IN THIS COUNTRY AT THIS PARTICULAR TIME.

SINCERELY,

LYNDON B. JOHNSON

END TEXT

- APPROVED
- DISAPPROVED
- CALL ME

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 02-140
By us, NARA, Date 5-20-03

~~SECRET~~

DTG: 020034Z NOV 68

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~~SECRET~~

46

EEA 631
00 WTE 17
02 WTE 4152

NOV 2 00 17

FROM BROMLEY SMITH
TO THE PRESIDENT
CITE CAPS2621

Pres file

~~SECRET~~

GENERAL ABRAMS HAS CONSIDERED THE REPORTS YOU SAW YESTERDAY CONCERNING POSSIBLE LARGE-SCALE NORTH VIETNAMESE AND VIET CONG ATTACKS. HE BELIEVES THAT ANY ATTACK AGAINST SAIGON WOULD BE IN THE FORM OF HARASSMENT ONLY.

THERE FOLLOWS GENERAL WHEELER'S MEMORANDUM TO WALT ROSTOW CONTAINING THE DETAILS OF THE SAIGON EVALUATION.

QUOTE

SUBJECT: REPORTS OF IMMINENT LARGE-SCALE NVA/VC HARASSMENT IN SVN

THIS MEMORANDUM RESPONDS TO YOUR 31 OCTOBER REQUEST FOR FURTHER INFORMATION CONCERNING NATIONAL SECURITY AGENCY REPORTS PERTAINING TO POSSIBLE LARGE-SCALE NVA/VC ATTACKS AND HARASSMENT BEFORE 5 NOVEMBER 1968.

GENERAL ABRAMS HAS CONSIDERED THE DIRNSA REPORTS IN ASSESSING ENEMY CAPABILITIES, AND CONSIDERS THAT ANY ATTACKS AGAINST SAIGON WOULD BE IN THE FORM OF HARASSMENT ONLY. THE SAIGON-TAN SON NHUT AREA RECEIVED THREE ROCKET ATTACKS ON VIETNAM NATIONAL DAY, 1 NOVEMBER, SAIGON TIME. ENEMY ATTACKS BY FIRE ALSO WERE CONDUCTED AGAINST SAIGON ON VIETNAMESE NATIONAL DAY IN 1966 AND 1957. MACV HAS INDICATED THAT IN-POSITION FORCES ARE ADEQUATE TO HANDLE ANY LARGE-SCALE ATTACKS WHICH MIGHT BE EXPECTED AGAINST SAIGON.

THE DEFENSE INTELLIGENCE AGENCY ESTIMATES THAT, DESPITE AGENT AND DOCUMENT REPORTS THAT THE ENEMY'S STATED INTENT IS TO CONDUCT ANOTHER OFFENSIVE DURING EARLY NOVEMBER, THERE IS LITTLE HARD EVIDENCE TO INDICATE THAT ANY LARGE-SCALE ATTACK ON THE CAPITAL IS IMMINENT. IT APPEARS THAT MOST ENEMY FORCES ARE STILL ENGAGED IN REFITTING, RESUPPLY, AND POLITICAL REORIENTATION ACTIVITIES.

THE DIRNSA REPORTS CONCERNING I AND II CORPS TACTICAL ZONES GIVE INDICATIONS OF ENEMY TROOP MOVEMENTS AND PREPARATIONS OF INTEREST. THE UNITS INVOLVED HAVE BEEN UNDER OBSERVATION FOR SOME TIME AND THERE ARE NO PRESENT INDICATIONS OF ACTIVITIES WHICH APPEAR TO REQUIRE MAJOR US OR ARVN TROOP REDISPOSITION. SOME HARASSING ATTACKS MAY DEVELOP, BUT NO SERIOUSLY THREATENING MOVES ARE APPARENT AT THIS TIME.

END QUOTE

DECLASSIFIED

E.O. 12356, Sec. 3.4

NY 94-414

By cl, NARA, Date 10-25-95

~~SECRET~~

DTG 312345Z NOV 68

PRESERVATION COPY

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SENT
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EEA 631
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02 WTE 4152

NOV 2 00 17

FROM BROMLEY SMITH
TO THE PRESIDENT
CITE CAP32621

DECLASSIFIED
E.O. 13292, Sec. 3.5
NLJ/RAC 02-118
By ins, NARA, Date 4-8-04

Pres file

~~SECRET~~

GENERAL ABRAMS HAS CONSIDERED THE REPORTS YOU SAW YESTERDAY CONCERNING POSSIBLE LARGE-SCALE NORTH VIETNAMESE AND VIET CONG ATTACKS. HE BELIEVES THAT ANY ATTACK AGAINST SAIGON WOULD BE IN THE FORM OF HARASSMENT ONLY.

THERE FOLLOWS GENERAL WHEELER'S MEMORANDUM TO WALT ROSTOW CONTAINING THE DETAILS OF THE SAIGON EVALUATION.

QUOTE

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END QUOTE

~~SECRET~~

November 2, 1968

Profile

48

~~SECRET~~

FROM WALT ROSTOW

TO THE PRESIDENT

Herewith Gorton makes some amends to Crook for his tantrum.

(Cable from Amb. Crook follows)

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 02-140
By *ind*, NARA, Date 5-20-03



Department of State

① 48a 2
TELEGRAM

~~SECRET~~

PP RUEHC
DE RUEHDAC 8963 3070305
ZNY SSSSS ZZH
P 020250Z NOV 68 ZFF4
FM AMEMBASSY CANBERRA
TO SECSTATE WASHDC PRIORITY 3083
STATE GRNC

386Q
1968 NOV 1 PM 10 14

ALTERNATE COPY

*For the President
from Walt Rostow
Herewith Gorton
makes some
amend to
Crook for
his tantrums.*

BT
~~SECRET~~ CANBERRA 8963
NODIS HARVAN DOUBLEPLUS
REF: CANBERRA 8960

Quote

1. ON EVENING NOV 1, THREE PEOPLE CLOSE TO PRIME MINISTER (LEN HEWITT SECRETARY PRIME MINISTER'S OFFICE, TONY EGGLETON PRESS SECRETARY, AND AINSLIE GOTTO PRIVATE SECRETARY) EACH AT DIFFERENT TIMES INFORMED ME OF PRIME MINISTER'S "AFFECTION AND HIGH REGARD FOR THE AMERICAN AMBASSADOR" AND EXPRESSED REGRET OVER THE PM'S "TEMPER TANTRUM" OF THE MORNING. EACH MADE CLEAR THAT PM'S ATTITUDE ON THAT OCCASION WAS "DIPLOMATIC AND NOT PERSONAL".
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unquote

GF-1. CROOK
BT

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 02-140
By , NARA, Date 5-22-03

~~SECRET~~

49

INFORMATION

~~SECRET~~-EYES ONLY

Friday, November 1, 1968
3:10 p. m.

Mr. President:

Here are Gen. Westmoreland's
comments on the Latin American
conference -- completely persuasive
to me.

W. W. Rostow

~~SECRET~~

Pres file

DECLASSIFIED
White House Guidelines, Feb. 24, 1983
By RG, NARA, Date 3-8-93

~~SECRET~~

49a



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

CM-3744-68
1 November 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Comments by General Westmoreland on
The Conference of American Armies

1. You will recall that you recently telephoned me regarding a message from Ambassador Korry reporting certain allegations made by General Castillo concerning General Westmoreland. Attached hereto is a memorandum to me from General Westmoreland regarding these allegations. You will note that the verbatim record of the meeting has been received but not yet translated. General Westmoreland proposed to extract pertinent sections when this action has been taken.

2. General Westmoreland has provided a copy of his memorandum to Secretary Rusk; I will provide a copy to Secretary Clifford.

Earle G. Wheeler

EARLE G. WHEELER
Chairman
Joint Chiefs of Staff

DECLASSIFIED
E.O. 12356, Sec. 3.4
NIJ 94-352
By cb, NARA, Date 8-7-95

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UNITED STATES ARMY
THE CHIEF OF STAFF

OCSA

31 October 1968

MEMORANDUM FOR: GENERAL EARLE G. WHEELER, CHAIRMAN
JOINT CHIEFS OF STAFF

SUBJECT: Allegations and Comments by General Castillo of Chile
Regarding the VIII Conference of American Armies

1. Attached at Inclosure 1 is a summary which highlights each of General Castillo's allegations and comments made to President Frei of Chile, who in turn reported them to Ambassador Korrry. It also provides a summary statement on each allegation and comment.
2. As reported orally, these written comments reaffirm the falseness of these allegations and assertions by the Commander in Chief of the Army of Peru. I am unable to ascribe a motive to General Castillo.
3. A verbatim daily record of the VIII CAA was requested from Rio. It has been received by courier this date, but only in the Spanish and Portugese languages. Since the document is bulky, it will take several days to translate. After translation, pertinent sections will be reproduced and made available.
4. I have sent a copy of this correspondence to Secretary Rusk.

1 Incl
As stated

W. C. Westmoreland
W. C. WESTMORELAND
General, United States Army
Chief of Staff

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By kg, NARA, Date 8-25-94

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By LS, NARA, Date 8-25-94

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SUMMARY OF ALLEGATIONS AND COMMENTS MADE BY GENERAL CASTILLO
REGARDING THE VIII CAA AND STATEMENTS ON THE SAME

1. ALLEGATION: CAA attended largely by hard-drinking Latino "politicians in uniform."

STATEMENT: Chief of Staff, US Army (CSA) has no detailed knowledge of evening activities of delegates; there was no evidence of over-indulgence observed at start of morning business sessions. The great political influence of some of the officers attending is well known. However, the general nature of the comments and statements at the conference gave the impression that the delegates responded to a higher authority in their respective governments.

2. ALLEGATION: Brazilian hosts found conference largely a waste of money.

STATEMENT: Numerous comments from ranking Brazilian officers do not support this allegation. On the contrary, several Senior Brazilian officers described the conference as productive and successful, reflecting that it was a source of pride for them.

3. ALLEGATION: Subjects discussed were mostly political, not military nor professional.

STATEMENT: The conference dealt exclusively with subjects and discussions that were military, or related to military activity. There was discussion on Communist inspired subversion and its organization and activities in the hemisphere.

4. ALLEGATION: There was general support, including US, of El Salvador statement that "all Communists must be killed."

STATEMENT: Utterly false. El Salvador delegation did, however, take a hard line on Communism, but the US delegate does not recall the use of such harsh language.

5. ALLEGATION: Army chiefs transported to conference site in armored vehicles.

STATEMENT: Not true. Delegates moved in compact civilian sedans from the hotel to the conference site and to other locations as scheduled. There were a few armored cars and several trucks with troops stationed along the route near the university. The Brazilian Army representatives explained that this was a precautionary measure to insure no incidents/demonstrations.

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6. ALLEGATION: General Westmoreland told General Castillo that military should take over governments in the hemisphere when they thought it necessary.

STATEMENT: The allegation is utterly false.

7. ALLEGATION: Rapport between US, Argentine, and Peru representatives was very close.

STATEMENT: Not true. There was no more contact with these representatives than with any other. The US Army Chief of Staff spoke briefly to the Argentine Commander in Chief on several occasions. He also chatted with the Chief Delegate from Peru for about five minutes during a coffee break. In addition, the Chief of Staff exchanged pleasantries with these individuals at social functions.

8. ALLEGATION: Decisions taken on resolutions were considered binding on their countries by most Army chiefs present; Westmoreland had argued that military conferees had right to "formulate" as opposed to Castillo's view that they had only right to "recommend."

STATEMENT: False. At no time did the US Army Chief of Staff make such an absurd statement.

9. ALLEGATION: The Peruvian Army Chief Delegate, General Montagne spoke to General Castillo in private as though Montagne was already the Government of Peru.

STATEMENT: Chief of Staff of the Army has no knowledge of this.

10. ALLEGATION: Only one other country (Ecuador) voted with Chile against proposition that conference resolutions would be binding decisions and not mere recommendations.

STATEMENT: There was no specific proposal, or vote to make conference resolutions binding decisions and not mere recommendations. Chile and Ecuador did vote together on a number of occasions, but the available record indicates that only twice were they the only two to cast votes on the minority side. The first instance concerned their vote to replace the words "international communism" by "subversion" in Article 2 of the procedural rules. The second instance involved an affirmative vote on a proposal to hold combined exercises. Chile and Ecuador expressed their disapproval of a provision of this proposal which stated

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that each nation should participate with its armed forces in combined exercises as it sees fit, and in compliance with its own laws and national interest. General Castillo objected to this provision, stating that it "did not depend solely on decisions within the sphere of action of the Army" (quoted from the record). The other delegates believed that the proposal, as drafted, satisfied the intent of General Castillo's concern.

11. COMMENT: General Castillo signed conference report merely as an indication of Chile's attendance there, and because he did not wish to create an incident. However, he made clear his signature in no way bound his country to conference resolutions.

STATEMENT: US Army Chief of Staff has no knowledge of Castillo's intentions, or his personal views with respect to his signing the CAA report. However, in the formal signing ceremony, General Castillo moved forward when his name/country was called and signed the report. If he signed with reservations or qualifications, these were not stated to the assembled conferees.

12. COMMENT: Castillo expressed surprise and dismay at the course the conference had taken. He pointed out that because Chile is a democracy like the US, he could not make decisions on behalf of his government. He stressed the apolitical tradition of the military and the legality of the Communist Party in Chile; Castillo said a connection between the conference and coups in Panama and Peru is being made by many observers and warned that any similar sequence following next year's conference in the US would be taken as convincing evidence by many that conference would be used to issue instructions to hemisphere Army chiefs to hatch military coups.

STATEMENT: General Castillo made it clear at the conference that the Communist Party is legal in Chile. This fact was accepted by the Conference Chairman (Chief of Staff, Brazil Army), who replied that the conference was addressing international communism as a subversive threat to the countries of the Western Hemisphere. Moreover, it is well known that the basic purpose of the CAA is to achieve a close understanding between the Armies and to undertake joint study on military problems of mutual interest to insure security and defense against communist inspired insurgency. This CAA purpose was made clear by both the Brazilian Army and the Chief of Staff, US Army, at press conferences held in Rio, and again by General Westmoreland at one held in Panama. The implication that the conference has been and will be an instrument to foment coups is a fabrication.

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13. COMMENT: General Castillo made a special point of exonerating LTG Alger (an observer to the VIII CAA as Chairman-IADB), stating that he had kept silent on political issues.

STATEMENT: LTG Alger is on a trip with the Inter-American Defense Board to Latin America. He is scheduled to return 10-11 November. If time is a critical factor, his comments could be solicited. LTG Alger is in Brazil until 3 November, when he departs for Paraguay; he will be in Paraguay until 5 November, when he departs for Buenos Aires. He will depart from Buenos Aires on 10 November, arriving in Washington late in the evening of that day.

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ACTION

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Friday, November 1, 1968 - 2:04pm

MEMORANDUM FOR THE PRESIDENT

~~to file~~
2. Pres file

SUBJECT: Report of the Perkins Committee on Development Assistance

At Tab A is a letter from Jim Perkins enclosing the final report of his Committee on Foreign Aid. This is also Perkins' letter of resignation; he assumes the Committee will come to an end January 20 to give your successor a chance to chart his own course on foreign aid.

In my judgment, the report is careful and tame. Most of the recommendations are by now standard -- streamlining AID; more multilateral aid; separating MAP from economic aid; concentrating on food, population and education; and restoring the deep Congressional cuts of the past two years. What seems to be the main innovation -- an Overseas Investment Corporation to spur the private foreign investment -- is an idea already kicked around in the Executive Branch and on the Hill.

The report was not unanimously approved by the Committee. George Meany and Joe Beirne disassociated themselves on the ground that Perkins et al had taken a "bankers' view" rather than a "people-to-people" approach on foreign aid. So far as we can tell, this issue has no substance. (Beirne is a bit embarrassed about it but felt he had to go along with Meany. I am told. Meany did not attend any of the working sessions.)

I know you have had reservations about the Committee but it worked hard and the members have taken their appointment very seriously. Properly used, the report could provide backing for foreign aid that the next Administration might use.

My recommendation for handling the Perkins Report is:

- 1) Ask for comments from AID, State, Defense, and Charlie Zwick.
- 2) Pass the report and the agency comments to your successor; and
- 3) Write Perkins a letter of thanks and tell him you do not intend to publish the report but will pass it on to the next Administration to help in its consideration of foreign aid. A proposed letter, for your signature, is at Tab B.

I think this will satisfy everybody. Perkins is not asking for publication now although he may hope the report will eventually appear. The Committee's

first concern is that the report be most effectively used.

You are under no obligation to make the report public and there is a strong argument that your successor can give it a better hearing if it is not on the record.

W. W. Rostow

If you approve this way of handling the report, you should sign the letter to Perkins at Tab B _____

Plan to make report public after receiving comments and draft new letter to Perkins _____

Call me _____

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November 1, 1968

Dear Jim:

Many thanks for your letter enclosing your Committee's final report on development assistance.

I know that a great deal of time, talent, and hard work went into this effort. You and your distinguished colleagues have performed a valuable public service -- in the interest of our own security and of the hopes of millions of people around the world who seek a better life.

I have asked Secretary Rusk, Secretary Clifford, Aid Administrator Gaud and Budget Director Zwick to go over your proposals and give me their comments. I will be most pleased to pass on the Committee's report and our appraisal of it to the next Administration. I believe it will be an important contribution to the deliberations ahead on the future of foreign aid.

I deeply appreciate your personal leadership in the work of the Committee.

With warm personal regards.

Sincerely,

Dr. James A. Perkins
President
Cornell University
Ithaca, New York

LBJ:ERF:RPM:mst

Nov. 1, 1968

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PRESIDENT'S GENERAL ADVISORY COMMITTEE
ON FOREIGN ASSISTANCE PROGRAMS
Washington, D. C. 20523

October 28, 1968

The President
The White House
Washington, D. C.

Dear Mr. President:

I am sending you the final report of the President's General Advisory Committee on Foreign Assistance Programs, which you established in March 1965.

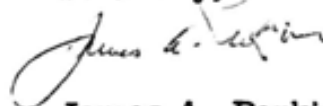
The experience of serving on the Committee has been a rich and rewarding one for all the members. We cannot help but be disturbed, however, at the increasing difficulty in securing public support for U. S. foreign assistance.

Because of our deep concern, we have attempted, over recent months, to consolidate our ideas about ways in which foreign assistance programs could be strengthened. We dare to hope that our recommendations will help to assure the objectives for which these programs were designed, and to secure public support for them.

It has been a pleasure and honor to serve as Chairman of this distinguished Committee. It has been a hard-working Committee, and I think it is now a well-informed one. If we are well-informed, it has been largely due to willingness of top officials in the Government to spend time with us. We are in debt both to them and to our patient and highly effective Executive Secretary, C. Tyler Wood.

Your Committee will, of course, come to an official end on January 20, 1969. This letter is both a personal letter of resignation, effective on that date, and an expression of willingness to be of any further service on this subject until then.

Sincerely,



James A. Perkins
Chairman

DEVELOPMENT ASSISTANCE IN THE NEW ADMINISTRATION

Report of the

PRESIDENT'S GENERAL ADVISORY COMMITTEE

ON FOREIGN ASSISTANCE PROGRAMS

October 25, 1968

JAMES A. PERKINS
Chairman

Dwayne O. Andreas
David E. Bell
Eugene R. Black
Josephine Young Case
Luther H. Foster
Alfred M. Gruenther
J. George Harrar

Theodore M. Hesburgh
William R. Hewlett
Edward S. Mason
Franklin D. Murphy
Rudolph A. Peterson
David Rockefeller
Frank Stanton
William J. Zellerbach

George Meany, in a letter* to the Executive Secretary of the Committee, in which Joseph A. Beirne concurs, disassociates himself from the report.

* Mr. Meany's letter is attached at the end of the report.

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I. RECOMMENDATIONS IN BRIEF

The President's General Advisory Committee on Foreign Assistance Programs is profoundly convinced that vigorous cooperation with the developing countries of Asia, Africa, and Latin America in their slow climb toward better living conditions is in the basic interest of the United States. Yet in America today a mood of malaise and withdrawal is enfeebling U.S. development assistance efforts. In our judgment, reestablishment of the U.S. role as a pace setter in peaceful development cooperation is a historic imperative.

Accordingly the Committee recommends that the new Administration coming to office in January 1969 take steps to reorganize and revitalize U. S. development assistance. The Administration should offer a fresh program of new activities and new emphases, while building on the demonstrated strengths of the present system. We believe that the following elements provide such a program.

1. The U.S. will continue to need a strong development assistance agency. The Administration should propose to the next Congress a new authorization act for a streamlined successor to the present Agency for International Development. A new name in keeping with our recommendations might be the Development Cooperation Fund. The new agency should be authorized to use three main instruments: long-term loans on liberal terms for capital assistance, grants for technical assistance, and grants for reconstruction and emergency assistance. We urge that in using these instruments the new agency carry forward three features of present A. I. D. policy: comprehensive country analyses as the basis for providing U.S. assistance and encouraging self-help, integration of capital and technical assistance tools, and coordination of sales and grants of agricultural products with other forms of assistance.

2. The U.S. should expand contributions to multilateral agencies as rapidly as their managements can handle additional resources competently, and as other industrialized countries can be persuaded to go along. Contributions to Special Funds of multilateral banks, and transfers of funds for particular countries to be administered by multilateral agencies, are attractive arrangements for doing so. Closer coordination of all assistance to individual developing countries through consultative groups of donor countries is also highly desirable. The U.S. should welcome the leadership of a strengthened World Bank in providing more assistance and coordinating bilateral programs.
3. Military assistance should be separated from development assistance by transfer to the Defense Department budget, while remaining under the policy guidance of the Secretary of State. Reconstruction and emergency assistance grants should be provided for Vietnam, Laos, and Thailand for the duration of hostilities, and for early reconstruction in Southeast Asia. Beyond this, such funds should be available for only a limited number of countries where there is an emergency or security rationale, and for a limited period of transition to a development effort.
4. An Overseas Investment Corporation should be established to take over the present investment guarantee and investment promotion functions of A. I. D., and to undertake new initiatives for more rapid expansion of private investment in less developed countries. The corporation should have authority to raise capital funds at government-guaranteed rates, and to lend directly to high-risk private ventures which are important for development and which have the potential to be commercially viable. At the same time, the U.S. should liberalize present balance of payments restrictions on direct investment in manufacturing and processing industries in less developed countries.

5. U.S. assistance should focus on support for these important movements in the less developed world: (a) extending the "green revolution" in food grain production through all areas of agriculture and marketing; (b) expanding population and family planning programs to the limit of host governments' ability to proceed; (c) strengthening scientific and professional personnel and institutions; (d) increasing individual opportunities for education and improving the relevance of education for national needs; (e) broadening participation by the general population in both responsibilities and benefits of development.
6. The U.S. should, in its own interest, undertake to restore total development assistance in all forms to at least the share of our national income reached in 1965, and to expand assistance in the future as our income and tax revenues rise. Reasonable estimates of needs are well above these levels. The largest increases should be achieved by expanding flows through competent multilateral institutions and private investment. To meet the over-all objective, however, appropriations for the new development assistance agency ought to rise above those A. I. D. received prior to the deep cuts of Fiscal Years 1968 and 1969. Moreover, greater international attention should be focused on fitting assistance terms to individual countries' debt servicing capacities.
7. The Administration should give prompt study to longer-term innovations, which go beyond measures recommended here. Among the possibilities are: devoting to development assistance some of the Special Drawing Rights which will be created by the International Monetary Fund; government commitments to subsidize interest payments on bonds issued for the International Development Association; and additional funds in the World Bank family for commodity diversification programs in countries whose primary export earnings are seriously depressed. The U.S. should intensify international discussions of such possibilities, with the aim of putting the world's development assistance system on a firmer foundation.

II. DEVELOPMENT ASSISTANCE AND U. S. FOREIGN RELATIONS

The World Setting in the Seventies

The new Administration will face a complex set of international relations problems. It will need to have effective instruments for U. S. relations with:

- the communist world, where the uneasy balance of nuclear deterrence continues amid growing diversity within the bloc;
- the industrialized democratic world of Europe and the Pacific, where a creaky monetary system poses new challenges;
- and the less developed world, where some two-thirds of the world's people are struggling with post-colonial instability, racial bitterness, and massive poverty.

During the decade of the seventies relations with this third world are likely to occupy an increasingly important place in the Administration's concerns. Some ninety countries in Asia, Africa, and Latin America are straining to raise their pitifully low living standards. Societies are caught in the swirl of rapid social and economic change. The colonial system has been replaced in many countries by inexperienced and unstable governments. Most of the military crises of the last two decades have erupted in this tense environment, and more may be expected in the future.

Moreover, the nations of Asia, Africa, and Latin America have become self-consciously independent in their foreign relations, and they now constitute an international political force that demands respect and attention. Despite their present economic and military weaknesses, their significance is magnified by the U. N. system, by competition between and within the democratic and communist blocs, and by the sheer weight of their multiplying populations.

What this vast and variegated third world has most in common is an overriding urge for faster material and social progress. Economies are moving ahead, but improvements in per capita income still are slower than in the industrialized nations.

The instruments of U.S. policy toward the less developed regions include development assistance, trade and monetary policies, diplomatic and cultural relations, military alliances and assistance, and military intervention. Of these, military intervention is much the most costly in every way, and any significant reduction in the likelihood of future military actions is worth substantial expenditures on the other instruments. Development assistance, on the other hand, has the great advantage of meeting the most deep-felt need of those countries, in a field where their interests and U.S. interests are overlapping.

Culturally the United States has less in common with most of them than with European countries, and racial differences interfere with understanding. Most of their governments resist alliances that may involve them in great-power rivalries, and are vocal about neo-colonialism in trade. In their development efforts, however, we have resources and experience that are clearly helpful, and working together brings comparatively few conflicts. Friendly and mutually beneficial relations with the less developed world in the seventies will depend, more than on any other factor, on how the new Administration uses the instrument of development assistance.

But the new Administration faces a grave danger that the Congress and the general public will turn so far inward that they will disavow concern for the less developed world. The tendency to do so has increased in the last few years--partly because of the strains from the Vietnam War, partly because of a newly vivid recognition of urgent racial and social problems in American life, and partly because of an altered political balance between the President and the Congress. Witness the reckless cuts in A.I.D. appropriations in Fiscal Years 1968 and 1969, and the prominently discussed idea of a complete moratorium on development assistance. The U.S.--the richest country in the world--has by now fallen behind many other industrialized countries in the proportion of our income devoted to development assistance.

If the new Administration is to have the instruments for effective relations with the less developed world in the seventies, it should move promptly. Somehow we Americans must restore among ourselves a feeling of right and confidence and pride in playing a constructive role as a leader in world affairs.

The new Administration's freedom of action will of course be constrained by the fighting in Vietnam and the rate of movement toward a settlement. This report is based on the assumption that the prospect in January will be for a negotiated settlement within perhaps a year, while hostilities continue on a diminishing scale. In these circumstances the budgetary resources available for new initiatives in FY 1970 will be tightly limited, and only gradually during the succeeding years will they become more abundant. Modifications in policies toward the communist world, the industrialized democratic world, or the less developed world will also be difficult while negotiations drag on. But it should be possible (and essential for the new President) to make some innovations with an eye to greater freedom of action in the future.

With respect to development assistance, the Committee feels that it would be highly desirable to define new arrangements and new emphases which can be initiated in the first year, make a first step in FY 1970 in the direction of providing adequate resources, and lay out a firm plan for the future as policy and budgeting pressures ease. The tide of withdrawal is now so strong that the new Administration cannot simply hold still until a more propitious time.

U. S. Interests in Development Cooperation

The United States has two basic interests in the less developed world, and therefore in programs of development assistance.

First, the United States as a nation has an interest in a peaceful and progressive world environment in which to live. More rapid material progress in less developed countries will tend to lower tensions caused by hunger and other misery, and to reduce the risk that violent government instability will disturb world peace. It will tend to absorb the energies of leaders and people into constructive development activities rather than into international grievances and adventures. It will tend to evolve open and pluralistic societies congenial to our own. Moreover, working with poor countries for development will provide opportunities to improve understanding of our interests, and to encourage positive responses to problems of mutual concern.

Second, the people of the United States have an interest in helping other people achieve adequate levels of nutrition, education, and health. This humanitarian interest has been forcefully expressed by religious

and civic groups, and springs from our deepest sense of what is right. We ought to try to help poor countries and poor people improve their lot, and because we are wealthy we can do something about it. If we failed to cooperate in the drive to improve the lot of two-thirds of the world's people, we would deserve to lose the respect of both poor and rich nations for having forsaken our responsibilities.

Our mutual interests with less developed countries vary, depending partly on their different stages of development. Near the lower end of the scale, the main benefit that we can offer is development assistance, first chiefly in the form of technical assistance and later in the form of large-scale capital inflows -- mostly loans on liberal terms. The main benefits that they can offer are to act as responsible nations in their domestic and international affairs, and to engage in trade -- particularly, at that stage, of primary products for capital goods. Near the upper end of the scale, countries which succeed in developing rapidly may graduate from the need for capital assistance on liberal terms, though many will still need technical exchanges, as well as capital on commercial terms. The benefits which they can offer at that time include participation in trade in a wider range of products, active opportunities for private investment, continuation of congenial diplomatic and cultural relations, and constructive leadership in the family of nations. Over a time span, measured in decades, we can hope that the movement of individual countries through this spectrum will contribute to the building of a viable, integrated, and peaceful world.

The Committee feels compelled to point out that it would be dangerous for the U. S. to ignore the development concerns of the less developed countries. In American cities we have seen the costs of permitting the frustrations of poverty to drag on. Looking ahead to the long future, the Committee does not believe that the U. S. can live securely in a world in which the poor countries are unable to raise living standards at least as rapidly as the rich countries -- whatever the absolute gap in incomes.

III. PRESENT PROGRAMS

There are several types of U. S. development assistance. Table 1 shows the types as measured in the standardized statistics of the Development Assistance Committee (D. A. C.), which is made up of the sixteen industrialized democratic countries supplying development assistance. A. I. D. bilateral programs are the largest, but are still only about two-fifths of the total. Note that the figures are disbursements, not appropriations, and hence do not yet show the effects of the deep budget cuts in FY 1968 and FY 1969. Shipments of U. S. farm products under Public Law 480 are the other large official flow, in the order of a fifth of the total. Official contributions to multilateral agencies are much smaller, though they are supplemented by private purchases of multilateral securities. Export-Import Bank net flows are quite modest, after netting out repayments, which offset two-thirds to four-fifths of gross lending. Finally, private investment in all forms, which varies greatly from year to year, may amount to over a quarter of the total in good investment years.

These various types of development assistance differ in organizational arrangements, in the kinds of goods or services provided, in domestic political support, and in whether they are offered on liberal terms (all of the official flows except the Export-Import Bank) or commercial terms. Adding them together is inevitably somewhat arbitrary, but in this report we shall consider them all as parts of development assistance.

IV. MAJOR CHALLENGES TO DEVELOPMENT ASSISTANCE

In today's atmosphere of fatigue many critics question whether the United States should have development assistance programs at all. The Committee has identified four major challenges, all of which deserve straightforward answers.

TABLE 1
U. S. DEVELOPMENT ASSISTANCE FLOWS
TO LESS DEVELOPED COUNTRIES
(Disbursements, net of repayments, in \$ millions)

	Calendar years		
	1963	1965	1967
A. I. D. bilateral programs	2,008	2,059	2,134
Official contributions to multilateral agencies	142	164	310
P. L. 480 <u>1/</u>	1,421	1,263	1,051
Export-Import Bank <u>2/</u>	72	56	160
Peace Corps	47	82	108
Other <u>3/</u>	18	50	50
Recoveries <u>4/</u>	<u>- 7</u>	<u>- 48</u>	<u>- 91</u>
TOTAL OFFICIAL	3,699	3,627	3,723
Private purchases of multilateral securities	5	144	255
Private investment <u>5/</u>	<u>875</u>	<u>1,749</u>	<u>1,589</u>
TOTAL OFFICIAL AND PRIVATE	4,579	5,520	5,567
Percentage of national income <u>6/</u>	0.94%	0.97%	0.85%
Percentage of Gross National Product <u>6/</u>	0.76	0.79	0.70

(Totals may not add due to rounding.)

1. Excludes repayments and the portion of sales values in local currencies reserved for U.S. rather than host country uses.
2. Repayments which have been netted out were 222 in 1963, 246 in 1965, and 321 in 1967.
3. Includes such diverse programs as the Development and Support of Trust Territories, Migration and Refugee Assistance, and Ryukyu Assistance.
4. Includes recoveries of principal on a variety of earlier grants and loans in foreign currencies which can now be put to U.S. uses.
5. Includes direct investment, reinvested earnings, net private export credits, and portfolio investment.
6. National income differs from gross national product largely in that it nets out depreciation on capital and excludes indirect taxes such as excise and sales taxes.

Can the U. S. afford to assist less developed countries?

Development assistance programs have been under heavy attack, particularly in the Congress, on the ground that the United States cannot support development assistance and at the same time meet our overriding defense needs, make long-overdue expenditures on our cities, and stop the drain on our balance of payments.

The Committee feels that domestic budget costs of development assistance programs have not in fact been large relative to other claims. Table 2 gives some specifics for FY 1968. Appropriations for development assistance programs (on a basis roughly comparable to the types of disbursements in Table 1) were only about 2 percent of Federal appropriations for all government programs. In contrast, we spend about 40 percent of our budget on defense, 8 percent paying interest on the national debt, 4 percent for veterans' benefits, and 3 percent for space programs. Moreover, it should be pointed out that the appropriations for P. L. 480, which are classified as development assistance in the table, also support farm incomes in the United States.

Development assistance is now extremely low in its balance of payments costs. Only 6 percent of recent gross A. I. D. expenditures have added to the balance of payments deficit, and they are offset by interest and principal payments on past loans. Virtually all of P. L. 480 expenditures are on U. S. goods and shipping.

The Committee does not wish to understate the importance of the other needs of the country, or to advise on the entire scale of priorities. The Committee does feel that development assistance has a strong claim among the nation's appropriations for living in the world, which include money for defense, military assistance, diplomatic relations, and other international programs. As shown in Table 2, this total was about \$90 billion in FY 1968; development assistance was \$4 billion. The Committee believes that this share should be larger in view of the benefits that the development assistance program delivers.

It is important to remember that the cost of neglecting the economic development and stability of the poor nations may be great. Had we neglected Korea economically after the armistice there,

TABLE 2
U. S. APPROPRIATIONS FOR DEVELOPMENT ASSISTANCE
AND OTHER INTERNATIONAL PURPOSES

(New obligational authority, in \$ millions)

	<u>FY 1968</u> ^{9/}
A. I. D. bilateral programs	1,765.6
Official contributions to multilateral agencies ^{1/}	534.0
P. L. 480 ^{2/}	1,605.5
Peace Corps	107.8
Other ^{3/}	<u>52.1</u>
TOTAL DEVELOPMENT ASSISTANCE	4,065.0
Export-Import Bank ^{4/}	865.1
Foreign affairs ^{5/}	333.9
Foreign information and exchange ^{6/}	248.3
Military assistance	596.0
Department of Defense	74,280.5
Defense related ^{7/}	9,645.3
Other ^{8/}	<u>130.1</u>
TOTAL OTHER INTERNATIONAL PURPOSES	86,099.2
TOTAL DEVELOPMENT AND OTHER INTERNATIONAL PURPOSES	90,164.2
TOTAL FEDERAL GOVERNMENT APPROPRIA - TIONS	189,674.0

1. Includes contributions to international organizations from the Foreign Assistance Act, as well as Inter-American Development Bank and International Development Association subscriptions.
2. Gross appropriations, whereas the P. L. 480 figures in Table 1 are disbursements net of repayments and U. S. uses.
3. Includes Pacific Trust Territories, Ryukyu Islands, Migration and Refugee Act, and Payment for Panama Canal.
4. Budgeted gross lending authority for FY 1968 in all countries, whereas the Export-Import Bank figures in Table 1 are net disbursements to less developed countries.
5. Includes Department of State, International Organizations and Affairs, and International Commissions.
6. Includes U. S. Information Agency and Educational Exchange.
7. Includes Atomic Energy Commission, Selective Service System, and Veterans Administration.
8. Includes Arms Control and Disarmament Agency, Bureau of International Labor Affairs, Foreign Agricultural Service, Foreign Claims Settlement (Philippines), Bureau of Customs, and Tariff Commission.
9. Actual regular appropriations plus estimated supplementals.

we could very well have been drawn back into a military conflict as a result of the economic and political weakness of that country.

Our conclusion that the United States can afford what is called for in development assistance is reinforced by the fact that other advanced nations much less wealthy than the U. S. are now devoting larger shares of their national income to official assistance than we are. In 1964, two D. A. C. nations surpassed us in the proportion of their income devoted to official development assistance. By 1967 we had become laggards, with both France and Germany ahead of us, as well as Australia, Belgium, the Netherlands, and Portugal, and we were tied with the United Kingdom. The deep appropriations cuts imposed in Fiscal Years 1968 and 1969 will cause the United States to fall still further behind other aid suppliers unless the trends are reversed.

Does development assistance lead to military entanglement?

In reaction to the Vietnam war, some Americans are afraid that development assistance programs may involve the country in dangerous military entanglements.

The Committee finds that the historical evidence does not support the charge. In Korea, military involvement preceded substantial development assistance. In Vietnam, U. S. activities have been security-oriented from the beginning, and the decisions made at each step of the way have not been compelled by simple development assistance relations. In the Dominican Republic our small assistance program to the Trujillo government had been ended before the revolution which led to the landing of U. S. forces.

On the other hand, armed conflicts have occurred between or within countries where we have had substantial economic assistance programs, without our becoming militarily involved. This was the case in the 1965 India-Pakistan fighting, the 1967 Arab-Israeli war, the civil wars in the Congo, and the current civil war in Nigeria. Indeed, the influence gained through development cooperation has helped our diplomats in their efforts to avert or to settle such conflicts.

Fundamentally, the Committee believes that development cooperation provides the U. S. with an alternative to military

involvement for playing a continuing role in the less developed world. Doves or hawks on our military commitment in Vietnam can equally support assistance for development.

Can development assistance be effective?

Critics of development assistance often question whether it accomplishes its purposes. Certainly the experience of the last two decades includes many mistakes and disappointments. But the Committee believes that the record as a whole is one of remarkable success for such a difficult enterprise.

Sometimes the challenge of ineffectiveness is made because the goals of development assistance are misunderstood. A frequent criticism, for example, is that major recipients of aid disagree with the United States on particular foreign policy issues. But the goal of having all countries toe the line on all aspects of our foreign policy, besides being infeasible, is not a desirable one for a world community of free nations. The general pattern of our relations with most of the less developed countries has been friendly, open, and cooperative. Development assistance cannot buy agreement when the basis for it -- in parallel national interests -- does not exist, but where interests are not in conflict, development assistance can provide benefits in more cooperative attitudes and better working relations.

A central objective of development assistance is cooperation with friendly countries to achieve self-sustaining economic and political progress. There is by now a great deal of evidence that assistance programs are succeeding in promoting economic development. Gross National Products in Israel, Iran, Taiwan, and Greece have grown at annual rates of 8 or 9 percent in the 1960's, and after receiving large amounts of aid for many years, these countries have graduated from the need for assistance on easy terms. Turkey and Korea have made substantial progress, and are well on the way to self-sustaining growth. The annual growth rate of Gross National Product in all the less developed countries as a group from 1960 to 1967 has been about 5 percent, which is comparable to growth in the developed countries and in line with goals for the Development Decade of the 1960's that seemed highly optimistic when adopted.

Graduation from the need for development assistance is certainly not the only measure of success. Countries are at different stages of development, and achievements must be judged by different standards. In some cases modern institutions must be built before the country can sustain a major development program with large-scale capital assistance. Assistance programs in a good many African countries are devoted mainly to technical assistance projects aimed at building such institutions. The establishment of modern training colleges for secondary school teachers in Nigeria and in Uganda are examples of crucial progress whatever the trend of GNP.

In many countries, particularly in Asia, the race between food and population must be won before self-sustaining growth can be contemplated. U. S. assistance has already had unmistakable effects on this race. Family planning programs in recent years have begun to reduce birth rates in Taiwan and Korea. The dramatic breakthroughs in wheat and rice production in India, Pakistan, and other countries of South and East Asia are perhaps the most exciting accomplishment of all. They are particularly striking because there is an influential body of opinion which holds that nations so tradition-bound cannot progress economically without long-term changes in popular attitudes. The recent experience in Asia of millions of farmers adopting fertilizers, new seeds, and improved methods demonstrates that profitable investments will be undertaken, and older methods changed, even in traditional societies. This too is an important form of success.

In still other countries, development assistance programs have been significant mainly in inducing governments to adopt economic policies that are more congenial to progress. In Brazil, for example, a U. S. - assisted program of monetary and fiscal discipline, import liberalization, and tax and savings reforms has been carried through, and though inflation continues (at lower rates) the economy is now growing again in real terms.

Development assistance is a long-term commitment, however. In a single country, under favorable circumstances, the transition to self-sustaining growth normally takes at least a decade or two. In view of the large number of countries, their diverse circumstances, and the fact that many are not yet able to make full use of capital inflows, the need for development assistance will continue. Moreover, since economic development is a disruptive process politically and socially, there may be interruptions because of political instability as well as because of economic mistakes. When we decide to assist development,

we necessarily open ourselves to the risks of occasional disappointment. The Committee believes that these risks must simply be accepted, and that the over-all record is much more successful than is commonly recognized.

Can development assistance be managed soundly?

Some of the sharpest criticisms of foreign assistance programs have focused on instances of scandal or mismanagement. In February, 1968, for example, widespread press coverage was given to the fact that about \$100,000 of various luxury items was included in A. I. D. shipments to the Dominican Republic. This was true, and deplorable, but the suggestion that it indicated widespread mismanagement was grossly misleading. First, money for the questionable items was already being refunded to A. I. D. when the story broke. Second, the total involved was four-tenths of one percent of a crash program of support to the new government of the Dominican Republic. The Committee has been impressed with the vigorous efforts of A. I. D. to tighten administrative procedures and minimize the possibilities of misuse. These efforts must not flag.

This whole problem of managing the use of aid inputs must be considered in the context of what development assistance is trying to accomplish. It is true that many foreign governments do not manage their resources as efficiently as would the U. S. government if we were entirely responsible. Many do have more corruption. But A. I. D. is not a management agency in the receiving countries, and it cannot be so long as we respect the sovereignty of host governments. Indeed, if we tried to make it so, local management abilities would never be developed. The U. S. must work with host governments, with their vital knowledge of local needs, and an essential part of the process is strengthening local administration.

Economic assistance is used in some cases to assist new governments trying to lead their countries to recover from political or economic turmoil. The risks of waste in such programs are greater than in countries with an established momentum of development. Nonetheless, the Committee feels that external assistance on a proper scale at such critical times can have a very high pay-off. With the best management possible, some of these risks must simply be accepted for the sake of the potential benefits of a sizable and rapidly committed program. There was waste in Korea in the early fifties, but Korea's success since then suggests that it was right to push ahead with a crash program at that critical time.

Development assistance is also sometimes criticized because it appears to benefit largely people who are already well-to-do in the host country. Appearances can be misleading. Rapid economic growth over many years benefits most people in a society even if large wealth differentials continue. The U. S. must deal with countries as they exist--so long as they are committed to economic and social development--and cannot by itself determine how the benefits of over-all economic progress should be distributed. We can, however, seize opportunities to support activities which broaden popular participation, build democratic institutions, and implement social reforms. Increasing emphasis should be given to such efforts in the future.

V. RECOMMENDATIONS IN DETAIL

1. A strong new agency

The Committee believes that to use development assistance most effectively in U. S. relations with the less developed world over the next five years, it is crucial that the government have a strong development assistance agency. An appropriate new name, consistent with our approach in this report, might be the Development Cooperation Fund (DCF).

The Agency for International Development, viewed with all its warts and even without the modifications which we recommend, impresses the Committee as a major asset. A. I. D. has accumulated a store of experience and professionalism that has enabled it to be an innovating leader in the world system of development assistance. Though A. I. D. 's staff has been weakened by lack of Congressional and public support, the Committee has been surprised that so many able personnel have continued their commitment to its program.

A. I. D. as now organized has a broad range of aid instruments to meet the needs of individual host countries -- notably long-term development loans on liberal terms for capital assistance, development grants to cover the costs of technical assistance, and supporting assistance in grant or loan form for countries of security interest. It has the field structure to work effectively with host government officials in using aid and to exert continuing influence on self-help policies affecting productive use of the country's own resources. The position of A. I. D. within the State Department and under the Ambassador abroad gives

needed foreign policy guidance; yet its autonomy permits expression within the U. S. Government of its special concern for long-term development.

With the modifications indicated in other parts of this report, the Committee recommends that the new agency build on the strengths of A. I. D. during the next five years. There should, however, be a completely new authorization act to establish the organizational changes and policy emphases of the new President. It should simplify as much as is politically possible the present brier patch of specific legislative requirements, which now require, for example, 77 statutory conditions for a loan to build rural roads in Liberia. It should provide guidelines of Congressional policy upon which the President is requested to report; such guidelines are generally more constructive than specific requirements. It should provide for two-year authorization of all elements of the program, to relieve both the agency and the Congress from repetitive wheel-spinning, while focusing attention on the annual appropriations. It should strengthen the agency's career service by providing for a more flexible and appropriate personnel system, especially as to retirement benefits, which should be put on the same basis as those available to foreign service personnel of the Department of State and USIA.

The Committee urges particularly that three key features of A. I. D. be retained in the new agency. The first is:

-- Country programming and encouragement of self-help --

A. I. D. has increasingly used assistance as an inducement to countries to (a) increase their efforts in mobilizing resources for development, and (b) adopt policies that promote more effective private and public use of resources.

The central approach has been country programming. Each year the agency makes a comprehensive review of each major country's overall development effort. In principle the review weighs priorities for development goals, examines alternative approaches to attaining them, defines needed self-help measures, and estimates requirements for external assistance. Country programming provides the basis for discussing with the host country its own efforts.

But this discussion is not just an annual affair. Experience has shown that encouragement for self-help is most effective in the give and take of day-to-day working together on development problems. This is a major function of the field missions. Understandings about a government's key policies are negotiated along with major loans. The process must be backed up, however, by willingness to raise or lower assistance as countries do or do not carry through.

It seems clear that encouragement of self-help has had favorable results in many countries. Among the objectives attained have been removal of controls on private industry and foreign trade; improvement in prices received by farmers; and more disciplined fiscal and monetary policies to restrain inflation. Despite some mistakes and disappointments, the Committee is convinced that this is the right approach and should be continued.

-- Integration of capital assistance and technical assistance --

The second A. I. D. feature that should be retained is central management of two major kinds of assistance. Capital assistance and technical assistance are more effective if coordinated with one another and with the host country's own efforts. Partly this is a matter of efficiency. Capital for fertilizer plants makes technical assistance in grain production more powerful, while technical assistance to a highway department increases the value of loans for equipment. Partly it is also a matter of inducement. Host countries are more responsive to technical help if donors are prepared to back their advice by sharing in capital costs. Though the Committee's observations indicate that A. I. D. still has a long way to go, we are persuaded that it integrates capital and technical assistance much more closely than was possible when its predecessors, the International Cooperation Administration and the Development Loan Fund, were separate. This present pattern of coordination should be further strengthened.

Technical assistance should, wherever possible, be provided as part of a package of loans and grants with well-defined objectives. A promising device is the sector loan, in which an agreement is reached to provide a variety of external resources, in combination with the country's own resources and policy changes, to attain

development objectives in an entire sector such as agriculture or education. In Chile, for example, loans for imports of fertilizer, farm machinery, seeds, and pesticides from the U. S. were coordinated with technical assistance for adaptive agricultural research and extension services which supported Chile's own agrarian reform law.

Some people have made proposals that would fundamentally disrupt the integration of capital and technical assistance. One is to distribute responsibilities for technical assistance to regular U. S. Government departments -- agricultural technical assistance to the Department of Agriculture and so on. We are convinced that this fission -- among types of technical assistance as well as between technical and capital assistance -- would seriously reduce the acceptability and effectiveness of technical assistance in host countries abroad. The present arrangement by which A. I. D. contracts for project staffs from other government departments is much preferable.

Another is to ask an expanded Peace Corps to absorb the technical assistance functions of A. I. D. Though the Peace Corps has been a success in its present role, we do not believe that separate provision of skills and enthusiasm through middle-level volunteers can adequately substitute for packages of capital assistance and technicians having greater training, experience, and skills.

A third proposal is that all forms of technical assistance should be withdrawn from the capital assistance agency and placed in a separate foundation or corporation. This foundation would be staffed insofar as possible by scientists and educators. It would operate with substantial autonomy, controlled neither by departments in Washington nor by the Ambassador or the capital assistance agency in missions abroad. The merits in this proposal are that it might attract technical personnel of higher quality and might improve working relations with leading U. S. scientific and educational institutions. The demerits are that it would tend to release technical assistance from the discipline of contributing to the growth of production in particular sectors, would give up integration with capital assistance as an inducement and as a related input, and would pose serious coordination problems at home and abroad. The Committee believes that these losses would more than offset the potential gains. We urge

in Recommendation 5, however, that the new development assistance agency make special efforts to strengthen scientific and professional aspects of its technical assistance.

-- Coordination of food aid with other assistance --

Farm commodities sold on credit or given away under P. L. 480 have usually been at least a fifth of total U. S. development assistance. More and more in recent years these commodities have been programmed not simply to dispose of U. S. surpluses but to support the development efforts of less developed countries. In particular, P. L. 480 has been used as an inducement to host countries to promote their own agricultural production. Countries such as India and Pakistan have been assured of food supplies on condition that they increase development expenditures on agriculture, expand use of new seeds and fertilizer, and raise prices received by farmers.

The Committee is convinced that this is a sound trend, and should be continued. At the same time we note with concern that credit terms for P. L. 480 sales have become distinctly harder than terms on development loans, and we suggest that the terms of all forms of development assistance should be based on the debt-servicing capacity of the individual country.

Administration of P. L. 480 at the U. S. end is largely a responsibility of the Department of Agriculture, and in view of the U. S. agricultural and trade interests involved and the experience of the department's personnel, this is sensible. A. I. D., however, has a responsibility for assuring that food aid and A. I. D. assistance both contribute to country development goals. Other Washington agencies also participate in sales decisions. Overseas negotiations with host governments and coordination with other forms of assistance are largely handled by A. I. D. field missions. The complexity of the interagency framework has not prevented increasing coordination of food aid with capital and technical assistance, both in Washington and in the field. The Committee feels that such coordination is extremely important. The new Development Cooperation Fund -- or whatever it is called -- should retain A. I. D.'s present responsibility to assure coordination.

If the present revolution in food grain production fully succeeds -- supported by many kinds of development assistance over the years -- some countries which now must import large tonnages of

grain will become more nearly self-sufficient, and other countries will become exporters. Despite these dramatic innovations, however, the Committee believes that agricultural commodities should continue to be used as an important part of development assistance in the 1970's. First, the U. S. has a competitive advantage in many agricultural products. Second, even optimistic projections of food production and demand suggest that less developed countries will need large food imports in the foreseeable future. Third, though food grain production in less developed countries will increase, there will be rising needs for other types of farm commodities, such as cotton.

2. Expanded multilateral assistance

The Committee recommends that the United States enlarge the share of its development assistance provided through multilateral agencies as rapidly as larger flows can be managed effectively and as other industrialized countries will participate.

The role of multilateral agencies in the development assistance process has grown in recent years. Cost-sharing among advanced countries through those agencies has been promoted by the United States, and the contributions of the other countries have increased. As shown in Table 3, net multilateral flows are now about \$1.3 billion, approximately a sixth of the combined total of multilateral and official bilateral assistance. Only about two-thirds of the multilateral total comes from current official contributions, however, the remainder being provided from private borrowings and drawing down past contributions.

The World Bank family provides over half of net multilateral flows, divided more or less evenly between hard-term loans of the Bank itself and easy-term loans of the International Development Association (IDA). The UN agencies provide about a quarter, almost all of it for technical assistance. The rest goes through the Inter-American Development Bank, supported largely by the U. S. and limited to the Latin American countries, and the European Economic Community institutions, limited to associated countries in Africa and Europe. The Asian Development Bank and the African Development Bank are just getting into operation.

There are some significant differences among these agencies. The World Bank family has a very high quality staff, well-established

TABLE 3
 MULTILATERAL DEVELOPMENT ASSISTANCE FLOWS TO
 LESS DEVELOPED COUNTRIES
 (Disbursements, net of repayments, in \$ millions)

	Calendar years		
	1963	1965	1967
Official contributions ^{1/}	364	450	770
Private purchases of multilateral securities	- 31	247	280
Other multilateral outflow ^{2/}	<u>469</u>	<u>349</u>	<u>238</u>
TOTAL MULTILATERAL FLOWS	802	1,046	1,288
Official bilateral, D. A. C. Countries	<u>5,707</u>	<u>5,753</u>	<u>6,203</u>
TOTAL MULTILATERAL PLUS OFFICIAL BILATERAL	6,509	6,799	7,491
Private investment ^{3/}	<u>2,575</u>	<u>3,980</u>	<u>4,110</u>
TOTAL DEVELOPMENT ASSISTANCE FLOWS	9,084	10,779	11,601

MULTILATERAL FLOWS BY AGENCY

World Bank Family	431	569	694
Inter-American Development Bank	75	109	146
Asian Development Bank	-	-	-
African Development Bank	-	-	-
European Economic Community Institutions	67	116	143
United Nations	<u>229</u>	<u>252</u>	<u>305</u>
TOTAL	802	1,046	1,288

1. Net of principal repayments only; excludes contributions from non-D. A. C. members.
2. Difference between disbursements and receipts of multilateral organizations, largely disbursements out of prior years' official contributions and private investments, but net of contributions, investments and repayments from less developed countries.
3. Includes direct investment, reinvested earnings, net private export credits, and portfolio investment.

standards of operation, and a clear capacity to expand its operations if additional funds were available, particularly for IDA. The UN has difficulties in coordinating independent agencies and allocating funds objectively -- difficulties that are only gradually being overcome. The regional development banks face in different ways the problem of accommodating sound standards with borrower control, and the Asian and African Banks must still build staff and experience.

The Committee believes that the United States should increase its contributions to competent international banks, along with other contributors, as rapidly as the banks are prepared to undertake the additional responsibilities. This approach will take advantage of the experience and acceptability of the multilateral agencies, avoid some of the Congressional and diplomatic tribulations of A. I. D., and put pressure on all advanced countries to share in the development assistance system.

A particular problem arises because of the size and wealth of the United States. Our share in the GNP of the D. A. C. countries exceeds 50 percent, but if our share in the financing of the multilateral banks increased to more than half, their multilateral character would be weakened. The Committee endorses three possibilities for meeting this problem. First, the United States should offer to raise its share in the next replenishment of IDA from 40 to 45 percent, and to forego special balance of payments protection. Second, the U. S. should be willing to contribute shares at a proportion higher than 45 per cent to Special Funds administered by the regional development banks. Third, if the World Bank and IDA will agree to accept Special Funds for particular countries, the U. S. should be prepared to make transfers of bilateral assistance funds in appropriate cases, where the advantages of multilateral administration are strong.

The Committee recognizes that bilateral assistance has important special strengths which make a combination of multilateral and bilateral programs desirable in the world system. As noted above, A. I. D. has played a leadership role in relation to both the other advanced nations and the multilateral institutions. Other larger donor countries, particularly Germany, France, Japan, and Italy, are committed to bilateral programs, because of distinctive geographical interests and problems of domestic political support. The United States has mutual interests with most of our present large-

scale aid recipients that are better developed on a bilateral basis. Our ability to work with them in the future is an important part of the rationale for development assistance. Finally, starting from where the multilateral agencies now are, doubling their rate of disbursements over the next five years would be a considerable management achievement. But as shown in Table 5 below, even this would still leave a need for bilateral assistance programs larger than at present.

The Committee emphasizes that an equally important aspect of multilateralism is closer coordination of all assistance to individual countries through various forms of consultative groups of aid-supplying countries. There are now eighteen such groups -- in India, Pakistan, Ceylon, Turkey, Greece, Morocco, Tunisia, Nigeria, Ghana, Sudan, East Africa, Colombia, Ecuador, Peru, Malaysia, Thailand, Indonesia, and Korea. They cover close to half of worldwide development assistance. Some are still weak. But where the staffs of multilateral institutions have provided leadership, supported by the U. S., such groups have permitted reasonably objective negotiation of the types and amounts of assistance that are most needed, the terms on which it should be made available, and the economic policy measures that should be adopted.

The multilateral agencies, however, need to strengthen themselves as development agencies to take full advantage of these opportunities. In particular, the World Bank should play a more energetic role as leader in consultative groups, provide more program loans, and encourage self-help through country programming. It should take the lead in debt rescheduling negotiations, offer more high-level technical assistance to the planning process in host countries, and establish small field staffs in major aid-receiving countries. It would be helpful if it modified its procedures to accept Special Funds for individual countries. Under its new president the Bank is moving along several of these lines. Further steps would strengthen the promising trends in multilateral cooperation already under way.

3. Separation of development assistance and military assistance

Development assistance and military assistance should be legislatively separated from one another. Separation would enable the U. S. to employ each more effectively where its use is desirable.

The Committee suggests the following pattern of separation. All grant military assistance programs should be taken out of the development assistance budget and made a line item in the Defense Department budget. A major advantage of this change is that U. S. defense expenditures overseas and expenditures on the defense efforts of allies could be examined in the same context. Special arrangements should probably be made for consideration of this line item by the foreign affairs committees of the Congress, however. Grants should be gradually reduced, as countries are shifted to credit purchases of military equipment.

Grant economic assistance for security purposes in Vietnam, Laos, and Thailand should be provided within the development assistance budget for the duration of hostilities. Grant economic assistance should continue to be available for early reconstruction in Southeast Asia. It should be combined with the remaining security programs, which are small, and with the contingency fund, which is available for unexpected aid needs after Congress has passed the budget, in a new line item for Reconstruction and Emergency Assistance. Policy provisions should make clear that these grant funds are available (a) for Southeast Asia reconstruction, and (b) for a limited number of countries with a security or emergency rationale, but only on a one-time basis or for a limited number of years. Keeping responsibility for Reconstruction and Emergency Assistance in the new development assistance agency would facilitate evaluating benefits of alternative packages of emergency and development assistance in a particular country, and arranging a prompt transition to development-oriented efforts.

The sharper separation of military programs would leave development assistance in a legislative and policy framework where the criteria under which it operates are clearer, and where it could more effectively pursue its central purposes. Development assistance is a tricky enough business without combining it with major military cooperation or assistance for security reasons. If the development assistance agency is to have credibility, the influence which it tries to exert on the key development policies of host countries must be visibly devoted to the economic well-being of their citizens. It must try to make its judgments about aid levels stick on objective grounds unencumbered by leverage for defense cooperation.

4. Overseas Investment Corporation

The Committee is convinced that more rapid expansion of U. S. private investment in less developed countries is an essential complement to public development assistance. An Overseas Investment Corporation should be established to strengthen and extend A. I. D. 's present investment guarantees and investment promotion activities, and to undertake new initiatives in direct lending with capital funds raised at government-guaranteed rates. A government corporation is appropriate for these programs, because they are predominantly of a business nature, are revenue-producing, and call for considerable flexibility of administration and funding.

The Committee affirms the U. S. commitment to private enterprise in development, and is convinced that a decentralized economic system guided by market forces is the right approach to promoting development. An expanding flow of U. S. private investment in less developed countries seems to us essential. It will provide capital, introduce technical and managerial skills, and help assure markets for the host country. It will enable U. S. private businesses to contribute to the progress of economies abroad.

Unfortunately, the present share of U. S. national income devoted to private investment in less developed countries is comparatively low. In recent years the private sectors of from seven to ten of the sixteen advanced countries in D. A. C. have invested larger shares of their national income in the less developed countries than the United States has. This is contrary to what one would expect on the basis of our wealth and the vigor of our business community. The Committee is convinced that more can be done by private business with U. S. Government encouragement. Five years from now U. S. business should be investing a higher share of our national income in Asia, Africa, and Latin America.

We emphasize that public development assistance is needed to support the framework within which private investment can do its part. The vast majority of less developed countries will continue to need public grants and loans on liberal terms, and cannot yet afford to rely entirely on private capital or loans on commercial terms. Public development assistance is needed to support a transportation and power base, progress in agriculture, an improving

educational system, and availability of essential imports. Moreover, public assistance can help to encourage sensible economic policies of host governments to provide a healthy investment climate.

A. I. D.'s programs to promote private investment have clearly increased in effectiveness in recent years. Over \$6 billion of Specific Risk Guaranties against currency inconvertibility, expropriation, or damage from war or revolution are presently outstanding; four years ago the total was only \$1.5 billion. The Extended Risk Guaranty program, which can insure against commercial risks up to 75 percent of loan investments and 50 percent of equity investments in carefully screened projects, is just getting into high gear. Perhaps \$25 million in such guaranties will be authorized in FY 1969. These and other A. I. D. efforts, such as cost-sharing in investment feasibility studies, are working well, and are showing what can be accomplished.

The new Overseas Investment Corporation which we recommend would take over the present investment promotion functions of A. I. D. In addition, the corporation should have authority to lend directly to U. S. investors, investment corporations, or private investors in less developed countries. It should be able, on a highly selective basis and subject to a limited ceiling set in the law, to take minority equity participations. Experience suggests that ability to share directly in capital costs can be crucial in making projects jell. A corporation staffed by experts from the private sector would have advantages in dealing with private investors. Its activities ought to be coordinated with those of the new Development Corporation Fund, and the head of the Fund should be the chairman of the corporation's board of directors.

The Committee suggests that the corporation could obtain capital for its operations in several ways: First, the corporation could further liberalize extended risk guaranties -- to, say, 90 percent for loans and 75 percent for equity. Experience with the present system indicates that this change would attract additional capital to guaranteed projects from insurance companies and other institutional investors. Second, the corporation could issue its own government-guaranteed securities on the U. S. market. Third, it could be given borrowing authority from the Treasury

of the same sort the Export-Import Bank now has. Fourth, it could be assigned interest and amortization payments on existing A. I. D. loans to private firms. Fifth, over time it could sell off in the U. S. capital market its loans, equity positions, or participations in its portfolio.

Capital provided by the corporation for private investment should generally move at rates of government-guaranteed securities, and projects assisted should have the potential to be commercially viable. Budgetary appropriations should not be a source of capital, but could be provided to the corporation for supporting investment promotion and technical assistance activities.

In addition, the Executive Branch should ease present balance of payments controls to permit a faster increase in direct investment in less developed countries by U. S. corporations. The present system administered by the Department of Commerce permits individual firms to invest in 1968 up to 110 percent of their average investment of 1965 and 1966 in less developed countries, but because such projects vary greatly from year to year, many firms have had to seek specific authorizations while others haven't used their potential claims. The experience of 1968 indicates that private investment in less developed countries may be held back substantially unless the controls are liberalized. The system should be modified so its target is a continuing increase of at least 10 percent a year in total investment, and greater allocations should be made to non-extractive investment and to small business. The cost to the U. S. balance of payments would be modest, since in 1967 direct investment in less developed countries was only about a fifth of total U. S. direct investment abroad.

5. Program emphases: food production, family planning, science and the professions, education, popular participation

What emphases should the United States stress in its development assistance programs over the next five years? Fundamentally, assistance should be tailored to the needs and conditions of particular host countries, on the basis of country programming. But the Committee feels that the circumstances of the next five years are likely to call for five program emphases affecting many countries.

-- Food Production --

Dramatically improved yields of rice in the Philippines and wheat in India and Pakistan testify to the "green revolution" in food grain production now in progress. Improvements in corn and sorghum are less publicized but similarly dramatic. A. I. D. is now devoting about a quarter of its funds to agriculture. Over the next five years more than that will be required simply to carry through the production revolution in wheat, rice, corn and sorghum in other areas of the same countries, and in lagging countries. This will call for seeds, fertilizers, insecticides, farm machinery, irrigation projects, storage facilities, processing plants, and agricultural services, as at present.

Now that solutions to the technical problems of production are being found, moreover, increased emphasis will have to be given to marketing systems and pricing policies. A. I. D. has already encouraged the adoption of agricultural policies that increase incentives to producers. In the future lower-cost foodstuffs should permit benefits for both consumers and the newly efficient producers. Improved marketing systems will call for additional facilities for storage, credit, transportation, and processing, and for new activities by both public organizations and private traders.

The task of extending the benefits of the "green revolution" will be complex and challenging, but the foundations have already been laid.

-- Population and family planning --

For human and economic reasons now well recognized, the benefits of reduced population growth are very large. Family planning is spreading in many countries - in Taiwan and Korea, India and Pakistan, Tunisia and Kenya, Colombia and Chile. A. I. D. has recently given top priority to family planning programs, increasing its commitments from \$4 million in FY 1967 to \$35 million in FY 1968 and a planned \$50 million in FY 1969.

Over the next five years the new development assistance agency should push ahead to support in every possible way those governments which are prepared to make vigorous attempts to overcome

the obstacles to family planning. The diplomatic risks to the U. S. stemming from host country sensitivities about population programs should be understood, and every effort made to reduce them. The cultural and social obstacles are in many cases formidable. Even apart from such obstacles, the benefits in slower population growth can accrue only in the long run. It should also be recognized that there is a limit to the capacity of less developed countries to absorb external funds for the program. Most of the costs are local-currency expenditures for staff, clinics, transportation, publicity, and locally produced contraceptives. Foreign supplies and technical assistance, although crucial to success, do not involve substantial outlays in foreign currency. But with these cautions, the U. S. should move ahead as energetically as ingenuity can permit.

Possibly the greatest contribution which can be made by the United States is research into new contraceptive techniques. The Committee urges that medical research funds in the federal budget be increased to support the population-restraint activities so crucial to the world.

-- Science and the professions --

An active cadre of scientific and professional personnel, participating fully in the international intellectual community, is crucially important for self-sustaining development. To build the necessary institutional capacity in research and higher education, less developed countries need long-term external assistance. Such assistance, to be effective, involves a delicate balance between the activities of public agencies and private institutions. Even after countries become self-sustaining with respect to capital assistance on liberal terms, they will still need exchanges of scientific and professional personnel with advanced countries to maintain and improve standards of excellence.

There are several reasons for giving special attention to science and the professions within the over-all development assistance effort. First, a central feature of such assistance is continuing participation in the world professional community. Taiwan, Iran, Israel, and Greece have already graduated from the need for A. I. D. capital assistance on easy terms, and Korea and Turkey can be expected to do so. Yet it is highly desirable that technical cooperation continue, even after capital assistance is no longer needed.

Second, government help to higher education and research is a sensitive matter, and activities with a private character may be more acceptable and effective in many host countries. Third, there is a general problem of attracting and retaining high quality scientific and professional personnel for such assistance. A. I. D. has had some recognized difficulty in doing so, and in working smoothly with leading universities at home and abroad. Fourth, the U. S. itself benefits directly from the experience of our professionals abroad, the contributions of foreigners in our universities, and continuing institutional contacts across national boundaries. This is a field for mutually beneficial international cooperation.

The Committee is not certain how best to implement increased U. S. support for science and the professions in less developed countries. We are persuaded that present arrangements in A. I. D. leave a gap, and that this problem should receive high-level attention within the new development assistance agency. This may call for organization of a special office within the agency, or establishment of a suitable advisory committee to the agency head, or both. Still other institutional arrangements may well be considered. But somehow there should be an expansion of technical assistance for leading universities and research institutes in less developed countries -- visiting U. S. personnel, graduate or post-doctoral education for national staff members, modest amounts of equipment and books, and active exchanges of professional personnel. This support should be administered to engage full participation by private institutions, and to continue cooperative relationships after countries graduate from other assistance.

-- Education --

The hunger for education is perhaps the most deep-felt social need of less developed countries. Educational progress is critical for overcoming shortages of skilled manpower which hold back material progress, for broadening opportunities of ordinary people to participate in the development process, and for enabling countries to emerge as modern nations.

The bulk of the resources for quantitative expansion of education clearly must come from the less developed countries themselves. The needs are so vast, and the role of nationals in education so

central, that external donors can at most contribute a small margin. Thus, it is very important that development assistance contribute to qualitative improvements in host country education systems. Major goals are: to relate education to requirements for trained manpower; to mobilize increasing amounts of domestic resources for education; to adopt techniques which reduce education costs per student, so that broader educational opportunities can be fitted within budgetary availabilities; to adjust curricula inherited from the past to be more useful to students in their own societies; and to supplement formal education with on-the-job training and literacy campaigns.

For U. S. assistance to contribute most effectively to these goals, a considerable range of innovative, experimental, research and pilot-project activities should be undertaken. Some may deal with possible applications of modern technology, such as TV. But in all fields the emphasis should be on innovation and testing, so that activities which succeed have a value beyond the projects themselves.

-- Popular participation --

Development is much more than the increase of production. An important feature of the development process is broader sharing by the general population in both the responsibilities and the benefits. And for the U. S. assistance program this sharing should be a major objective in its own right.

The means of promoting popular participation are many and diverse. For example, activities should be supported which strengthen independent private institutions, or involve large numbers of people living in comparatively depressed areas, or foster national integration and constructive social reforms. The rural works program in Pakistan, which provided substantial funds through local government organizations for local public works projects, has helped to strengthen local rural institutions and to bring common people into decision making about their country's future. In other countries, technical assistance on tax reform may be the most promising line of action. Participation can be broadened through labor unions, agricultural cooperatives, small private businesses, and local governments. The new Development Cooperation Fund should establish criteria and priorities which would give popular participation greater emphasis in country assistance programs.

Congress has already shown its support for the objective of broadening popular participation by adding Title IX to the Foreign Assistance Act. Greater emphasis on this objective in the years ahead seems likely to strengthen support for development assistance among the American public.

6. An expanding flow of development assistance

The Committee is convinced that U. S. objectives in cooperation with the less developed world cannot be attained without a continuing political and moral commitment to provide development assistance. This means, at a minimum:

(1) restoring development assistance in all forms to the levels which prevailed before the unfortunate appropriation cuts of FY 1968 and FY 1969; and then

(2) expanding it as our national income and government tax revenues rise.

The United States should reverse its recent lagging steps and regain its leadership in the worldwide system of development assistance, in accordance with our wealth, our responsibilities, and our interests in a compatible world environment.

Why are the needs of less developed countries for development assistance likely to be higher over the next five years?

A basic factor is that they are actually succeeding, as a group, in expanding their GNP at around 5 percent a year. This calls for rising imports, rising investment, and rising government services -- frequently more rapidly than national product. They must try to expand their exports, domestic savings, and tax revenues to cover these costs. To attain corresponding rates of increase would be a great achievement in view of how hard it is to broaden export markets in traditional products, to increase savings when people's incomes are low, and to impose and administer modern tax systems. But even if they do attain corresponding rates of increase, their absolute needs for external assistance will continue to expand.

The destinations of development assistance will shift as the requirements of individual countries change, even within rising total

requirements. As we have seen, some countries have already become self-sustaining and the next five years will probably bring additional graduates, such as Korea and Turkey. But nearly all of today's large-scale recipients of development assistance, such as India, Pakistan, Brazil, and Colombia, will still be in mid-stream five years from now. And many countries now at lower levels, such as Indonesia, Morocco, Ghana, Kenya, and Bolivia, are likely to move into a stage where they need and can use effectively large-scale inflows of development assistance.

Finally, goals have a good habit of rising. As goals rise, "needs" rise. The five percent growth rate of all less developed countries as a group has been substantially exceeded by growth rates upwards of seven percent for those countries which have succeeded in becoming self-sustaining. With populations increasing at three percent per year, the difference between five percent and seven percent over-all growth is critical for per capita living standards. A goal higher than the recent five percent for the less developed world would surely call for substantially more assistance.

After the next decade or two, as more countries reach and maintain higher growth rates for a period of years sufficient to become self-sustaining, needs for official assistance on easy terms should decline. Private investment and capital flows on commercial terms should be sufficient. But the time is not yet.

There have been a number of serious attempts to make quantitative estimates of needs for development assistance in the early seventies. Four of these estimates are summarized in Table 4. All were built up from projections for individual countries, but the estimates differ in targeted rates of growth, in their analyses of determinants of assistance needs, and in data and many technical details. The consensus of the estimates, however, is that the less developed world will need something between \$15 and \$20 billion of development assistance per year in the early seventies, compared to the 1967 flow of about \$11.4 billion from all countries in the Development Assistance Committee (D. A. C.).

If the United States and all the aid-supplying countries as a group could carry through into actual public appropriations and private investment their desired objective -- as stated in the D. A. C. and at the UN

TABLE 4
ESTIMATES OF GLOBAL NEEDS FOR DEVELOPMENT ASSISTANCE
IN THE EARLY SEVENTIES
(In \$ billions)

	<u>Approximate Amounts Around 1973</u>
George Woods, former World Bank President ^{1/}	16.5 - 19.0
UNCTAD Secretariat ^{2/}	16 - 22
U. N. Centre for Development Planning ^{3/}	13 - 15.5
A. I. D. staff ^{4/}	15 - 21
D. A. C. 1% of GNP target ^{5/}	19.5
Restoring 1965 ratio of 1% of national income	15.6
(Actual 1967 D. A. C. flow = 11.4) ^{6/}	

1. Statement to Ministerial Meeting of D. A. C., Paris, July 22, 1965. The statement was couched not in terms of achieving certain growth rate targets, but of "what the developing countries could effectively use, on the average, over the next four years." The estimate was derived, however, from projections of 33 individual countries to 1970, with a median GNP growth rate of 5% from 1963 to 1970. The average of an additional \$3-4 billions annually has been interpreted here to imply a gradual increase from a 1962-64 level of about \$8.0 billions to a level of \$14.0 to \$16.0 billions by 1970. The 1970 range has been extrapolated to 1973 at 6% per year. There may have been some omission of unreported technical assistance and of transfer payments on current account.
2. "Trade prospects and capital needs of developing countries," report presented to UNCTAD, 2nd session, New Delhi, Feb. 1, 1968. The estimate is a global 1975 trade gap (sum of deficit countries) derived from projections for 39 individual countries and country groups. The 1975 range has been interpolated back to 1973. The implicit 1963-75 GDP growth rate averages 5.1% for the "low" and 6.1% for the "high" gap. An additional inflow of \$1.5 billion of technical assistance has been added to the 1975 trade gap, but no allowance has been made for

TABLE 4 (Footnotes continued)

countries where the savings gap exceeds the trade gap. Figures are in 1960 constant prices. Trade information is based generally on balance of payments statistics.

3. U.N. Centre for Development Planning, Projections and Policies, "Developing Countries in the Nineteen Seventies: Preliminary Estimates for Some Key Elements of a Framework for International Development Strategy," paper presented to 3rd session of U.N. Committee for Development Planning, Addis Ababa, June 14, 1968. Estimates for 1970 and 1975 are based on projections for 67 countries, and are defined as the sum (for deficit countries) of trade gap or savings gap, whichever is larger. The 1973 estimate is interpolated. For "low" gap there is an implicit 1963-75 GDP growth rate of 5.4% and for "high" gap 5.5%. Trade information is based generally on national accounts statistics. An additional amount of \$1.3 billions in 1970 and \$1.5 billions in 1975 has been added for technical assistance.
 4. Estimates for 1970 and 1975 are based on projections for 50 countries, expanded to a global total, and defined as the sum (for deficit countries) of trade gap or savings gap, whichever is larger. The 1973 estimate is interpolated. Gaps correspond to 1962-75 GNP growth rates of 5.2% and 5.9%, respectively, and to "realistic plan" performance. Alternative gaps for "upper limit" performance are smaller by about \$4 to \$5 billions in 1970 and \$6 to \$8 billions in 1975. For computational details see paper by Hollis Chenery and Alan Strout, "Foreign Assistance and Economic Development," the American Economic Review, Vol. LVI, Sept. 1966. For comparability with the other estimates, the 1970 gap has been increased by \$1.3 billions and the 1975 gap by \$1.5 billions to reflect unrecorded technical assistance. Trade gaps are at current dollar rather than constant dollar prices, and assume future price changes working slightly against the less developed countries.
 5. D. A. C. projection for 1975 from "Development Assistance - 1967 and Recent Trends," O. E. C. D. press release, Paris, July 4, 1968. Projection implies a 4.3% donor country average GNP growth rate between 1967 and 1975. 1973 estimate has been interpolated back at this rate. Financial flows from the communist countries and from other non-D. A. C. countries, which have recently been about \$400 million a year, are not included.
 6. The difference from the total of 11.6 in Table 3 is the item Other Multilateral Outflow, which is omitted here because it is not from current contributions of the D. A. C. countries.
-

Conference on Trade and Development (UNCTAD) -- to raise net public and private flows to one percent of GNP, this would nearly meet the upper end of the range of estimated needs. If the U. S. and the other D. A. C. countries simply restored net flows to one percent of national income (0.6 percent official flows and 0.4 percent private) as in 1965, and then expanded assistance annually to maintain this ratio, this would meet the lower end of the range of estimated needs. The Committee feels that this lower pattern is the minimum objective which can responsibly be considered over the next five years.

Even this minimum objective has significant budget and policy implications for the new Administration. A reasonable pattern of U. S. assistance flows in 1973, totaling one percent of national income, is shown in Table 5. It assumes that the multilateral agencies can double their total disbursements over the next five years, and that financially this implies something less than doubling multilateral security issues in the U. S. market, and something less than tripling U. S. official contributions. It also assumes that the Export-Import Bank will see its way clear to expanding its net lending by about 10 percent annually (or 75 percent cumulatively) above the recent past; that new promotion activities and easing of present controls will induce a similar 10 percent annual expansion of private investment; and, that net P. L. 480 assistance, after a bulge in the immediate future, will fall back only to approximately 1966 and 1967 levels, as expansion in wheat and rice production in less developed countries reduces their import needs. Finally, even with these relatively optimistic assumptions about other forms of assistance, the implication is that appropriations for the bilateral programs of the new Development Cooperation Fund will have to rise moderately above the levels prior to the deep FY 1968 and FY 1969 cuts. Total official flows would have to expand about five percent per year from 1967.

Thus, to repeat, the Committee recommends that the new Administration commit itself to the budget and policy implications of at least this minimum goal of restoring U. S. development assistance to the 1965 proportion of our national income, and then expanding it as our income grows.

The Committee emphasizes that the addition to recipients' resources from development assistance comes from assistance net of repayments

TABLE 5
 PROJECTED U.S. DEVELOPMENT ASSISTANCE FLOWS TO LESS
 DEVELOPED COUNTRIES IN THE EARLY SEVENTIES
 (Disbursements, net of repayments, in \$ millions)

	Calendar years	
	<u>1967</u>	<u>1973</u>
Development assistance agency <u>9/</u>	2,134	2,550
Official contributions to multilateral agencies <u>1/</u>	310	900
P.L. 480 <u>2/</u>	1,051	1,100
Export-Import Bank <u>3/</u>	160	200
Peace Corps <u>4/</u>	108	150
Other <u>5/</u>	50	50
Recoveries <u>6/</u>	<u>- 91</u>	<u>- 50</u>
TOTAL OFFICIAL	3,723	4,950
Private purchases of multilateral securities <u>1/</u>	255	450
Private investment <u>7/</u>	<u>1,589</u>	<u>2,400</u>
TOTAL OFFICIAL AND PRIVATE FLOWS <u>8/</u>	5,567	7,800

-
1. Assumes that total financial flows through multilateral agencies can be doubled, that this level of disbursements will be entirely covered by current year official contributions and private multilateral investments, that private investments can be approximately doubled and hence that official contributions must increase about 2.6 times, and that U.S. share in private investments will be on the low side and in official contributions will be on the high side of this over-all pattern.

TABLE 5 - (Footnotes continued)

2. Assumes that marked increases in grain production in less developed countries, and rising U.S. uses and repayments associated with harder terms (which are not included in these net figures), will lead to a reduction from the 1963-67 average of about 1,300, and from levels in prospect for 1968 and 1969, but not below approximate 1966 and 1967 levels.
3. Assumes that the Bank, as a matter of U.S. government policy, will raise net lending to less developed countries about 10% per year cumulatively from the 1963-67 average of about 120, despite rising repayments. The all-time peak of 1967 would have to be exceeded by about a fourth.
4. Assumes a cumulative expansion of about 5% per year.
5. Assumes that other flows will remain constant, as they have more or less since 1964.
6. Assumes that recoveries, which were raised by a special transaction in 1967, will remain at about the average of the years just before 1967.
7. Assumes that the policies recommended for promoting private investment will be effective in supporting a cumulative 10% per year expansion from the 1963-67 average of about 1,370. Past experience in the sixties indicates large year-to-year fluctuations, with 1967 one of the peaks, but no clear trend.
8. Assumes that the U.S., along with other D.A.C. members, will restore the 1965 ratio of 1% of national income, and that national income will expand at 4.3% per year. The U.S. share will remain half of the D.A.C. total.
9. Public development assistance on easy terms is estimated as a residual.

of past loans. To increase the net flow, increasing attention must be paid to maintaining assistance in grant forms and assuring loans of long duration and with long grace periods. The underlying needs of less developed countries and the recent rise in many countries' debt-servicing problems also call for concessional interest rates.

U. S. terms have been hardening noticeably in recent years. By 1967, nine of the sixteen D. A. C. countries provided assistance on terms more favorable than the United States. The Congress has required higher interest rates on A. I. D. loans, though still permitting ten-year grace periods and forty-year terms. P. L. 480 sales are being shifted from grant-like sales for local currencies to dollar-repayable loans, and the loans frequently provide for substantial initial payments, only one-year grace periods, and twenty-year terms. The share of hard Export-Import Bank loans relative to easy A. I. D. loans has risen. The main possibilities for reversing these trends are to adjust P. L. 480 terms toward consistency with A. I. D. development loans, and to lower interest rates during the grace period. Both would require Congressional action.

The United States should at the same time cooperate with the World Bank in consultative groups to induce all countries to tailor their assistance terms to the capacity of each aid-receiving country to repay. Since past terms of assistance have been too stringent in some cases, rescheduling of debt repayments by certain countries is clearly needed. Such rescheduling should preferably take place under the leadership of a multilateral institution such as the World Bank, as in the recent India rescheduling, and this calls for support of Bank initiatives by its principal members. The process of development assistance will be discredited by instances of debt default, and adequate attention to debt-servicing capacity at the time the terms of aid are agreed upon can minimize this risk.

7. Innovations for the longer term

There are a number of ideas for longer-term innovations in the world's development assistance system which the Committee feels are promising, but which we have not examined sufficiently to reach conclusions. We suggest that the new Administration undertake serious study of them, to determine whether negotiations to establish them should be initiated in the near future.

One is the idea of devoting to development assistance some of the Special Drawing Rights (SDRs) to be created by the International Monetary Fund. The immediate objective is to get the SDR system itself into operation. But in a second round of creation of SDRs, the possibility should be considered of allotting a portion of them either to the International Development Association (IDA) as a supplement to its soft lending, or directly to less developed member countries. This would provide a new truly international source of financing for development assistance, and also enable the developed countries to earn new holdings of SDRs in the course of their exporting.

Another possibility would be to finance at least part of a future IDA replenishment through government commitments to subsidize interest payments on IDA bonds sold in private capital markets. This would lessen the burden of replenishments on member country budgets, and thus might permit a substantially larger replenishment than would otherwise be negotiable. If, for example, a government undertook to provide an additional \$100 million a year for ten years in this manner and to reimburse IDA for six percent a year on the amount borrowed, the budgetary burden would grow gradually from \$6 million in the first year to \$60 million in the tenth and succeeding years. If this were done prudently, expanding capital markets ought to be able to absorb both new issues and re-issues of such securities.

A third idea is to provide additional resources in the World Bank family to give medium-term assistance for diversification programs in countries whose earnings from primary exports are seriously depressed. This could take the form of a major liberalization of the present compensatory financing facility of the International Monetary Fund, or of a special fund operated by the World Bank with supplementary contributions of members. In view of the difficulties of international commodity agreements, support specifically for diversification programs is an attractive idea.

The Committee believes that some innovations along these or similar lines are extremely important to reinforce the existing world system of development assistance.

VI. BUILDING PUBLIC AND CONGRESSIONAL SUPPORT

The essential condition for strengthening the U.S. development assistance program is that the new President commit himself to it as a key instrument of his foreign policy. He will not succeed, however, unless he can persuade the public and the Congress to support it.

The case he must make has two main elements. First, he must demonstrate persuasively that vital U.S. interests are at stake in relations with the less developed world, and that the major challenges to development assistance programs can be candidly answered. The Committee hopes that Sections II and IV of its report may be helpful in doing so. Second, he must offer promptly a revitalized and reorganized approach to development assistance, which builds on the strengths of the present system while making significant improvements. The Committee believes that Sections I and V of its report offer this promise.

The case must then be put across to the public and the Congress. Fortunately there is evidence of extensive latent public support. Churches, business associations, labor unions, civic organizations, universities, and many other elements of American society are concerned about U.S. responsibilities toward less developed nations. What has been lacking is a convincing program of public information about development assistance--its purposes, its justification, its cost, its benefits, its operations, and its achievements.

There are some encouraging recent non-governmental initiatives:

1. George Woods, former President of the World Bank, suggested some time ago that "leading world experts in the field of development meet together, study the consequences of twenty years of development assistance, assess the results, clarify the errors, and propose the policies which will work better in the future." Robert McNamara, the new President of the Bank, has persuaded Lester Pearson, formerly Prime Minister of Canada, to head such an independent commission.
2. The leadership of the Catholic and Protestant churches is joining in a common program of World Cooperation for Development, in which a sustained public education effort in the United States and other advanced countries will be a prominent part.

3. A group of outstanding business, professional, educational, and religious leaders in the U.S. is organizing an Overseas Development Council, which is designed to be the headquarters for research and information concerning development problems and development assistance.

Our Committee suggests that the new President call upon selected leaders in public information, education, and communications to design a program which will lay before the people, simply and clearly, the issues and facts about development assistance. In view of the long history of Congressional opposition to use of appropriated funds for such purposes, the communications industry or one of the foundations could well be asked to undertake the necessary financing as a public service.

Changing the sentiments of the Congress may initially be more difficult. On the other hand, some distinctive domestic and international political circumstances have ruled the 90th Congress, when the unfortunate deep cuts in A. I. D. appropriations were made. The new President, if he carries a more friendly Congress with him into office, begins his term with a somewhat more hopeful prospect in Vietnam, and moves promptly to present a cogent fresh program, would be starting a new inning, if not a new ball game. A burgeoning public information and education effort could bring out essential underlying voter support. In these new circumstances, it is not unreasonable to hope that the Congress would respond to the President's call to give him an essential instrument for our country's foreign policy.

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Friday November 1,
~~Wednesday, October 30,~~ 1968

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- 2:20 pm

Pres file

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Consideration of IDA in a Special Session
of The Congress

Attached is Secretary Fowler's memo recommending that, if you call the Senate into special session to consider the Non-Proliferation Treaty, you add IDA replenishment to the agenda and call the House in session as well.

Congressional inaction has brought IDA to a standstill. If we moved, other donor countries who are waiting for us would quickly follow and IDA would be back in business. Fowler argues that we led the international negotiations for this package and are strongly obligated to follow it through. He points out that IDA has traditionally had bipartisan backing and that according to his soundings, it would be possible to get substantial Republican support for it in the House.

Barefoot Sanders sees serious problems with Fowler's proposal. I am sending him a copy of Joe's memo so he can give you his own views.

You know my views on the foreign policy importance of IDA. Joe is right in saying that we are the sole obstacle to its renewal. If there is a chance of getting it, I believe we should go after it.

W. W. Rostow

CC: Barefoot Sanders

ERT
ERF:mst

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E.O. 12356, Sec. 3.4
NIJ 94-218
By cb, NARA, Date 7-31-95

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THE SECRETARY OF THE TREASURY
WASHINGTON

For History
51a
OCT 29 1968

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MEMORANDUM FOR THE PRESIDENT

Subject: Critical Importance of U.S. Action on IDA.

You have initiated two major international actions for moving toward an enduring world peace which are still unfinished legislative business but could be pushed over in a short resumed session in November or December:

- the Treaty on the Non-Proliferation of Nuclear Weapons,
- an enlarged replenishment of the International Development Association.

If you call back the Senate to consider the Non-Proliferation Treaty, I think it equally important to move simultaneously to secure passage of IDA. I, therefore, recommend that you call back the House as well as the Senate, to secure the enactment into law of IDA.

You said in your September 30 address to the Governors of the World Bank and International Monetary Fund that they "are the custodians of the world's economic welfare -- and ultimately of its security." You pointed out that "the new replenishment of IDA resources is a first priority development need." It places a first call in the international community and on our own Congress.

The international community has responded to this call. The IDA Governors of 89 countries approved the resolution on the terms and conditions of a replenishment. Of all the developed countries, only the United States Governor has not voted -- because Congress has not acted. Our failure to act places us in a position alongside Algeria,

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E.O. 12958, SEC. 3.5
Treasury Dept. Guidelines
By *jc*, NARA, Date *3-8-02*

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Congo, Costa Rica, Gabon, Guyana, Jordan, and a handful of others whose failure to act does not have the consequences of our failure because they are not contributing countries.

U.S. action on IDA is essential for the Agreement to go into effect. This is so because of the usual practice which is followed in this Agreement of stipulating ratification by a minimum in terms of both the number of countries and over-all contribution, before implementation can start. Because of the size of the U.S. contribution, the "trigger" amount cannot be reached without our participation. Eight of 17 other contributing countries which have voted the resolution but have not yet pledged resources will follow quickly after U.S. action. Without our action, \$720 million pledged, or to be pledged by others, will be lost or delayed beyond repair.

Our failure to act thus far has caused a general belief throughout other nations that "IDA" is dead." In my opinion, the importance of our relations with the rest of the world (through the World Bank and IDA) warrants a special session of Congress. Although the IDA package is technically not a treaty, it has equal significance insofar as preserving the respect of other countries for the good will of the United States is concerned. Moreover, as with the Non-Proliferation Treaty, the United States was the moving force in achieving the negotiated IDA package. Win or lose in a special session, I believe that you should make every effort to cause the United States to live up to its moral commitment.

As I see it, the particular outcome of the election would not affect this recommendation.

From its inception IDA has received strong bipartisan support. In 1959, Republican Secretaries of State, Commerce and Treasury formally approved the project. The World Bank itself drew up the Articles of Agreement which were submitted by President Eisenhower to a Democratic Congress which, in turn, approved U.S. participation at the urging of a broad

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range of private American organizations, including the U.S. Chamber of Commerce, the American Farm Bureau Federation and the AFL-CIO.

President Eisenhower authorized the negotiation of IDA and requested Congress to give approval to U.S. participation. IDA has had continuing bipartisan support as the best way to achieve our development objectives. The current legislation has had bipartisan support in the House Banking and Currency Committee and the Senate Foreign Relations Committee.

If Humphrey and Muskie are elected our responsibility to go forward without delay seems clear in the light of your solid and continuing support of the proposed replenishment. If Nixon and Agnew are elected or the election is not decided in the electoral college, I believe, on the basis of lengthy conversations I had before Congress adjourned with Congressmen Ford, Widnall, Laird and Arends, that we could get some substantial Republican support in the House. The Senate should not present any problem.

Henry H. Fowler
Henry H. Fowler

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MEMORANDUM

INFORMATION

THE WHITE HOUSE

52

WASHINGTON

Friday, November 1, 1968

2:15 pm

Mr. President:

Herewith a summary analysis of the first telegrams of reaction to your address last night. These 331 telegrams reached the White House by 11 AM this morning.

Profile

Critical:

Critical telegrams outnumbered favorable statements by slightly over 2 to 1 (225 to 106).

Over half the critical telegrams (115 of 225) attributed your announcement to domestic political motives.

Sample comments are:

- "You announced no concessions by North Vietnam."
- "Endangers lives of our young men."
- "No substitute for victory."
- "Why didn't you do this six weeks ago."
- "Appeasement."
- "You cannot trust Hanoi or any Communist."
- "How could you?"
- "Another sell out."
- "Political expediency."
- "I'll vote for Nixon."

Many of the critics indicate no realization of what we have gotten, or hope to get, in return for the bombing halt. Most criticism expresses the judgment our troops are now endangered.

Favorable:

Some notable comments include:

- Arthur Goldberg: "I congratulate you on the statesmanlike decision... you have taken a wise and courageous move..."

-- Sophie and Victor Reuther: "Your initiative... is an act of courage and statesmanship."

-- Charlie Brewton: "Thank God for Lyndon Johnson."

-- Hector Garcia: "Very proud of our President."

Other comments:

-- "Brave and brilliant."

-- "History will honor your courageous decision."

-- "Your efforts and sincerity sincerely appreciated"

-- "A step toward peace."

-- "God bless you."

Less than 5 of the 106 telegrams mentioned the participation of the GVN or the NLF in the Paris talks.

Less than a dozen telegrams referred to your announcement as word of a "cease-fire" or of "peace."

Two or three expressed judgments that Humphrey's chances for election would improve.

W. W. Rostow

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SECRET/HARVAN/DOUBLE PLUS

Friday, November 1, 1968
1:45 P. M.

Pres file

Mr. President:

Herewith the proposed letter to Thieu
as cleared by Secretary Rusk. Also attached
is Secretary Rusk's instruction to Cy Vance.

W. W. Rostow

_____ Letter to Thieu approved

_____ Call me

WWR:amc

SECRET/HARVAN/DOUBLE PLUS

DECLASSIFIED
White House Guidelines, Feb. 24, 1983
By AG, NARA, Date 3-8-93

OUTGOING TELEGRAM Department of State

INDICATE collect
 CANCEL TO

~~SECRET~~
Classification

53a

FOR OFFICE USE ONLY

Origin	ACTION: Amembassy SAIGON	IMMEDIATE
Info	INFO: Amembassy PARIS	IMMEDIATE
State	STATE	

~~DECLASSIFIED~~

Authority 74-991-500

By 12/14, NARA, Date 3-89

NODIS HARVAN DOUBLE PLUS

PARIS TO DEL. FOR HARRIMAN AND VANCE.
NOTIFY AMBASSADOR BUNKER NOT LATER THAN 0700 AND AMBASSADOR
BERGER NOT LATER THAN 0600 OF RECEIPT OF THIS CABLE AND ITS
IMPORTANCE

1. While we are not repeat not wholly clear here whether Thieu and others have been having second thoughts after their marathon session with you and the last-minute failure to achieve agreement on the joint announcement, we wish to give you every possible ammunition to ~~prevent~~ prevent Thieu from taking an unwise position in his speech tomorrow and to insure that the GVN goes ahead to participate in Paris on reasonable ground rules that simply insure no distortion of the basic understandings we have with the North Vietnamese.

2. Accordingly, we have expressed our thoughts in the form of a letter from the President to Thieu. This letter may be used entirely as you see fit, as an oral message, or with such editing, addition, and amendment as you think would make it most

Dictated by: EAS WP Bundy: bmm 11/1/68	Rel. cat. 4235	Telegraphic transmission and classification approved by: The Secretary The Under Secretary S/S - Mr. Read
White House - Mr. Rostow		

~~SECRET~~
Classification

~~SECRET~~
Classification

effective, advising us subsequently what you have done.

3. The text is:

November 1, 1968

Dear President Thieu:

I know these days have been difficult for you. A major turn in the road is always complex in the political life of democratic societies. But I do believe that, as we take stock this morning, we have every reason to go forward together with hope and confidence.

I understand Ambassador Bunker has conveyed to you my assurances of continued strong support as well as specific assurances with respect to the way the negotiations in Paris will be handled.

I am sure that when you saw the text of what I said to our people last night, you knew that I had much in mind the interest of your people and the political problems you face.

I trust that you will make every effort now -- in public and in the work between our two governments -- to narrow and to eliminate whatever gap there may be between us so that we can go forward as brothers in arms in Paris, as we have been so long in Vietnam.

You should know that in these weeks no comment or piece of advice rendered to me was wiser than your ~~XXXX~~ observation to Ambassador

Bunker when he and General Abrams in October went over with you those proposed instructions to Harriman. ^{As} KK I remember, you said ~~XXXX~~ this

~~SECRET~~
Classification

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Classification

"After all, the problem is not to stop the bombing but to stop the war. And we must try this path to see if ~~you~~^{they} are serious." It was in that spirit that XX I spoke last night. It is in that spirit of hope, tempered by caution, that I trust we shall shortly move forward together in Paris.

I know that in these difficult but also hopeful times I can count on your statesmanship and your courage.

(Signed) LBJ END TEXT

END

GP-1

~~SECRET~~

Classification

536

SECRET/NODIS/HARVAN/DOUBLE PLUS

November 1, 1968

Cy Vance called on the secure phone at 12:30 p.m.

1. Lau had sent a message requesting to meet with Vance at 10:30 a.m. on Saturday for the private Vance procedural talks.
2. Pursuant to phone instructions Vance sent back word saying that time was too early but adding that we would advise Lau on Saturday morning when we would be ready to meet.
3. Vance suggests, pending further word from Bunker on his first post cessation discussions with the GVN, that we consider going back tomorrow to propose a 5:00 p.m. Saturday meeting.

BHR
Benjamin H. Read

DECLASSIFIED
Authority 712991-500
By rs/jed, NARA, Date 3-8-93

SECRET/NODIS/HARVAN/DOUBLE PLUS

54

INFORMATION

~~SECRET/HARVAN DOUBLE PLUS~~

Friday, November 1, 1968
1:45 p. m.

Mr. President:

Herewith Harriman and Hasluck
talk in Paris.

I agree 100% with Hasluck in
para. 5.

W. W. Rostow

Paris 23298

~~SECRET/HARVAN DOUBLE PLUS~~

Pres file

DECLASSIFIED
White House Guidelines, Feb. 24, 1983
By ra, NARA, Date 3-8-93



Department of State

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TELEGRAM

~~SECRET~~

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VV CRB468
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FM AMEMBASSY PARIS
TO RUEHC/SECSTATE WASHDC IMMEDIATE 7696
INFO RUEHCR/AMEMBASSY CANBERRA 571
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ACTION COPY

1968 NOV 1 AM 10 22

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BT

~~SECRET~~ PARIS 23298

NODIS/HARVAN/DOUBLE PLUS

DELTO 906

1. AUSTRALIAN FOREIGN MINISTER HASLUCK, SIR JAMES PLIMSOLL AND AMB ANDERSON CALLED ON HARRIMAN AND VANCE THIS MORNING NOV 1. THEY WERE BRIEFED ON LINES OF SECRETARY'S AND SECDEF CLIFFORDS BACKGROUNTERS.

2. HASLUCK EXPRESSED "ANXIETY" OVER POSSIBILITY THAT GVN MIGHT NOT ATTEND MEETINGS. HASLUCK SAID THAT DOMESTICALLY GOA "WOULD BE IN GREAT DIFFICULTIES" IF IT LOOKED IN ANY WAY AS IF THE GVN WERE BEING ABANDONED AND THAT THIS WOULD BE TRUE NO MATTER HOW DIFFICULT GVN BEHAVIOR WAS. WE EXPRESSED PERSONAL OPINION THAT WE DID NOT BELIEVE US PUBLIC WOULD BE AS GENEROUS TOWARD GVN INTRANSIGENCE.

3. HE SAID THAT HE HAD RECEIVED A HINT FROM HIS PRIME MINISTER THAT SVN WOULD NOT REPEAT NOT ATTEND.

4. HE WAS ASSURED THAT WE ARE DOING ALL THAT IS POSSIBLE TO OBTAIN GVN AGREEMENT ON ATTENDANCE AND WE EXPLAINED THE MONTHS OF DISCUSSION WE HAD HAD WITH THE GVN AND OUR UNDERSTANDING THAT THEY HAD FULLY AGREED WITH THE POSITIONS WE TOOK STEP BY STEP. WE SAID WE COULD NOT UNDERSTAND THEIR CHANGE OF HEART.

5. HASLUCK ALSO STATED HIS GOVTS BELIEF THAT A POLITICAL SETTLEMENT SHOULD PRECEDE ANY COMPLETE MILITARY SETTLEMENT. HE BELIEVED THAT A POLITICAL SETTLEMENT WOULD BE MOST LIKELY WHILE MILITARY PRESSURE IS BEING EXERTED AGAINST NVN, AND THAT IF THE MILITARY PRESSURE WERE ENDED IT WOULD BE EXTREMELY DIFFICULT TO REACH A POLITICAL SETTLEMENT. HARRIMAN

BT

DECLASSIFIED
E.O. 12958, Sec. 3.6
NLJ 02-141
By ia, NARA, Date 5-15-03

~~SECRET~~

55

ACTION

~~SECRET/HARVAN DOUBLE PLUS~~

Friday, November 1, 1968
12:25 p. m.

Pres file

Mr. President:

The Secretary forwards the attached draft for Harriman and Vance and asks for your approval.

W. W. Rostow

Approved _____

Approved as amended _____

Call me _____

~~SECRET/HARVAN DOUBLE PLUS~~

DECLASSIFIED
White House Guidelines Feb. 24, 1983
By ag, NARA, Date 3-8-93

OUTGOING TELEGRAM Department of State

INDICATE: COLLECT
 CHARGE TO

~~SECRET~~

Classification

55a

FOR OFFICE USE ONLY

Origin

ACTION: Amembassy PARIS
Amembassy SAIGON

Info

STATE
TODEL

DECLASSIFIED

Authority ALG 91-500

NODIS/HARVAN/DOUBLE PLUS

By ref/asp, NARA, Date 3-8-93

FOR HARRIMAN AND VANCE FROM THE SECRETARY

FOR BUNKER FROM THE SECRETARY

The President wants to be sure that all of us understand that we must now give highest priority to close and friendly working relationships with the South Vietnamese. They are our allies, they have been subjected to a brutal invasion, ~~invasion~~ and they and we have ~~shared~~ shared great sacrifices in men and treasure. If there is to be peace in Southeast Asia, the full rights of South Viet-Nam and Laos must be respected. The South Vietnamese have some problems in maintaining reasonable unity after so much violence, several coups, and religious, regional and other differences. We must help them just as much as we can as staunch allies and not let unnecessary gaps open up between us.

With the cessation of the bombing we are now in a position to insist

upon]

Shaded by

S:DRusk:ml 11/1/68

Tel. No.

5171

Telegraphic transmission and classification approved by

The Secretary

Classified

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~~SECRET~~
Classification.

upon the most simple and fundamental ^{demands} ~~demands~~ we have to make upon the North Vietnamese. They must stop their aggression. We can no longer accept any sensitivities on their side about such words as QUOTE reciprocity, UNQUOTE QUOTE conditions UNQUOTE and other such nonsense. They must liquidate their aggression in South Viet-Nam and Laos. The fact that they have sent men with guns in hand into South Viet-Nam gives them no basis on which to make demands about the internal political structure of South Viet-Nam any more than we would support South Vietnamese demands for changes in the political structure of North Viet-Nam. The time has come for us to be tough with Hanoi and deal with our friends in Saigon with the utmost consideration and understanding.

END

~~SECRET~~
Classification

56

INFORMATION

Pres file

Friday, November 1, 1968
12:00 noon

Mr. President:

This GVN communique on the bombing halt is movement in the right direction.

If the DMZ is honored in the next few days and there are no attacks on the cities, Thieu may have the basis before his public for going to Paris.

W. W. Rostow

Saigon 41710

WWRostow:rln

AMEMBASSY SEOUL
AMEMBASSY WELLINGTON
AMEMBASSY CANBERRA
AMEMBASSY MANILA

Ristor

56a

UNCLAS SAIGON 41710

SUBJECT: GVN COMMUNIQUE ON BOMBING HALT

1. FOLLOWING IS UNOFFICIAL EMBASSY TRANSLATION OF COMMUNIQUE ISSUED BY THE OFFICE OF THE PRESIDENT EVENING NOVEMBER 1.

2. QUOTE. THIS MORNING NOVEMBER 1, 1968 AT 0900, THE USG DECIDED TO HALT THE BOMBING OVER ALL THE TERRITORY OF NVN IN ORDER TO ENCOURAGE NVN TO STOP AGGRESSION SO THAT A GENUINE AND GUARANTEED PEACE CAN SOON BE RESTORED.

DURING THE PAST WEEKS THE GVN AND THE USG HAVE EXCHANGED IDEAS AND HELD DETAILED DISCUSSIONS ABOUT STOPPING THE BOMBING AND THEIR (NVN) ULTIMATE GOALS.

BUT THE GVN DOES NOT BELIEVE THERE ARE SUFFICIENT, CONCRETE REASONS IN ORDER TO TAKE THAT DECISION TOGETHER WITH THE USG. ||

THE GVN BROUGHT TO THE ATTENTION OF THE ALLIES THE DANGEROUS WAYS IN WHICH NVN MIGHT TAKE ADVANTAGE OF A BOMBING HALT. THEREFORE,

UNCLASSIFIED

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PAGE 02 SAIGON 41710 011527Z

EVERY MEASURE TO DEFEND (THE NATION) AND RESPOND (TO THAT POSSIBILITY) HAVE BEEN PLANNED AND CARRIED OUT BY THE GVN AND THE ALLIES.

BECAUSE OF (ITS) TRADITIONAL DESIRE FOR PEACE THE GVN DOES NOT OPPOSE THE BOMBING HALT, AND IT (GVN) WILL FOLLOW (THE SITUATION) TO DETERMINE IF NVN REALLY RESPONDS BY DE-ESCALATING THE WAR OR STILL CONTINUES TO BE BOMBASTIC AND STUBORN. THE UNITY AND DETERMINATION BETWEEN THE RVN AND THE ALLIES WILL SOON MAKE NVN SEE CLEARLY THAT THE INVASION OF THE SOUTH CANNOT SUCCEED.

WITH THE ASSISTANCE OF THE ALLIES, AND WITH THE FUTURE ASSISTANCE WHICH THEY HAVE PROMISED, THE GOVERNMENT OF THE REPUBLIC OF VIET NAM WILL CONTINUE TO DRIVE THE AGGRESSORS FROM SOUTH VIET NAM, AND WILL STRENGTHEN AND EXPAND PROGRAMS OF REVOLUTIONARY DEVELOPMENT, EXPAND THE ECONOMY, AND CONSOLIDATE SECURITY.

THE GREAT STRENGTH OF OUR PEOPLE AND ARMY IN THE INCREASING EFFICIENCY OF OUR PUBLIC INSTITUTIONS, THE UNANIMOUS DEVOTION TO A SINGLE PURPOSE OF OUR ARMY, PEOPLE, AND GOVERNMENT, THESE CONSTITUTE THE FUNDAMENTAL STRENGTHS OF OUR NATIONAL GOVERNMENT, OF THE INDEPENDENCE OF COUNTRY, OF OUR LIBERTY, AND OF PEACE.

INFORMATION

57

~~SECRET--SENSITIVE~~

Friday, November 1, 1968
10:20 a. m.

Profile

Mr. President:

You will wish to read this excellent order from Abrams to his commanders on the bombing halt; their mission; and their public relations posture.

W. W. Rostow

MAC 14710

~~SECRET--SENSITIVE~~

DECLASSIFIED
White House Guidelines, Feb. 24, 1983
By ag, NARA, Date 3-8-93

WWRostow:rlh

~~SECRET~~

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 STATE MR. RUSK
 Z 010158Z ZYH ZFF-3
 FM GENERAL ABRAMS COMUSMACV
 TO GEN BROWN 7TH AF
 ADM ZUMWALT COMNAVFORV
 LTG MILDREN DCG USARV
 LTG CUSHMAN CG III HAF
 LTG PEERS CG I FFV
 LTG KERVIN CG II FFV
 LTG STILWELL CG XXIV CORPS
 MG ECKHARDT S/A IV CORPS
 YSHKOIC/MG ROBERT WILLIAMS CG 1ST AVN BRIGADE
 MG EWELL CG 9TH INF DIV
 YSHKOIC/MG HEISER CG 1ST LOG COHD
 MG WILLIAMSON CG 25TH INF DIV
 MG HEARNS CG CMAC
 MG TALBOTT CG 1ST INF DIV
 MG STONE CG 4TH INF DIV
 MG FORSYTHE CG 1ST CAV (AM)
 MG ZAIS CG 101ST ABN DIV (AM)
 MG GETTYS CG AMERICAL DIV
 MG YOUNGDALE CG 1ST MAR DIV
 MG DAVIS CG 3RD MAR DIV
 MG QUILTER CG 1ST MAW
 YMRLKQC/BG OLSON CG FORCE LOG COMMAND
 YMRDQKC/BG MC LAUGHLIN CDR 834TH AIR DIV 7TH AF
 YSHKOLC/S3 ELDER CG 18TH ENGR BRIG
 YSHKQDC/BG ALLEN CG 173RD ASN BDE
 YSHKOSC/BG CHAPMAN CG 20TH ENGR BDE
 YSHKQRC/BG DAVISON CG 199TH INF BDE
 YSHKQRC/BG BOLLING CG 3RD BDE 82 ND ABN DIV
 YMRLXQC/BG YOUNG CG DANANG SUP COMMAND
 YSHKQRC/BG RICHARDS CG QUI NHON SUP COMMAND
 YSHKOIC/BG JONES CG SAIGON SUP COMMAND
 INFO ADM MCCAIN CINCPAC
 GEN WHEELER CJCS
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DECLASSIFIED
 E.O. 12356, Sec. 3.3
 DA Memo. Jan. 3, 1988
 By dg NARA Date 3-8-93

~~SECRET~~ MAC 14710 EYES ONLY
 SUBJECT: SPECIAL GUIDANCE FOR GENERAL OFFICERS COMMANDING.
 NOTE: (1) THIS MESSAGE IS NOT REPEAT NOT TO BE REPRODUCED.
 (2) COMMANDERS WILL INFORM GENERAL OFFICERS
 COMMANDING WITHIN THEIR COMMANDS WHO ARE NOT ADDRESSEES.
 1. THE CESSATION OF ALL BOMBING AND OTHER OFFENSIVE OPERATIONS
 NORTH OF THE SOUTHERN BOUNDARY OF THE DMZ HAS NOW BECOME
 A REALITY. THIS COMES AT A TIME WHEN U.S. AND ALLIED
 FORCES HAVE ACHIEVED A DOMINANT POSITION OF STRENGTH
 IN RELATION TO THE VC/NVA FORCES. IT IS ANTICIPATED THAT
 THE NVA FORCES WILL IMMEDIATELY CEASE THEIR VIOLATION.

THE NVA FORCES WILL IMMEDIATELY CEASE THEIR VIOLATION OF THE DMZ AND WILL REFRAIN FROM ATTACKS ON SVN CITIES.

2. THE ENEMY'S SITUATION HAS DETERIORATED PROGRESSIVELY SINCE THE FIRST OF THE YEAR. EACH OF HIS THREE "OFFENSIVES" HAS ENDED IN GREATER FAILURE THAN ITS PREDECESSOR. THE PRICE OF THESE FAILURES HAS BEEN HEAVY - 240,000 MEN AND THOUSANDS OF TONS OF SUPPLIES -- AND SUBSTANTIAL LOSSES CONTINUE TO BE IMPOSED UPON HIS FORCES. A SIZABLE PART OF HIS LEADERSHIP CADRE HAS BEEN DESTROYED. HIS GUERRILLA BASE IS BEING ERODED AND THE MORALE OF HIS TROOPS IS DECLINING. OUR FORCES ARE EVERYWHERE ON THE OFFENSIVE. THE ENEMY HAS BEEN FORCED TO TRY TO AVOID CONTACT IN ORDER TO EVADE A CULMINATING BLOW.

3. THE POWERFUL POSITION NOW ENJOYED BY THE ALLIES IS DUE IN LARGE MEASURE TO THE HIGH PROFESSIONAL LEADERSHIP OF OUR COMMANDERS.

4. THE SITUATION NOW CONFRONTING THE ALLIED FORCES IS ANOTHER LEADERSHIP CHALLENGE. AS THE ENEMY'S MAIN FORCES ARE DEFEATED AND FORCED TO WITHDRAW, THE ORIGINAL AND UNDERLYING WAR AGAINST THE BASIC VC/NVA STRUCTURE IN SVN COMES TO THE FORE. IT MUST NOW BE CARRIED FORWARD WITH GREATER INTENSITY. ALTHOUGH OUR FORCES HOLD THE SUPERIORITY, THE ENEMY MUST BE EXPECTED TO FIGHT ON, OUT OF DESPERATION, SO LONG AS CAPABILITY REMAINS. HE REMAINS CAPABLE OF TREACHERY. WE MUST CONTINUE THE ATTACK -- WITH B-52'S POUNDING HIM, TAC AIR AND NAVAL GUNFIRE HITTING HIM, AND ALLIED GROUND TROOPS ATTACKING AND DESTROYING HIS FORCES, GETTING INTO HIS BASE AREAS, CONFISCATING HIS SUPPLIES, AND ROUNDING UP HIS INFRASTRUCTURE. HE MUST NOT BE PERMITTED TO RECOVER.

5. ONE IMMEDIATE REQUIREMENT FOR ALL COMMANDERS PERTAINS TO PUBLIC INFORMATION ASPECTS OF THIS MATTER. EFFECTIVE IMMEDIATELY ALL COMMANDERS WILL ENSURE THAT ALL US MILITARY AND CIVILIAN PERSONNEL OF THEIR COMMANDS WILL REFRAIN FROM ANY COMMENT WHATSOEVER ON THIS MATTER TO THE PRESS OR TO THE PUBLIC. THIS INSTRUCTION WILL BE PASSED TO ALL PERSONNEL WITHOUT DELAY. COMMANDERS AND INFORMATION OFFICERS, IF QUERIED ABOUT THE EFFECT OF THE BOMBING HALT ON MILITARY OPERATIONS IN SOUTH VIETNAM WILL REPLY THAT: "THE PRESIDENT'S ANNOUNCEMENT SPEAKS FOR ITSELF. OUR OPERATIONS IN SOUTH VIETNAM WILL CONTINUE ON THE PRESENT BASIS."

6. AS NECESSARY, SPECIFIC OPERATIONAL INSTRUCTIONS ARE BEING ISSUED SEPARATELY TO THE COMMANDS MOST DIRECTLY AFFECTED BY THE NEW SITUATION. BUT FOR ALL FORCES AND COMMANDERS, THE ORDER OF THE DAY IS TO INTENSIFY YOUR OFFENSIVE AGAINST INFRASTRUCTURE, GUERRILLAS, AND LOCAL FORCE UNITS, WHILE MAINTAINING UNRELENTING PRESSURE ON THE VC/NVA MAIN FORCE UNITS. WE MUST CARRY THE FIGHT TO THE ENEMY AND COMPLETE HIS DESTRUCTION.

SSO NOTE: DELIVER UPON RECEIPT.

900

INFORMATION

~~SECRET~~

Friday, November 1, 1968
8:10 a. m.

Profile

Mr. President:

Herewith Prime Minister Wilson weighs in.

You may wish to talk with Sec. Rusk about this, if and when we put him to work as Co-Chairman, especially on the question of Laos which should move up on our agenda -- as well as Cambodia.

W. W. Rostow

T233/68

~~SECRET~~

WWRostow:rln

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-218
By CG, NARA, Date 7-31-95

58a

~~SECRET~~

FHUK 001
FIRST MESSAGE ON FIRST OF THE MONTH
1330 ZULU NOVEMBER 1 1968
SEND

1968 NOV 1 12 48

~~SECRET~~
FROM THE PRIME MINISTER FOR THE PRESIDENT
T233/68
MESSAGE BEGINS

YOU HAVE TAKEN A COURAGEOUS STEP AND ONE WHICH THE WHOLE WORLD WILL APPLAUD. WE HAVE WATCHED WITH ADMIRATION YOUR STEADFAST REFUSAL TO MAKE THE DECISION PRESSED UPON YOU FROM SO MANY QUARTERS UNTIL THERE WAS A REAL POSSIBILITY THAT IT COULD CONTRIBUTE TO PROGRESS. WE ALL PRAY THAT WHAT YOU HAVE NOW DONE WILL MEET WITH THE RIGHT RESPONSE.

I AM GRATEFUL FOR THE WAY YOU HAVE KEPT US SO CLOSELY INFORMED: AND WE HAVE TRIED TO HELP BY DAMPING DOWN SPECULATION HERE DURING THE MOST CRUCIAL PERIODS.

IF THERE IS ANY WAY YOU THINK WE CAN HELP IN THE FUTURE I KNOW YOU WILL TELL US. BUT IN THE HARD NEGOTIATING WHICH NOW LIES AHEAD, I AND MY COLLEAGUES KNOW THAT IT IS THE UNITED STATES WHO WILL HAVE TO PLAY THE HAND. YOU WILL KNOW HOW MUCH ALL OUR THOUGHTS AND GOOD WISHES ARE WITH YOU.

~~SECRET~~

MESSAGE END

DECLASSIFIED
E.O. 12958, Sec. 3.5
NSC Memo, 1/30/95, State Dept. Guidelines
By jc, NARA, Date 4-23-01

INFORMATION

Pres file

~~TOP SECRET--SENSITIVE~~

Fridgy, November 1, 1968
1:50 p.m.

Mr. President:

Here, again, from Thieu to the
Koreans the wish to wait for Nixon.

W. W. Rostow

~~TOP SECRET--SENSITIVE~~

WWRostow:rln

DECLASSIFIED
E.O. 12356, Sec. 3.4
NEJ 94-215
By sig, NARA, Date 6-28-95

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~~TOP SECRET TRINE~~

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SANITIZED
E.O. 13292, Sec. 3.5
NLJ/RAC 02-118 and 0294-413
By iss, NARA, Date 4-8-04

THIEU'S VIEWS ON PEACE TALKS AND BOMBING HALT

XXCC
[REDACTED] 28 OCT 68 [REDACTED]

Rostow
more complete text

~~SECRET~~

((THIS IS)) A SUPPLEMENTARY REPORT ON MR. THIEU'S SPEECH [REDACTED]

1. SINCE THE VIETNAMESE GOVERNMENT IS ARDENTLY LABORING TOGETHER WITH THE U.S. SIDE TO PUT INTO PRACTICE THE ITEMS THAT WERE MUTUALLY AGREED UPON AT THE U.S.-VIETNAMESE HONOLULU SUMMIT CONFERENCE (19 JULY), ~~PRESIDENT THIEU EMPHASIZED THE POINT THAT PRESIDENT JOHNSON MUST ALSO KEEP HIS PROMISES. ((THIEU)) SAID THAT IT APPEARS THAT MR. NIXON WILL BE ELECTED AS THE NEXT PRESIDENT AND THINKS IT WOULD BE GOOD TO TRY TO SOLVE THE IMPORTANT QUESTION OF THE POLITICAL TALKS WITH THE NEXT PRESIDENT (NO MATTER WHO IS ELECTED). ((THIEU)) BELIEVES THAT OUR STANDPOINT SHOULD BE PREPARED AND STRENGTHENED NOW RATHER THAN IN THE FUTURE.~~

3. AS FOR THE VIETNAMESE REACTION TO MR. HUMPHREY'S STATEMENT THAT "VIETNAM DOES NOT HAVE THE RIGHT TO REJECT A DECISION TO HALT THE BOMBING", ETC, ETC; THERE WAS A TEMPORARY AGGRAVATION, AND THERE WAS AN ANTI-AMERICAN DEMONSTRATION WITH ADHERENTS TO THE CATHOLIC AND HOA HAO RELIGIONS TAKING THE INITIATIVE.

4. THE GENERAL SENTIMENT ((BOTH)) DOMESTIC AND FOREIGN, TOWARDS THIEU'S 22 OCTOBER SPECIAL PROCLAMATION WAS THAT IT WAS GOOD AND A NUMBER OF PARIS NEWSPAPERS SUPPORTED HIS VIEWS ((THE [REDACTED] WAS NOT MENTIONED), AND NEXT, ((IT)) WILL DEPEND UPON HANOI'S ATTITUDE.

5. ON THE U.S. SIDE, RUMORS ARE SPREADING THAT ONE CANNOT PREDICT WHAT PRESIDENT THIEU IS GOING TO DO AND IS ADOPTING A MUCH TOO STUBBORN ATTITUDE.

REFERENCE: AT THE TIME OF THE VIETNAMESE-U.S. TALKS, THE VIETNAMESE SIDE CONSISTED FOR THE MOST PART OF THE PRESIDENT, VICE-PRESIDENT AND FOREIGN MINISTER, THE U.S. SIDE ATTENDED WITH THEIR AMBASSADOR, DEPUTY-AMBASSADOR, AND MR. HERTZ, MINISTER FOR POLITICAL AFFAIRS.

[REDACTED]

XXKH
350

Friday, November 1, 1968

Mr. President:

Herewith we are returning those lovely pictures.

As the attached note from Ann suggests, we are well on the way to getting her aboard.

W. W. Rostow

WWRostow:rln

61

THE WHITE HOUSE
WASHINGTON

November 1, 1968

Your Holiness:

Your message to me of today is yet another example of the comfort and support you have given me over the years.

I have great faith in the ultimate influence you can bring to bear in leading humanity towards peace. I shall always appreciate what you have done and am particularly grateful for the efforts you made as a result of our meeting just before last Christmas.

The decision I announced last evening reflected the will to take some risk in good faith to encourage and to test good faith on the other side. What now transpires -- whether rapid movement towards peace or a return to the full harshness of the conflict -- is in their hands.

We shall all pray that they choose the path of peace.

Sincerely,



His Holiness
Pope Paul VI
Vatican City

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-218
By CG, NARA, Date 7-31-95

61a

ACTION

Friday, November 1, 1968
1:40 p. m.

*1 sup
2 p. m. file*

Mr. President:

Herewith, as instructed, a draft
letter to the Pope, for your signature.

W. W. Rostow

WWRostow:rln

G1b

November 1, 1968

Your Holiness:

Your message to me of today is yet another example of the comfort and support you have given me over the years.

I have great faith in the ultimate influence you can bring to bear in leading humanity towards peace. I shall always appreciate what you have done and am particularly grateful for the efforts you made as a result of our meeting just before last Christmas.

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We shall all pray that they choose the path of peace.

Sincerely,

His Holiness
Pope Paul VI
Vatican City

DECLASSIFIED
E.O. 12356, Sec. 3.4
NIJ 94-218
By cb, NARA, Date 7-31-95

LBJ:WWRostow:rln



61c

3339 Massachusetts Avenue, N.W.
Washington, D. C. 20008

November 1, 1968

Dear Mr. President:

At the direction of His Holiness, Pope Paul VI,

I have the honor to present to you the following message:

"The announcement which you made reached us at dawn today. It was the source of profound rejoicing and has opened our spirit to broad and concrete hopes. We wish to express to you, Mr. President, our warm appreciation for this noble and responsible demonstration of good will and, while we invoke upon you and your great nation blessings and assistance from above, we offer prayers in confidence to the Lord that a true and definitive peace will be reestablished in the world very soon. Paul VI."

Accept, Mr. President, the renewed assurances of
my highest consideration.

DECLASSIFIED
E.O. 12356, Sec. 3.4
NJ 94-218
By cb, NARA, Date 7-9-95


Apostolic Delegate

The President
The White House