

## WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

1 of 5

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#2a memo	Intelligence memorandum TS 3 pp. -	11/22/68	A
<del>#3 memo</del>	<del>Rostow to the President C 2 pp.</del>	<del>11/22/68</del>	<del>A</del>
<del>#3a memo</del>	<del>Budget Director to the President C 2 pp.</del>	<del>11/7/68</del>	<del>A</del>
<del>#3b memo</del>	<del>AID Administrator to the President C 3 pp.</del>	<del>10/31/68</del>	<del>A</del>
<del>#3d memo</del>	<del>AID Administrator and USDA Sec. to the Pres. C 3 pp.</del>	<del>10/31/68</del>	<del>A</del>
<del>#6b memo</del>	<del>Benjamin Read to Rostow on Congo C 1 p.</del>	11/19/68	A
<del>#7 memo</del>	<del>Rostow to the President 3:30 p.m. C 1 p.</del>	11/22/68	A
<del>#7a cable</del>	<del>Bonn 19573 on Bundesbank C 1 p.</del>	11/22/68	A
<del>#8a cable</del>	<del>Manila 17833 on Marcos</del> <i>open per RTRC 12/8/17</i> <del>S 6 pp.</del> [dup. #1a, NSF, Country File, "Philippines, Vol. IV, Cables, 8/67-11/68," Box 279]	<del>11/22/68</del>	<del>A</del>
#9 memo	Rostow to the President 3:30 p.m. S 1 p. <i>Sani. Neg OR-042-41 (1/02)</i>	11/22/68	A
#9a memo	Intelligence memorandum S 2 p. [dup. #37b, NSF, Agency File, "U.N., Filed by LBJ Library, Vol. 2," Box 72]	11/21/68	A
#9b report	Intelligence report S 3 p. [dup. #37a, NSF, Agency File, "U.N., Filed by LBJ Library, Vol. 2," Box 72]	11/21/68	A
<del>#11a cable</del>	<del>Tel Aviv 6186</del> <i>open 10-22-01 NSJ 01-218</i> <del>S 3 p.</del> [dup. #252a, NSF, Country File, "Israel, Vol. X, Cables and Memos, 6/68-11/68," Box 142]	<del>11/21/68</del>	<del>A</del>

## FILE LOCATION

NSF, Memos to the President, "Walt Rostow, Vol. 107, 11/19-22/68," Box 42

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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
<del>#11c cable</del>	<del>Tel Aviv 6191</del> <i>Open per RAC 12/8/17</i> <del>C 2 p.</del> [dup. #252c, NSF, Country File, "Israel, Vol. X, Cables and Memos, 6/68-11/68," Box 142]	<del>11/21/68</del>	<del>A</del>
<del>#12a report</del>	<del>Memcon between Pres. Johnson and Pres. Ayub</del> <i>Open Per RAC 12-8-17</i> <del>S 1 p.</del> [dup. #219a, NSF, Country File, "Pakistan, Vol. 8, 8/67 - 4/68," Box 153]	<del>12/22/67</del>	<del>A</del>
<del>#17a report</del>	<del>Outline of credit package for France</del> <del>S 1 p.</del> <i>OPEN 4.7.99</i>	<del>11/22/68</del>	<del>A</del>
<del>#17b cable</del>	<del>Edward Fried to Rostow re credit to France</del> <del>S 1 p.</del> <i>OPEN 4.7.99</i>	<del>11/22/68</del>	<del>A</del>
<del>#19a cable</del>	<del>dup. #17b, this file</del>		
#20a memo	Intelligence memorandum S 3 pp. [dup. #24a, NSF, Country File, "HARVAN Misc. & Memos, Vol. 7, 10/1 - 12/10/68," Box 124]	11/19/68	A
#20b memo	Intelligence memorandum S 3 pp. [dup. #24b, NSF, Country File, "HARVAN Misc. & Memos, Vol. 7, 10/1 - 12/10/68," Box 124]	11/19/68	A
#20c memo	Intelligence memorandum S 4 pp. [dup. #24c, NSF, Country File, "HARVAN Misc. & Memos, Vol. 7, 10/1 - 12/10/68," Box 124]	11/20/68	A
<del>#21 note</del>	<del>Rostow to the President 7:30 p.m.</del> <del>TS 1 p.</del> <i>- open 6/6/03 NJ/RAC 03-64</i>	<del>11/22/68</del>	<del>A</del>
#21a report	Intelligence report TS 2 pp. <i>- sanitized 6/6/03 NJ/RAC 03-65</i>	11/21/68	A
<del>#22 memo</del>	<del>Rostow to Fowler re Germany</del> <del>S 1 p.</del> <i>OPEN 4.7.99</i>	<del>11/21/68</del>	<del>A</del>
#23 note	Rostow to the President 7:10 p.m. S 1 p. <i>- sanitized 6/6/03 NJ/RAC 03-85</i>	11/21/68	A
#23a cable	Intelligence information cable S 3 pp. <i>Sanit NY 019-042-4-2 (1/02)</i>	11/21/68	A

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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#23b memo	Intelligence memorandum TS 2 pp. -	11/21/68	A
#25b cable	Deptel to Paris - unnumbered S 5 pp. Sanitized [dup. #28b, NSF, Country File, "Vietnam, Memos to the Pres./ Bombing Halt Decision, Vol. 7," Box 138, Sanitized, NLJ 91-506]	[11/68]	A
<del>#26 memo</del>	<del>Rostow to the President re Pakistan</del> <del>S 1 p.</del>	<del>11/21/68</del>	<del>A</del>
#26a cable	Chester Bowles to the President S 2 pp. <i>sanitized 1-6-10</i>	11/19/68	A
<del>#26b cable</del>	<del>Deptel 274578 to New Delhi</del> <i>open per RAC 12-8-17</i> <del>S 1 p.</del>	<del>11/20/68</del>	<del>A</del>
#27 note	Rostow to the President 3:40 p.m. TS 1 p. - <i>sanitized 6/6/03 NLJ/RAC 03-66</i>	11/21/68	A
#27a cable	Intelligence report TS 1 p. - <i>EXEMPT 6/6/03 NLJ/RAC 03-66</i>	11/21/68	A
<del>#28 memo</del>	<del>Rostow to the President 11:30 a.m.</del> <del>S 1 p.</del>	<del>11/21/68</del>	<del>A</del>
<del>#28a cable</del>	<del>Saigon 23169 Bunker to William Bundy</del> <del>S 3 pp.</del>	<del>11/21/68</del>	<del>A</del>
<del>#29 memo</del>	<del>Rostow to the President 11:00 a.m.</del> <del>S 1 p.</del>	<del>11/21/68</del>	<del>A</del>
<del>#29a report</del>	<del>Telcon Fried to Rostow re monetary crisis</del> <del>S 1 p.</del> <i>OPEN 4.7.99</i>	<del>11/21/68</del>	<del>A</del>
<del>#29b report</del>	<del>Telcon of draft letter by LBJ to Kiesinger</del> <del>S 1 p.</del> <i>OPEN 4.7.99</i>	<del>11/21/68</del>	<del>A</del>
<del>#30 memo</del>	<del>Rostow to Henry Fowler re Germany</del> <del>S 1 p.</del>	<del>11/21/68</del>	<del>A</del>
#31 memo	Rostow to the President S 1 p. - <i>sanitized 6/6/03 NLJ/RAC 03-66</i>	11/21/68	A

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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
#32a cable	Saigon 43182 S 4 p. Sanitized [dup. #27a, NSF, Country File, "Vietnam, Memos to the Pres./ Bombing Halt Decision, Vol.7," Box 138, Sanitized, NLJ 91-506]	11/21/68	A
<del>#33 memo</del>	<del>Rostow to the President 9:10 p.m. S 1 p.</del>	<del>11/21/68</del>	<del>A</del>
<del>#33a report</del>	<del>Telecon of meeting between Fowler and Germans [11/68] S 3 pp. <i>Open state Guidelines 5-20-79</i></del>	<del>[11/68]</del>	<del>A</del>
#35b memo	Broe to Jessup re Cuba S 1 p. Sanitized [dup. #4b, NSF, Country File, "Cuba [W. G. Bowdler File], Vol. 4, 1965-1968," Box 19]	11/18/68	A
#35c report	Cuban Intentions to Export Revolution S 6 pp. Sanitized [dup. #4c, NSF, Country File, "Cuba [W. G. Bowdler File], Vol. 4, 1965-1968," Box 19]	[11/68]	A
#36 memo	Rostow to the President S 1 p. [dup. #71, NSF, "South Vietnam and U.S. Policies"]	11/20/68	A
#36a cable	Intelligence cable re Vietnam S 6 pp. Sanitized [dup. #71a, NSF, "South Vietnam and U.S. Policies," Sanitized, NLJ 95-31]	11/18/68	A
#37a cable	Tehran 7379, Anderson to Rusk re Nasser S 2 pp. [dup. #9a, NSF, Country File, "Iran, Cables, 1/66-1/69," Box 136, Sanitized, NLJ 91-338]	11/20/68	A
<del>#38a cable</del>	<del>Saigon 43699, Bunker re Vietnam S 2 pp.</del>	<del>11/20/68</del>	<del>A</del>
#39 note	Rostow to the President 10:30 a.m. TS 1 p. - <i>sanitized 6/6/03 NLJ/AAL 03-66</i>	11/20/68	A
#42 note	Rostow to the President 7:25 p.m. TS 1 p. - <i>sanitized 6/6/03 NLJ/AAL 03-66</i>	11/19/68	A
#42a cable	Intelligence report TS 1 p. -	11/19/68	A

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FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
<p>#43 memo  <i>open 2-27-09</i>  <i>WU 03-86</i></p>	<p><del>Rostow to the President 7:15 p.m.</del>  <del>S 1 p.</del>                      [dup. #32, NSF, Country File, "Vietnam, Harvan Misc. &amp; Memos, Vol. 7," Box 124]</p>	<p><del>11/19/68</del></p>	<p><del>A</del></p>
<p>#43a memo</p>	<p><del>Intelligence Memorandum re Vietnam</del>  <del>S 3 p.</del> <i>open per RAC 12-8-17</i>                      [dup. #32a, NSF, Country File, "Vietnam, Harvan Misc. &amp; Memos, Vol. 7," Box 124]</p>	<p><del>11/19/68</del></p>	<p><del>A</del></p>
<p>#47a cable</p>	<p><del>Bonn Telecon 13</del>  <del>PCI 8 pp.</del> <i>open per RAC 12-8-17</i></p>	<p><del>11/19/68</del></p>	<p><del>A</del></p>
<p>#48 note</p>	<p>Rostow to the President 4:25 p.m.                      TS 1 p. - <i>sanitized 6/6/03 NCT/RAC 03-66</i></p>	<p>11/19/68</p>	<p>A</p>
<p>#48a memo</p>	<p>William Lemnitzer to Rostow                      TS 1 p. -</p>	<p>11/19/68</p>	<p>A</p>
<p>#53a cable</p>	<p><del>Harold Wilson to the President</del>  <del>S 1 p.</del> <i>open per RAC 12-8-17</i></p>	<p><del>11/19/68</del></p>	<p><del>A</del></p>
<p>#57 memo</p>	<p><del>Rostow to the President 9:45 a.m.</del>  <del>S 1 p.</del> <i>open NCT 019-042-4-4 (1/02)</i></p>	<p><del>11/19/68</del></p>	<p><del>A</del></p>
<p>#57a cable</p>	<p>Intelligence report                      S 1 p. -</p>	<p>11/18/68</p>	<p>A</p>
<p>#57b cable</p>	<p>Bonn 19424 re Romania                      C 1 p.</p>	<p>11/18/68</p>	<p>A</p>
<p>#57c cable</p>	<p>Intelligence report                      S 3 pp.</p>	<p>11/18/68</p>	<p>A</p>
<p>#58a cable</p>	<p><del>White House Telecon 10</del>  <del>PCI 4 pp.</del> <i>open per RAC 12-8-17</i></p>	<p><del>11/19/68</del></p>	<p><del>A</del></p>
<p>#58b cable</p>	<p><del>White House Telecon 8</del>  <del>PCI 1 p.</del> <i>u u u u</i></p>	<p><del>11/19/68</del></p>	<p><del>A</del></p>
<p>23c report</p>	<p>Intelligence report                      TS- 1p. exempt per RAC 3/04</p>	<p>11/21/68</p>	<p>A</p>

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ACTION

Friday - November 22, 1968

~~1~~  
2 Pressfile

Mr. President:

Cardinal O'Boyle and Ambassador Sevilla-Sacasa have both written (Tab B) to invite you and your family to attend the annual Pan American Thanksgiving Mass at St. Patrick's Church on Sunday. Since you will be at the Ranch this weekend, there are attached notes of regret for your signature (Tab A).

W. W. Rostow

**Attachments**

Tab A - Suggested Presidential letters for signature, to Cardinal O'Boyle and Ambassador Sevilla-Sacasa.

Tab B - Letters to the President from Cardinal O'Boyle (November 21) and Ambassador Sevilla-Sacasa (November 19).

SWLewis:mmm

November 2, 1968

Dear Cardinal O'Boyle:

I have just received your invitation to attend the annual Pan American Mass at St. Patrick's on Sunday, and am very sorry that we will be unable to attend this year. The Mass last year was a moving experience. Unfortunately, we will be out of the city this weekend.

Sincerely,

His Eminence  
Patrick Cardinal O'Boyle  
Archbishop of Washington  
1721 Rhode Island Avenue, N. W.  
Washington, D. C. 20006

LBJ/ SWLewis:mm

November 22, 1968

Dear Mr. Ambassador:

I am truly sorry that we will not be able to join you and the other Latin American Ambassadors at the Pan American Thanksgiving Mass on Sunday. Both Lady Bird and I will be out of town for the weekend. I hope you will tell your colleagues how much we will miss not being able to join them.

Sincerely,

His Excellency  
Dr. Guillermo Sevilla-Sacasa  
Ambassador of Nicaragua.

LBJ/SWLewis:mm





OFFICE OF THE  
ARCHBISHOP

ARCHDIOCESE OF WASHINGTON

CHANCERY OFFICE  
1721 RHODE ISLAND AVE., N. W.  
WASHINGTON, D. C. 20036

1c

November 21, 1968

Dear Mr. President:

I realize this is a late date to be issuing an invitation to attend the annual Pan American Mass for ambassadors and representatives of the Pan American countries and members of the Organization of American States of those same countries but may I say, Mr. President, that the ambassadors and all of our people would be most grateful if you could find it possible to attend.

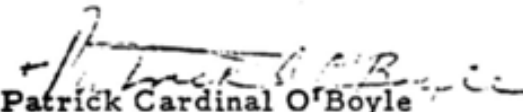
This Mass will be celebrated this coming Sunday, November 24, at St. Patrick's Church, Tenth and G Streets, N. W., at 10:30 a.m. Immediately following the Mass a reception will be held in St. Patrick's Rectory for you, Mr. President, for the ambassadors and other invited guests.

This will be the sixtieth continuous year that this Mass has been celebrated to thank Almighty God for His blessings and graces and to beg Him to continue to shower His blessings upon our Latin American neighbors.

We were deeply appreciative that you were able to attend the Mass last year and I would consider it a great and distinct privilege if you could again so honor us.

With warm personal regards, I am

Faithfully yours in Christ,

  
Patrick Cardinal O'Boyle  
Archbishop of Washington

The President of the United States  
The White House  
Washington, D. C.

EMBAJADA DE NICARAGUA  
WASHINGTON 9, D. C.

3524

- 1d

November 19, 1968

Dear Mr. President:

Last year you honored us with your presence at the Pan American Thanksgiving Mass at St. Patrick's Church. Francis Cardinal O'Boyle is again most desirous that you, Mrs. Johnson and any other members of your family attend this traditional act of Thanksgiving to be celebrated on Sunday November 24, at 10:15 a.m. at St. Patrick's Church. We realize your close schedule, but can assure you that your attendance would honor and be most gratifying not only to Cardinal O'Boyle but also to your friends the Latin American Ambassadors.

With the renewed assurances of my highest esteem and devoted friendship, I remain

Sincerely yours,

  
Guillermo Sevilla Sacasa

His Excellency  
The President  
The White House

INFORMATION

~~TOP SECRET--SENSITIVE~~

*Pres file*

Friday, November 22, 1968  
6:20 p. m.

Mr. President:

Herewith a reasonably  
reassuring situation report on  
Rumania.

W. W. Rostow

DECLASSIFIED  
White House Guidelines, Feb. 24, 1983  
By MP, NARA, Date 9-10-97

~~TOP SECRET--SENSITIVE~~

WWRostow:rln

ACTION

Friday, November 22, 1968

CONFIDENTIAL

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Aid to Korea

*Pres file*

Attached is a Zwick-Poats-Freeman request for your authority to negotiate a \$112 million 1969 assistance package with Korea, composed of an \$82 million P. L. 480 agreement and \$30 million in AID program assistance.

P. L. 480

The P. L. 480 sales agreement would provide approximately 650,000 tons of wheat, 270,000 tons of corn (over a three-year period), 160,000 bales of cotton, 34,000 tons of inedible tallow, and 10,000 tons of lard.

In previous years P. L. 480 Title I sales have been entirely payable in local currency. The present package provides for 60% for local currency sales and 40% for convertible local currency 40-year dollar credit. The credit sale includes a 30% payment the first year. That payment, plus a 29% U.S. uses payment of the local currency sale, will meet one-fourth of our estimated expenditures for Korean currency in 1969.

AID Program

The proposed AID program includes a \$10 million program loan and a \$20 million Supporting Assistance grant in support of the economic stabilization program. This is \$10 million below the 1968 level. This continued phase-down is possible because of Korea's dramatic economic growth in recent years.

Congressional Amendments

State/AID reports that Korea continues to satisfy the requirements of both the Symington and the Conte-Long amendments.

The Purcell amendment requires that payment be made at the time of delivery in an amount to cover U.S. needs, except when it would be inconsistent with the purposes of P. L. 480. Our local currency requirement in Korea for next year is estimated at \$65 million in excess of the receipts from the local currency sale and other sources. Clearly a payment on that order cannot be

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DECLASSIFIED  
E.O. 12958, Sec. 3.5  
NSC Memo, 1/30/95, State Dept. Guidelines  
By *ng*, NARA, Date 2/19/95

CONFIDENTIAL

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expected from Korea, and would indeed be inconsistent with the purposes of P. L. 480. Under the present proposal Korea would make a Purcell payment of \$10 million. A higher payment would be difficult to negotiate, and seemingly unwise to attempt, along with the \$30 million expected in commercial sales and the \$15 million in payment derived from local currency sales.

Balance of Payments

All AID funds would be tied to procurement in the U. S. The list of commodities would be selected to assure additionality.

Recommendation:

That you authorize negotiation of the proposed AID and P. L. 480 programs.

W. W. Rostow

Attachment

AJenkins:mm

CONFIDENTIAL

~~CONFIDENTIAL~~

3a

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

NOV 7 1968

MEMORANDUM FOR THE PRESIDENT

Subject: Aid to Korea

Bill Gaud and Orville Freeman request your authority to negotiate a \$112 million 1969 assistance package with Korea. The package includes \$30 million in AID program assistance and an \$82 million P. L. 480 agreement.

P. L. 480

The P. L. 480 commodities will be provided 60% for local currency sales and 40% for convertible local currency 40-year (dollar) credit. The credit sale will include a 30% payment the first year, which, coupled with a 29% U.S. uses payment of the local currency sale, will meet one-fourth of our estimated expenditures for Korean currency in 1969.

The P. L. 480 program includes:

- \$41 million of wheat (650,000 tons), which, added to the 245,000 tons of rice authorized earlier this year, would meet Korea's expanded grain import needs arising from the second consecutive drought year.
- \$20 million of cotton, \$18 million below last year. This is a result of a large pipeline and a \$9 million increase in Korea's expected U.S. purchases on CCC credit terms.
- \$12 million of corn to be provided over three years as a part of an expanded livestock program.

AID Program

The proposed AID program includes a \$10 million program loan and a \$20 million Supporting Assistance grant in support of the calendar year 1969 economic stabilization program. This is \$10 million below the 1968 level. Korean performance under a joint U.S.-IMF stabilization program has been very good. GNP has been rising at over 8% in real terms with price increases holding below 10%. Release of \$5 million of the program loan will be held for a review of performance in July.

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E.O. 12958, Sec. 3.5  
NSC Memo, 1/30/95, State Dept. Guidelines  
By 17, NARA, Date 2-19-98

Korean Budget

The P. L. 480 and AID funds both provide local currency in support of the Korean defense budget and economic development program. U.S. support for the defense budget will drop from \$70 million in 1968 to \$50 million in 1969, or from 30% of Korean defense expenditures to 18%. In addition, the proposed P. L. 480 program, plus receipts from earlier programs, will provide \$60 million in local currencies for the Korean economic development program.

Balance of Payments

All AID funds will be tied to procurement in the U.S. The list of commodities will be selected to assure additionality. On the basis of these considerations, Secretary Fowler concurs in the proposed program. *J.F.W.*

Military Expenditures

State/AID reports that Korea continues to satisfy the requirements of both the Symington and Conte-Long amendments.

Recommendation

I recommend that you approve the proposed AID and P. L. 480 programs.

*Charles J. Zwick*  
Charles J. Zwick  
Director

Attachment

Approve \_\_\_\_\_

Disapprove \_\_\_\_\_

DEPARTMENT OF STATE  
AGENCY FOR INTERNATIONAL DEVELOPMENT  
WASHINGTON, D. C. 20523

OFFICE OF  
THE ADMINISTRATOR

UOI <sup>31</sup> - 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Authorization for FY 1969 Program Assistance and P.L. 480  
Program for Korea

We recommend your approval of a P.L. 480 and A.I.D. program assistance package for Korea of \$112.0 million.

We are prepared to negotiate with Korea a P.L. 480 sales agreement combining a local currency portion of \$49.2 million and a 40-year convertible local currency credit of \$32.8 million. A memorandum from Secretary Freeman and myself on the P.L. 480 program accompanies this memorandum.

We also request your authorization to provide the Koreans \$20 million of Supporting Assistance grant funds and your approval of a \$10 million program loan, both from FY 1969 appropriations.

The Supporting Assistance funds will be used to finance essential industrial raw materials, jointly agreed upon between the U.S. and Korean Governments. Procurement under the grant is tied to the U.S. and items are selected with a view toward securing maximum additionality. The program loan will finance exports of U.S. machinery, equipment and spare parts needed for the development of Korean small and medium industry. These items will also be selected to promote additionality.

We estimate that local currency proceeds from the Supporting Assistance and P.L. 480 local currency sales program, plus carryovers from previous years, will provide the following essential support to the Korean budget:

- (1) \$50 million for military budget support, which is equivalent to 18 percent of the Korean military budget; and
- (2) \$20 million for the economic development budget.

The levels of the A.I.D. grant and program loan assistance are consistent with the strategy of terminating Supporting Assistance grants to Korea in the near future, while continuing a phased reduction of Development Loans. A.I.D. grant assistance for the commodity import program totaled \$45 million in FY 1967 and \$30 million in FY 1968. This phase-down is possible because of Korea's dramatic economic growth over recent years.

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**DECLASSIFIED**  
Authority AID Guidelines  
By 4 NARA, Date 2-19-98



~~CONFIDENTIAL~~

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We plan to offer this A.I.D. program assistance to Korea as part of the negotiation for a 1969 stabilization program. This program is designed to encourage sound economic policies, which will provide a basis for continuing economic progress while avoiding inflation. In this program the U.S. intends to work closely with, and support, the IMF.

Performance targets will be established for required reserves of commercial banks, lending by the central bank, and other measures by which the central monetary authorities influence liquidity. The stabilization program will also contain targets aimed at continued increased tax collections, expanded public sector savings, and a balanced budget. Emphasis will also be given to maintenance of a realistic foreign exchange rate and institutional improvements in the capital market.

We plan to release all of the \$20 million Supporting Assistance grant at the time that a successful agreement is negotiated.

We plan to release the first half of the \$10 million program loan at the same time as the Supporting Assistance grant is released, but will reserve the balance for release depending on satisfactory fulfillment of agreed performance targets as of mid-year 1969. We feel that this timing provides a useful added check on Korean performance.

These procedures are similar to those used in previous years and we believe that they have been successful. For instance, we estimate that the year end money supply target established for December 1968 will be met and that wholesale price increases will be kept to 8-10 percent during the year, about the same as in 1967. We expect real GNP to grow by a record 14 percent. Domestic tax collections rose 60 percent in the first half of 1968.

State and A.I.D. have reviewed Korean actions under the Symington Amendment (Sec. 620 (s) of the Foreign Assistance Act) and have concluded that Korea is not diverting U.S. development assistance or P.L. 480 sales to military purposes nor is Korea diverting its own resources to unnecessary military expenditures to a degree which materially interferes with its development. We have also reviewed Korean purchases of military equipment and have determined that there appears to be no need for penalties under the Conte-Long Amendments. Korea is not purchasing sophisticated weapons. The only such items being acquired by Korea are being furnished by the United States on a grant basis under the Military Assistance Program.

~~CONFIDENTIAL~~

CONFIDENTIAL

- 3 -

Recommendation: (1) That you approve \$20 million of FY 1969 Supporting Assistance grant funds for Korea. (2) That you approve a \$10 million program loan for Korea during FY 1969.

  
William S. Gaud Acting

CONFIDENTIAL

- 3c  
—

ATTACHMENT

Review of Korean actions under Section 620(s) of the Foreign Assistance Act, as amended (the Symington Amendment)

State and A.I.D. have reviewed Korean actions under the Symington Amendment and have concluded that Korea is not diverting U. S. development assistance or P.L. 480 sales to military purposes. They also determined that Korea is not diverting its own resources to unnecessary military expenditures to a degree which materially interferes with its development. The Country Team concurs. The following points were among those taken into account in reaching this conclusion:

1. It is United States policy to assist South Korea in developing the capability to defend itself from Communist attack from the north and to counter Communist attempts at internal subversion. We also support South Korean contributions to regional mutual security efforts in Southeast Asia. At present South Korea has 48,000 troops participating in the allied war effort in South Vietnam. Substantial military expenditures are necessary to support these objectives, and we are contributing to the Korean defense budget to help them finance these costs.

2. Korean defense budget expenditures as a percent of GNP have risen only slightly from 3.7% in 1965 to an anticipated 4.1% in 1968. For the period 1967-1968 these expenditures are estimated at 3.95% of GNP, slightly above the median for the region of 3.65%.

3. Korean defense budget expenditures as a percent of Central Government expenditures have declined from 31.9% in 1964 to an estimated 25.4% in 1968. These expenditures as a percent of Central Government expenditures are 23.20% for the period 1967-1968, only slightly above the median for the region of 21.95%.

4. U. S. military budget support derived from P.L. 480 and Supporting Assistance proceeds has been decreasing, and at the same time the Koreans have been increasing their own military expenditures. The self-financed portion of the Korean defense budget has increased from 38.1% in 1965 to a projected 63.7% in 1968. As a percent of total Central Government expenditures, these expenditures have also increased from 11.7% in 1965 to 16.2% in 1968. Korean self-financed defense expenditures as a percent of GNP have risen only slightly from 1.4% in 1965 to 1.8% in 1967 and are projected to increase further in 1968 to 2.6% of GNP.

5. Over the period of 1965-1967 Korea has made spectacular economic progress. Annual growth in real GNP averaged about 10% and is expected to reach a rate of as much as 14% in 1968.

6. Annual foreign exchange purchases of military items were less than \$1 million over the period 1965 to 1967 and accounted for a negligible portion of the defense budget. It is anticipated that foreign exchange purchase of military items in 1968 will increase slightly to about \$1.5 million still accounting for a very small portion of the defense budget. Korean requirements for imports of military equipment have been provided under the Military Assistance Program.

~~CONFIDENTIAL~~

-3d

MEMORANDUM

OCT 31 1968

To: The President

Subject: Title I Public Law 480 Program with Korea

We recommend that you authorize us to negotiate a PL 480 sales agreement with Korea to provide approximately 650,000 tons of wheat, 270,000 tons of corn (over a three-year period), 160,000 bales of cotton, 34,000 tons of inedible tallow and 10,000 tons of lard for which the current export market value (including applicable ocean transportation costs) is approximately \$82.0 million.

In previous years, the annual PL 480 Title I sales agreements have been 100 percent payable in local currency. This year, however, we propose to split the agreement into two parts. About 40 percent of the sale - \$32.8 million - would be financed under a 40-year convertible local currency credit with interest at 2 percent during the grace period and 3 percent thereafter. Of this \$32.8 million, 5 percent would be initial payment in dollars and 30 percent will be taken in local currency in cash as an advance on the early loan maturities. The other segment of the agreement, about 60 percent of the sale - \$49.2 million - would be for local currency of which 29 percent will be for U.S. uses, 6 percent for private enterprise loans and 65 percent for a grant in support of the Korean military budget.

The 29 percent U.S. use portion of the local currency sale together with the payments in dollars and won under the credit sale in 1969 represents about one-fourth - \$21.8 million - of our estimated annual expenditure of \$84 million.

The Departments of State and Treasury concur in this recommendation.

Need for Program

For the second consecutive year Korea has suffered a severe drought in the Southwestern Provinces, the principal rice producing area. Korea's 1967 rice production was down about 300,000 tons below the 1966 crop and current estimates for the 1968 crop are down 200,000 tons below the 1967 crop. In view of Korea's commercial purchases of California rice in 1967 and 1968, amounting to about \$50 million and her total balance of payments situation, we have determined that concessional credit continues to be required at this time.

Korea substantially increased its total commercial imports of grain from the United States with its own foreign exchange during 1967 and is continuing commercial imports in 1968. This proposed sales agreement will include a 200,000 ton Usual Marketing Requirement for wheat. It is expected that Korea will purchase this wheat in the United States.

~~CONFIDENTIAL~~

DECLASSIFIED

Authority AID - Agriculture Production  
By Lj NARA, Date 2/19/98

Korea will be offered CCC credit for 70,000 bales of cotton in addition to the proposed 160,000 bales under PL 480. This should meet Korea's cotton needs for domestic use and carryout stocks for CY 69. The agreement would also require Korea import 60,000 bales commercially of which at least 55,000 bales will be from the U. S. The tallow will be used for soap making and other industrial uses and will help in maintaining U.S. exports of tallow. The corn will be supplied in support of Korea's expanding livestock industry and help in developing a commercial market for U.S. corn. During negotiations we will make clear to the ROKG that we expect them to continue to make their normal commercial purchases of corn from the United States. The lard will be used in the Korean baking industry and help provide for the increasing consumption requirements for wheat products.

Current U.S. market prices for wheat are low and our wheat exports in the current marketing year are about 70 percent of the same period last year. Therefore, we propose to proceed promptly with this proposal in order to sign a wheat agreement as soon as possible. A public announcement soon that a new agreement has been signed for a substantial quantity of wheat will strengthen our current low wheat prices.

#### Military Expenditure Review

State/AID concluded that U.S. development assistance under the Foreign Assistance Act of 1961, as amended, PL 480 sales proceeds and Korea's resources are not being diverted to unnecessary military expenditures to a degree which would materially interfere with its development.

#### Self-Help Measures

The United States Government will propose that the Government of the Republic of Korea agree during the period of this sale to:

- (1) Review and revise grain price and subsidy policies to provide further incentives for farmers to increase production;
- (2) Distribute 500,000 metric tons of limestone for use on Korean farms and increase fertilizer availability by approximately 15% during calendar year 1969;
- (3) Provide sufficient funds from budgetary and other sources to insure: (a) that adequate short term credit is available to farmers to utilize the additional lime and fertilizer inputs; (b) to develop a major program of medium and long term farm credit to increase agricultural production; and (c) expand commercial credit available to organizations which supply farm inputs and market farm products;

(4) Expand and improve seed research and dissemination of new seed varieties, seed marketing and processing facilities;

(5) Strengthen food marketing through improved grading storage and transportation facilities, encouraging maximum participation by private commercial enterprise;

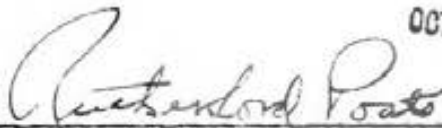
(6) Develop a comprehensive Land and Water Use Policy based on economic feasibility analyses of alternative land development, irrigation and conservation projects with the aim of achieving maximum returns in additional production from investments in these areas.

Recommendation

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

October 30 1968

OCT 31 1968



Arthur W. Coats  
Administrator  
Agency for International Development



Donald K. Furman  
Secretary  
Department of Agriculture

Approve: \_\_\_\_\_

Disapprove: \_\_\_\_\_

Date: \_\_\_\_\_

4  
✓

Friday, November 22, 1968

Mr. President:

It's always nice to have a  
thank-you. The Israeli Deputy Prime  
Minister appreciated his meeting with  
you.

~~1. copy~~  
2. Pres file

I'm afraid he didn't leave as good  
an impression here, but that doesn't  
affect our welcome for the personal  
warmth of his note.

W. W. R.

Att: Letter to President from Yigal Allon,  
Deputy Prime Minister of Israel, 11/3/68  
with cover note from Shlomo (Argov) Minister  
of Israeli Embassy, (undated)



4a

DEPUTY PRIME MINISTER

Jerusalem, November 3rd, 1968

Dear Mr. President,

Your thoughtfulness in sending me the signed pictures taken at the White House and during the B'nai B'rith Convention in Washington on September 10th, 1968, is highly appreciated.

May I use this opportunity to tell you, Mr. President, that I shall always cherish the memory of our meeting, about which I reported faithfully to Prime Minister Eshkol. It was most revealing for me to experience personally, through the conversation we had, the depth and warmth of your sentiments for the Jewish people and for Israel. As a nation, we have not been pampered by history; this is one more reason why we so appreciate true friendship. In Jewish history, Mr. President, you will for all time be regarded as a true and great friend.

With all good wishes for the future.

Yours sincerely,

  
Yigal Allon

His Excellency Lyndon B. Johnson,  
The President of the United States of America,

*in file*  
5

~~SECRET/HARVAN DOUBLE PLUS~~

Friday, Nov. 22, 1968  
4:55 p. m.

MR. PRESIDENT:

Herewith for your clearance  
a telegram resulting from our meeting  
this morning which would put Bunker  
rather strongly on notice that time is  
running out on the present negotiation.

Attachment

W. W. Rostow

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Call me \_\_\_\_\_

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NJ 91-508  
By sig, NARA, Date 1-11-93

~~SECRET/HARVAN DOUBLE PLUS~~

# OUTGOING TELEGRAM Department of State

INDICATE:  COLLECT  
 CHARGE TO

~~SECRET~~

Classification

5a

FOR OC/T USE ONLY

Origin

ACTION: Amembassy SAIGON IMMEDIATE

Info

INFO: Amembassy PARIS PRIORITY

STATE

NODIS/HARVAN/DOUBLE PLUS

For Ambassador from the Secretary.

PARIS TODEL \_\_\_\_\_ FOR HARRIMAN AND VANCE.

DECLASSIFIED

Authority 72991-506

By RS/ep, NARA, Date 4-6-93

1. You will note the reports from Paris of Le's special press conference of today, highlighting Hanoi's demand that we talk with them and the NLF, leaving a seat for Saigon. It seems obvious from all the Paris reports that they are now pulling out all the stops.

2. Even without this prodding from Hanoi, all of us would now reckon that we have only a few days at most to get a firm GVN commitment to come to Paris, before the pressures mount to the point where we will have to carry out in some way our repeated statements that we would go ahead on our own, bilaterally or with the NLF, privately or semi-publicly, or even on an announced basis. As I am sure you know, the unanimous judgment here

*lsh*

Drafted by:

EA:WPBundy:mk 11/22/68

Tel. No. 4235

Telegraphic transmission and classification approved by:

The Secretary

Clearance:

S/S

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Classification

~~SECRET~~

~~Classification~~

remains that there is no excuse for the GVN not going, and only the fact that Congress has not been in session has ~~xxxxxx~~ saved us from heat that would have become unendurable before now. As it is, the exhaustion of the campaign and the late-year lull conceal what must certainly be a steady erosion in support for the GVN and respect for it.

3. Moreover, even if we complete the present script by next Tuesday or so--the absolute outside that I would consider ~~na~~ tenable at the moment--we must reckon that it will be vitally important to get the GVN delegation actually in Paris and to get the talks under way just as rapidly as possible. All of this, which you/~~yourself~~ <sup>yourself</sup> already know, is simply put down here for your use in conveying through such channels as Bui Diem the intense urgency of the present situation.

4. Finally, we should be thinking of prompt actions to be taken when and if the GVN does announce that it will send a delegation to Paris. It now seems clear that the bilateral talks with Hanoi--which would in any event have been required--may encounter significant added difficulty because of the demonstrated sensitivity of the GVN on the question of anything that tilts the board as between two sides and four parties. Our thinking here, subject to comment from Paris, is that we must get these bilaterals under way at once, even though the

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Classification

GVN high-level delegation may not have arrived in Paris. I am not repeat not clear whether the GVN understands that we would wish to proceed in this way, and I would accept your judgment as to whether it is wise to convey it to them with precision before we have the whole present script cleared up. But the underlying fact remains that we must not only get a GVN delegation to Paris but get visible talks started, if we are to hold to a bearable level the significant losses in public support that may already have occurred.

GP-1.

End.

6

ACTION

Friday, November 22, 1968

4:30 p. m.

Mr. President:

Attached for your approval is a proposed congratulatory message to President Mobutu of the Congo on the third anniversary of his administration, November 24.

You sent a warm message on this occasion last year. Mobutu has done a good job putting his people back on the track after the mercenary crisis last year.

I recommend you approve the message.

W. W. Rostow

Approve \_\_\_\_\_

Disapprove \_\_\_\_\_

Call me \_\_\_\_\_

WWR:HS:RM:lw

Att: File #3507

*Pres file*

6a

Proposed Message to President Mobutu of the Congo (K)

Dear Mr. President:

Warm congratulations and good wishes on your third anniversary in office.

This has been a year to be celebrated by the Congo and her many friends around the world. Your courageous leadership, Mr. President, hastened the return of peace and stability to your great nation. The people of the Congo have been undaunted in their determination to build a strong and just nationhood.

America shares your hope that this hard-won progress will long continue.

With best personal regards.

Sincerely,



s/s 14996

~~CONFIDENTIAL~~  
DEPARTMENT OF STATE

Washington, D.C. 20520

1 - *Handwritten*  
2 - *Handwritten* 66

November 19, 1968

MEMORANDUM FOR MR. WALT W. ROSTOW  
THE WHITE HOUSE

Subject: Congratulatory Message to Congo (K)  
President Mobutu on Third Anniversary  
of Regime, November 24, 1968

The Department recommends that the President send a congratulatory message to President Joseph Mobutu on the third anniversary of his assumption of power.

During the past year, the mercenary rebellion was defeated by the Congolese army with the help of United States air transport logistic support, and the Economic Stabilization Program has been remarkably successful despite large expenditures required to defeat the rebellion.

November 24, the anniversary of President Mobutu's assumption of power, has become equal in importance in the Congo to June 30 Independence Day.

President Johnson sent a congratulatory message on November 24 last year, and a failure to send one this year could well be interpreted as a weakening of American support for Mobutu.

A suggested telegraphic message is enclosed.

*Benjamin H. Read*  
Benjamin H. Read  
Executive Secretary

Enclosure:

Draft message.

~~CONFIDENTIAL~~

DECLASSIFIED  
E.O. 12958, Sec. 3.5  
State Dept. Guidelines  
By gj, NARA, Date 2-19-98



7

INFORMATION

~~CONFIDENTIAL~~

Friday, November 22, 1968 -- 3:30 p. m.

*Pres file*

Mr. President:

Herewith information from Bonn that:

-- Blessing and the Bundesbank had recommended upward revaluation of the deutschemark, which the government rejected;

-- The Bundesbank doubts that the border tax measures will overcome the current crisis and strong speculative money flows into Germany may resume on November 25.

If the story about the Bundesbank's actual view spreads through Germany and Europe, this could happen. But we will not be able to make an assessment until we know what France decides to do.

W. W. Rostow

Bonn 19573

~~CONFIDENTIAL~~

WWRostow:rla

DECLASSIFIED  
E.O. 12958, Sec. 3.5  
NSC Memo, 1/30/95, State Dept. Guidelines  
By g, NARA, Date 2-19-98



Department of State

TELEGRAM

7a

~~CONFIDENTIAL~~ 722

PAGE 01 BONN 19573 221519Z

42  
ACTION SS 70

INFO /070 W

071822

P 221442Z NOV 68  
FM AMEMBASSY BONN  
TO SECSTATE WAHSDC PRIORITY 1014  
INFO AMEMBASSY LONDON PRIORITY  
AMEMBASSY PARIS

Rostow

~~CONFIDENTIAL~~ BONN 19573

GREENBACK-LIMDIS

DEPARTMENT PASS TREASURY AND FEDERAL RESERVE

SUBJECT: BUNDESBANK FAVORED DM REVALUATION IN CURRENT CRISIS

REF: 19572

1. CONTACTS BY THE U.S. DELEGATION AND EMBASSY REPRESENTATIVES AT THE GROUP OF TEN MEETING SUBSTANTIALLY CONFIRM THE SUBSTANCE OF REFTEL, NAMELY, THAT FOLLOWING BLESSING'S RETURN FROM THE BASEL MEETINGS LAST WEEKEND, THE BUNDESBANK HAD RECOMMENDED TO THE FEDERAL GOVERNMENT, IN LIGHT OF THE PRESENT INTERNATIONAL FINANCIAL SITUATION, TO REVALUE THE DEUTSCHEMARK WITH THE GOVERNMENT'S

~~ABSOLUTE REJECTION OF THIS RECOMMENDATION AND THE RESULTANT GOVERNMENT POSTURE TOWARD THE BANK IN THE CONFERENCE, AND IN LIGHT OF CIRCUMSTANCES DESCRIBED IN REFTEL, THERE IS CURRENTLY TENSION BETWEEN BUNDESBANK AND GOVERNMENT.~~

2. FURTHER, THE BUNDESBANK CONSIDERS IT QUESTIONABLE WHETHER THE PROPOSED GOVERNMENT BORDER TAX MEASURES WILL OVERCOME THE CURRENT CRISIS, AND INDICATED TO THE EMBASSY THAT IF THE GROUP OF TEN DOES NOT COME UP WITH FURTHER MEASURES, A RESUMPTION OF STRONG SPECULATIVE MONEY FLOWS INTO GERMANY ON THE REOPENING OF THE MARKETS ON NOVEMBER 25 COULD NOT BE RULED OUT. LODGE

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

CONFIDENTIAL  
29

By *[Signature]*, NARA, Date 2-19-98

INFORMATION

8

*Pres file*

~~SECRET~~

Friday, November 22, 1968  
3:35 p. m.

Mr. President:

Herewith Marcos, worried about his U. S. relations, makes moves to tidy up in the next sixty days.

Williams will see what action, as opposed to sweet talk, is possible.

W. W. Rostow

Manila 17833

~~SECRET~~

DECLASSIFIED  
White House Guidelines, Feb. 24, 1983  
By MP, NARA, Date 9-10-97

WWRostow:rln



Department of State

TELEGRAM <sup>8a</sup>

~~SECRET~~ 607

PAGE 01 MANILA 17833 01 OF 02 221400Z

50  
ACTION SS 70

INFO CIAE 00, /070 W

071344

P: 221107Z NOV 68  
FM AMEMBASSY MANILA  
TO SECSTATE WASHDC PRIORITY 5750

~~SECRET~~ SECTION 1 OF 2 MANILA 17833

LIMDIS:

*Rostow*

PRESIDENTIAL JITTERS

1. THE PAST WEEK HAS BROUGHT AN EXTRAORDINARY CHAIN OF EVENTS WHICH REVEAL IN SHARP OUTLINE PRESIDENT MARCOS'S ~~CURRENT READING OF THE STATE OF US-PHILIPPINE RELATIONS.~~

2. NOV 17 ~~MRS. MARCOS~~ SUMMONED EMBOFF (RAFFERTY) TO MALACANANG. SHE SAID SHE WAS DEEPLY CONCERNED ABOUT THE DETERIORATION IN US-RP RELATIONS AND PARTICULARLY THE STATE ~~OF RELATIONS BETWEEN THE USG AND HER HUSBAND'S ADMINISTRATION.~~ SHE SAID THERE WAS INCREASING TALK THAT THE US WAS LOOKING FOR A CANDIDATE TO SUPPORT AGAINST MARCOS AND THAT GENERAL LANSDALE'S NAME WAS MENTIONED FREQUENTLY AS KING MAKER. SOMETHING MUST BE DONE, SHE SAID, TO ARREST THE DETERIORATION AND RETURN RELATIONS BETWEEN THE TWO COUNTRIES TO THEIR NORMAL CLOSE AND FRIENDLY BASIS.

3. ~~MARCOS WAS DRAWING UP A SHEET CONTAINING A PAPER AT THE REQUEST OF THE NEW REPUBLICAN ADMINISTRATION.~~ THIS PAPER WAS TO CONTAIN A LIST OF WHAT HE THOUGHT WAS WRONG WITH US-PHILIPPINE RELATIONS AND WHAT SHOULD BE DONE ABOUT IT. SHE THEN LAUNCHED INTO EXTENDED AND REPEATED ASSURANCES THAT EVERYONE IN MALACANANG FROM THE PRESIDENT ON DOWN WAS PRO-AMERICAN AND ALL FAVORED FRIENDSHIP WITH THE US. PRESIDENT MARCOS THEN JOINED THE CONVERSATION AND REPEATED HIS WIFE'S STATEMENTS OF CONCERN OVER THE DETERIORATION OF OUR RELATIONS AND THE DESIRE TO REMOVE IRRITANTS. HE ASKED IF HE COULD BE PROVIDED WITH A LIST OF THE IRRITANTS WHICH HE COULD STUDY. THIS THEN WOULD BE FOLLOWED BY A MAN-TO-MAN TALK WITH ME ON

~~SECRET~~  
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DECLASSIFIED

E.O. 13526, Sec. 3.5

NLJ-019A-42-4-1

NAR. Date 12-08-2017

By UUT



~~SECRET~~

PAGE 02 MANILA 17833 01 OF 02 221400Z

HOW THESE IRRITANTS MIGHT BE REMOVED.

4. ON THE AFTERNOON OF NOV 20 RAFFERTY WAS ASKED TO CALL ON SECY OF LABOR BLAS OPLE. THIS REQUEST WAS UNUSUAL SINCE OPLE NORMALLY DOES NOT USE THIS CHANNEL TO COMMUNICATE WITH THE EMBASSY. ~~ONLY OBJECTIVE OF CALL WAS FOR OPLE TO PROCLAIM IN STRONG TERMS HIS FRIENDSHIP FOR THE US AND TO EXPLAIN WHY HE THOUGHT THAT ELEMENTS OF THE PROGRESSIVE LEFT WERE THE BEST FRIENDS THE US HAD IN THE PHILIPPINES.~~ OPLE SAID ALSO THAT ANY REPORTS THAT MIGHT HAVE REACHED THE EMBASSY ASSIGNING HIM RESPONSIBILITY FOR THE STUDENT RIOTS IN MID-SEPT WERE ABSOLUTELY FALSE. HE ADMITTED MRS. MARCOS HAD SUGGESTED HE CALL IN EMBOFF FOR FRANK CHAT.

5. I WAS HOLDING A RECEPTION THAT EVENING (NOV 20) FOR PEACE CORPS DIRECTOR JACK VAUGHN AND PC VOLUNTEERS IN THE MANILA AREA. ON MONDAY I ASKED MRS. MARCOS WHO SAID SHE WOULD COME AND DID THE INVITATION INCLUDE THE PRESIDENT. I SAID OF COURSE IT DID. TUESDAY NIGHT I SAW THE PRESIDENT WHO SAID HE WOULD COME AFTER MOPC SPEECH WHEN I TOLD HIM THE PARTY WOULD PROBABLY LAST UNTIL ONE.

6. AT THE MOPC THE PRESIDENT TALKED ABOUT THE "CHALLENGE OF ASIA" (MANILA 17776). IN A SPEECH WHICH ALEX MELCHOR TOLD DCM WAS WRITTEN BY BLAS OPLE, MARCOS SAID THAT THE NEXT 15 YEARS MIGHT WELL BRING A WITHDRAWAL OF US POWER FROM SEA. ~~UNDER SUCH CIRCUMSTANCES THE NATIONS OF ASIA WOULD HAVE NO OTHER ALTERNATIVE BUT TO REACH AN ACCOMMODATION WITH COMMUNIST CHINA.~~ TO KEEP FROM BEING OVERRUN BY CHINESE STRENGTH, THE NATIONS OF ASIA WOULD THEREFORE HAVE TO DEVELOP THEIR OWN STRENGTH, PARTICULARLY IN THE ECONOMIC AND SOCIAL FIELDS. IT WAS NOTEWORTHY THAT SABAH WAS NOT MENTIONED IN THE SPEECH NOR WAS THE PRESIDENT QUESTIONED ON THIS SUBJECT ON THE OPEN FORUM WHICH FOLLOWED HIS FORMAL ADDRESS.

7. MARCOS THEN JOINED HIS WIFE WHO HAD ARRIVED ABOUT NINE AT OUR RESIDENCE. IN INFORMAL REMARKS TO THE VOLUNTEERS AND OTHER GUESTS AT THE RECEPTION, THE PRESIDENT HEAPED PRAISE ON THE PEACE CORPS AND ON THE PEACE CORPS DIRECTOR. HE WENT ON TO SAY THAT HE WAS AWARE OF TALKS ABOUT IRRITANTS BETWEEN THE TWO COUNTRIES, BUT THAT HE AND I WERE WORKING TO REDUCE THEM. HE AND MRS. MARCOS THEN REMAINED UNTIL ALMOST MIDNIGHT CHATTING WITH THE

~~SECRET~~  
29



Department of State **TELEGRAM**

~~SECRET~~

PAGE 03 MANILA 17833 01 OF 02 221400Z

~~VOLUNTEERS AND DANCING TO THE DEAFENING MUSIC OF A BIG BEAT~~  
~~COMBO~~  
WILLIAMS

~~SECRET~~

29



Department of State

TELEGRAM

SECRET 609

PAGE 01 MANILA 17833 02 OF 02 221408Z

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ACTION SS 70

INFO CIAE 00, /070 W

071376

P 221107Z NOV 68

FM AMEMBASSY MANILA

TO SECSTATE WASHDC PRIORITY 5751

~~SECRET~~ SECTION 2 OF 2 MANILA 17833

LIMDIS

PRESIDENTIAL JITTERS

8. LABOR SECY OPLE, ALSO A GUEST AT THE RECEPTION, REPEATED EARLY IN THE EVENING TO BOTH ME AND TO THE MINISTER HIS PROTESTATIONS OF UNDYING FRIENDSHIP FOR THE US, AND SAID HE HAD ~~USED HIS INFLUENCE WITH LABOR LEADERS TO PREVENT UNION DEMONSTRATIONS AGAINST US DURING SABAH CRISIS~~. HE SPENT THE REST OF THE EVENING TAKING ON A FULL LOAD AND POURING INTO THE EARS OF A SUCCESSION OF EMBASSY WIVES AND OTHER BITTER STATEMENTS ON HOW SOME AMERICANS ABUSE THE HOSPITALITY OF THE PHILIPPINES AND FORCE THE FILIPINOS TO DANCE TO THEIR TUNE, PROCLAIMING UNDYING LOYALTY TO MARCOS AND PREDICTING THAT IF OSMENA WERE TO BECOME PRESIDENT THE COUNTRY WOULD BE SPLIT APART AND A REVOLUTION ENSUE.

9. ~~AS WE READ THESE EVENTS, MARCOS HAS A BAD CASE OF THE JITTERS. HE IS FACED FIRST OF ALL WITH THE UNCERTAINTIES OF AN APPROACHING ELECTION YEAR AND THE HISTORICAL JINX THAT NO PRESIDENT HAS EVER BEEN REELECTED. HE MAY THINK THERE IS A GOOD POSSIBILITY THAT 1969 MAY BRING AN END TO THE WAR IN VIETNAM AND CERTAIN INEVITABLE CHANGES IN US MILITARY POSTURE IN SEA.~~ RETURNING PHILIPPINE CONGRESSIONAL JUNKETEERS, GOVT OFFICIALS, AND OTHER TRAVELERS ALSO HAVE UNDOUBTEDLY PASSED ON TO HIM ~~THE IMPATIENCE AND DISSATISFACTION WITH THE PHILIPPINES DETECTED IN US GOVT AND PRIVATE AND PUBLIC CIRCLES.~~ ADDED TO THESE ELEMENTS OF UNCERTAINTY IS THE FORTHCOMING CHANGE IN US ADMINISTRATIONS, WITH THE PREVAILING VIEW EXPRESSED IN THE PRESS THAT THIS MAY PORTEND A NEW "EUROPE FIRST" POLICY ON THE PART OF THE USG. (I FOUND THIS KEEN SOURCE OF WORRY IN BOTH PRESS AND OFFICIAL CIRCLES DURING RECENT TRIP TO PROVINCES). MARCOS APPARENTLY

SECRET

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Department of State

TELEGRAM

~~SECRET~~

PAGE 02 MANILA 17833 02 OF 02 221408Z

~~HAD COUNTED ON A HUMPHREY VICTORY AND HAD NEGLECTED TO ESTABLISH ANY PERSONAL CONTACT WITH THE NIXON CAMP. ALLEGED REQUEST FOR PAPER ON US-PHILIPPINE FRICTIONS HAS EARMARKS OF BEN ROMUALDEZ PLOY TO DEVELOP INFORMAL BACK DOOR CHANNEL TO NEW ADMINISTRATION.~~

10. ~~MARCOS THEREFORE HAS APPARENTLY DECIDED THAT THERE ARE MANY FENCES WHICH NEED MENDING. HE PERHAPS HAD OVERPLAYED HIS HAND IN TURNING THE STUDENTS LOOSE TO DEMONSTRATE AGAINST THE US AFTER THE MCCLOSKEY STATEMENT. PONCE ENRILE MAY HAVE BEEN A BIT TOO ZEALOUS IN FOLLOWING THE PRESIDENT'S INJECTION TO ENFORCE THE LETTER OF PHILIPPINE CUSTOMS REGULATIONS. HE MAY HAVE HAD A FEW TWINGES OF CONSCIENCE OVER HIS PERFORMANCE ON PHILCAG. THE FIRST STEP CLEARLY WAS TO TURN A MORE BENIGN FACE TOWARD THE AMERICAN EMBASSY AND TO TRY TO DISARM US WITH THE REQUEST FOR A LIST OF THE PRINCIPAL IRRITANTS. THIS WAS FOLLOWED BY ORDERS TO BLAS OPLE, THE MAN WE HAD IDENTIFIED AS THE PRINCIPAL ANTI-AMERICAN IN HIS ENTOURAGE, TO EAT CROW. OPLE'S DRUNKENNESS AT THE RECEPTION SEEMS CLEAR EVIDENCE OF THE UNPALATABILITY OF THIS DIET TO A PROUD AND AMBITIOUS MAN WHO ALSO SEEMS TO HAVE LOST - FOR THE MOMENT AT LEAST - HIS BID FOR A SLOT ON THE MARCOS SENATORIAL SLATE. THE UNUSUAL PRESENCE OF THE PRESIDENT AND MRS. MARCOS AT U.S. AMBASSADOR'S (HIS FIRST DURING HIS TERM OF OFFICE) SERVED BOTH TO DISPLAY HIS SMILING FACE AND AT THE SAME TIME REMOVE ANY STING IN THE THREAT TO REACH A MODUS VIVENDI WITH COMMUNIST CHINA IF THE US SHOULD WITHDRAW FROM SEA.~~

11. IN OUR SERIES OF TELEGRAMS ON US-PHILIPPINE RELATIONS EARLY IN OCT (MANILA 15756, 15828, 15956) WE DISCUSSED THE STRATEGY WHICH WOULD CAUSE MARCOS TO WORRY ABOUT THE STATE OF US-PHILIPPINE AFFAIRS AND TAKE THE INITIATIVE IN PROPOSING A BROAD REVIEW OF OUR RELATIONS. A SERIES OF UNFORESEEN EVENTS HAS NOW CREATED THIS SITUATION. MARCOS SEEMS TO WANT TO TIDY THINGS UP AND PRESENT THE BEST POSSIBLE FACE TO THE INCOMING REPUBLICAN ADMINISTRATION. IN THE 60 DAYS BETWEEN NOW AND THE 20 OF JAN I FEEL THERE IS AN EXCELLENT CHANCE THAT WE CAN BEGIN TO CLEAR UP SOME OF THE NAGGING PROBLEMS AND MAKE SOME PROGRESS WITH THE FUNDAMENTAL UNDERLYING RELATIONSHIPS. I INTEND, THEREFORE, TO TAKE FULL ADVANTAGE OF WHAT I READ AS THE CURRENT MALACANANG MOOD AND PRESS FOR SETTLEMENT OF THE PROBLEMS WHICH THE MARCOS ADMINISTRATION HAS IN ITS POWER TO RESOLVE. WE HAVE PREPARED THE REQUESTED LIST AND I WILL WAIT FOR A SUMMONS TO THE PALACE SOMETIME

SECRET

27





Department of State

TELEGRAM

~~SECRET~~

PAGE 03 MANILA 17833 02 OF 02 221408Z

NEXT WEEK. THE RESULTS MAY NOT COME UP TO EXPECTATIONS, BUT IT IS CERTAINLY WORTH A TRY.

GP-2. WILLIAMS

~~SECRET~~

Hostile  
9

Friday, Nov. 22, 1968  
3:30 p. m.

~~SECRET~~

MR. PRESIDENT:

These views of a high UN Indian official on the Jarring mission and Middle East prospects may interest you -- especially marked paras. 5-7.

W. W. Rostow

SECRET attachment



SANITIZED  
Authority NGJ 019-042-4-1  
By CP, NARA, Date 1/21/02

ACTION

10

~~CONFIDENTIAL~~

Friday, November 22, 1968 - 1:50 PM

*Pres file*

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Ratification of the Astronaut Assistance and Return Agreement

The Soviet Union, United Kingdom and United States instruments of ratification for the Astronaut Assistance and Return Agreement are in place in London, Moscow and Washington. The deposit of these instruments will bring the Agreement into force.

Type of Ceremony

The deposit can be made separately or jointly. The U. K. has informed us and the Soviets that they favor the separate deposit procedure. The State Department agrees, in keeping with our post-Czech invasion attitude toward the Soviets. The Soviet Embassy here has indicated it will go along.

The separate deposit procedure as opposed to a joint procedure would mean less ceremony. At anytime on the selected day the U. K. and Soviet Ambassadors would deposit their instruments at the State Department. Our Ambassadors in London and Moscow would do likewise. On that same day, you would sign a proclamation. A joint ceremony is not, of course, ruled out. However, the British or Soviet governments could delay agreement by opposing such a plan.

Separate ceremony \_\_\_\_\_

Joint ceremony \_\_\_\_\_

DECLASSIFIED  
White House Gold Files, Feb. 24, 1989  
By MP, NARA, Date 9-23-97

Jim Jones indicates that December 3rd is an acceptable date for deposit and proclamation. If you approve, State will go to our Embassies with December 3 as our preference, using December 5 and 10 as fall back dates in case either the Soviets or the U. K. disagree.

Seek U. K. and Soviet concurrences on December 3 \_\_\_\_\_

Speak to me \_\_\_\_\_

W. W. Rostow

~~CONFIDENTIAL~~

INFORMATION

~~SECRET~~

Friday, November 22, 1968  
1:45 p. m.

Mr. President:

If true, this report of Israeli position on Jordan and Allon plan is pretty grim news; and it is probably true.

The following cables report parliamentary debate -- indicating Israeli politics getting rough.

W. W. Rostow

Tel Aviv 6186  
Tel Aviv 6154  
Tel Aviv 6191

~~SECRET~~

*Pres file*

DECLASSIFIED

Authority 7169 24-196  
By 15/63, NARA, Date 4-15-93

WWRostow:rln



Department of State

Javvins

TELEGRAM

11a

~~SECRET~~ 792

*Samuelson*

03

PAGE 01 TEL AV 06186 211219Z

19  
ACTION SS 30

INFO /030 W

064163

R 211136Z NOV 68  
PM AMEMBASSY TEL AVIV  
TO SECSTATE WASHDC 5062

~~SECRET~~ TEL AVIV 6186

EXDIS

CABINET POSITION ON OCCUPIED TERRITORIES

REF: TEL AVIV 5789 AND A-1277 OCT 26

SUMMARY: ACCORDING PRIMIN'S POLITICAL SECRETARY, ALLON PLAN IS MINIMUM TERRITORIAL ARRANGEMENT FOR PEACE FOR MOST OF CABINET. BUT FOR DAYAN AND FOUR OTHERS IT NOT ENOUGH AND ITS ADOPTION BY CABINET AS BASIS FOR PEACE WOULD BRING THEIR RESIGNATIONS. THOUGHT ALLON PLAN COULD HOWEVER WITH DIFFICULTY BE SOLD TO NATION. DID NOT BELIEVE THIS GOI POSITION WOULD FORECLOSE CHANCES PEACE AND INDICATED THOUGHT BEING GIVEN BY GOI TO QUOTE MODUS VIVENDI UNQUOTE WITH JORDAN ALLOWING JORDAN RESUME CERTAIN PREROGATIVES OF SOVEREIGNTY IN RESTRICTED WEST BANK AREAS.

1. REMARKS NOVEMBER 20 TO EMBOFF BY PRIMIN'S POLITICAL SECRETARY, YAFEH (PROTECT SOURCE), SEEM PROVIDE CONFIRMATION ALLON ESTIMATE OF WIDESPREAD CABINET SUPPORT FOR ALLON PLAN. ACCORDING YAFEH, ALLON PLAN QUOTE ABSOLUTE MINIMUM UNQUOTE FOR GREAT MAJORITY OF CABINET. (FUNDAMENTALS OF PLAN AS CURRENTLY UNDERSTOOD, YAFEH SAID, WERE RETURN OF DEMILITARIZED WEST BANK TO JORDANIAN SOVEREIGNTY WITH CERTAIN

RECTIFICATIONS ALONG OLD BORDER, LESS JERUSALEM, LESS SPARSELY SETTLED STRIPS ALONG JORDAN RIVER. JORDANIAN CORRIDOR TO ITS TERRITORY IN WEST BANK INTERIOR, LESS ETZION, BUT HEBRON BACK TO JORDAN.)

2. YAFEH CLAIMED THAT EVEN ACCEPTANCE ALLON PLAN BY

~~SECRET~~

NOT TO BE REPRODUCED WITHOUT THE AUTHORIZATION OF THE EXECUTIVE SECRETARY

DECLASSIFIED  
E.O. 12958, Sec. 3.6  
NJ 01-218  
By SJ, NARA, Date 10-22-01

~~SECRET~~

PAGE 02 TEL AV 06186 211219Z

MAJORITY CABINET AS BASIS FOR PEACE WOULD PROVOKE RESIGNATIONS DAYAN, BEIGIN, JOSEPH SAPHIR AND MOST LIKELY BURG AND WARHAFTIG (RELIGIOUS). ANY ATTEMPT TO ADOPT AS CABINET POSITION SOMETHING EVEN SLIGHTLY LESS THAN PLAN WOULD BRING RESIGNATIONS ALSO OF CARMEL AND GALILI (LABOR) AND POSSIBLY EVEN ESHKOL AND ALLON THEMSELVES. GIVEN PRESENT MOOD OF COUNTRY, SELLING ALLON PLAN TO PEOPLE WOULD BE DIFFICULT (QUOTE THERE WOULD BE RIOTS UNQUOTE) BUT YAFEH THOUGHT IT WOULD BE FEASIBLE. YAFEH SAID EBAN'S INFLUENCE ON SUCH MAJOR POLICY MATTERS SMALL IN CABINET. SUBSCRIBED TO COMMONLY HEARD JUDGMENT OF EBAN THAT HE QUOTE COMPETENT TECHNICIAN UNQUOTE.

3. ACCORDING YAFEH, ESHKOL BELIEVED LIMITS FOR GOI ACTIONS IN WEST BANK DICTATED BY LINES ALLON PLAN WOULD LAY DOWN. THUS, ISRAELI AGRICULTURAL SETTLEMENT IN VALLEY STRIPS WAS PERMISSIBLE; SETTLEMENT IN JUDEA AND SAMARIA INTERIOR WAS NOT. DAYAN, HOWEVER, YAFEH SAID, WOULD PUT SETTLEMENTS QUOTE ALL OVER THE PLACE UNQUOTE.

4. ~~EMBOFF SAID GOI WELL AWARE WE THOUGHT ALLON PLAN NON-STARTER WITH ARABS AS WAS ANY SCHEME ENVISAGING LARGE SCALE TERRITORIAL CHANGES. IT SEEMED TO US GOI MOVING INTO POSITION THAT COULD WELL MAKE PEACE IMPOSSIBLE.~~

5. YAFEH DID NOT THINK THINGS LOOKED SO BLACK. HE SAID RECENT US TACTICS HAD WEAKENED THE GOI BARGAINING POSITION VIS-A-VIS THE UAR (ON WHOLE HE DID NOT BEAR DOWN HARD). HE SAID ISRAELIS HAD NOTED RECENTLY QUOTE STIFFENING UNQUOTE IN HUSSEIN'S POSITION. HE ASKED WHETHER US HAD MADE SIMILAR STATEMENTS TO JORDAN RE WHAT IT THINKS DESIRABLE EXTENT ISRAELI WITHDRAWAL. EMBOFF SAID HE UNAWARE ANY SUCH ACTION OUR PART. YAFEH CONTINUED THAT MIGHT BE POSSIBLE WORK OUT QUOTE SOME KIND OF MODUS VIVENDI UNQUOTE WITH JORDAN THAT WOULD FALL SHORT OF PEACE BUT WOULD BE IMPROVEMENT OVER PRESENT SITUATION. UNDER INFORMAL AGREEMENT JORDAN MIGHT BE ALLOWED RESUME EXERCISE SOME ATTRIBUTES SOVEREIGNTY ON WEST BANK E.G. BY RETURN JORDANIAN POLICE. AREA IN WHICH THIS WOULD BE PERMITTED WOULD BE LESS THAN JORDAN WOULD GET UNDER ALLON PLAN BUT ARRANGEMENT WOULD BE STEP FORWARD AND WOULD LET BOTH SIDES GET USED TO NOTION OF TAKING OTHER STEPS.

~~SECRET~~

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Department of State

TELEGRAM

~~SECRET~~

PAGE 03 TEL AV 06186 211219Z

6. COMMENT: YAFEH IS GENERALLY RELIABLE INFORMANT. HE IS LOYAL TO HIS CHIEF AND HE MAY HAVE HAD ULTERIOR MOTIVE IN HIS DEPICTION CURRENT CABINET LINEUP ON TERRITORIES VIZ, AMERICANS SHOULD KNOW THAT ESHKOL IS MODERATE ANNEXATIONIST STRUGGLING HOLD LINE AGAINST EXTREMISTS. ON WHOLE, HOWEVER, WE FEAR HIS ACCOUNT IS ACCURATE RENDITION OF CURRENT CABINET MOOD. EVEN EBAN, WHILE STOPPING SHORT EXPLICIT ENDORSEMENT, HAS RECENTLY PUBLICLY DESCRIBED ALLON PLAN AS QUOTE MODEL OF POSSIBLE SOLUTION...I HAVE THEREFORE SEEN FIT TO SUPPORT THIS FORM OF PLANNING UNQUOTE. (OUR A-1326 POUCHED TODAY).

GP-3. BARBOUR

~~SECRET~~

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SECRET



Department of State

TELEGRAM

11/2

LIMITED OFFICIAL USE 599

PAGE 01 TEL AV 06154 191700Z

46  
ACTION NEA 15

INFO IO 13, AGR 20, NSA 02, CIAE 00, DODE 00, GPM 04, H 02, INR 07, L 03,  
NSC 10, P 04, RSC 01, SP 02, SS 25, USIA 12, E 15, AID 28, EUR 15, AF 10,  
SA 01, SAL 01, RSR 01, /191 W

051087

R 191600Z NOV 68  
FM AMEMBASSY TEL AVIV  
TO SECSTATE WASHDC 5045  
INFO AMEMBASSY AMMAN  
AMCONSUL JERUSALEM  
USINT CAIRO  
USMISSION USUN

FILE COPY

- BUDGET
- DAVIS
- FRIED
- GINSBURGH
- JESSUP
- JOHNSON
- JORDEN
- KEEHY X
- LEONHART
- LEWIS
- MORRIS
- TAYLOR
- T. P.

LIMITED OFFICIAL USE TEL AVIV 6154

SUBJECT: DEBATE ON DAYAN ECONOMIC INTEGRATION SPEECH

REF: TEL AVIV 5993

1. DAYAN ECONOMIC INTEGRATION SPEECH (REFTEL) WAS SUBJECT OF LENGTHY KNESSET DEBATE NOV 18. DEBATE RESULTED FROM NAPAN QUESTION OF WHETHER DAYAN'S PLEA TO TURN JERUSALEM-HEBRON-BEERSHEVA REGION INTO ONE ECONOMIC UNIT REPRESENTED DECISION OF CABINET. IN REPLY, DAYAN SINGLED OUT ACTIONS TAKEN, WHICH HE SAID WERE AIMED AT ECONOMIC INTEGRATION AND WERE APPROVED AS DECISIONS BY APPROPRIATE GOVERNMENT BODIES. LIST OF FOURTEEN ITEMS DOES NOT INCLUDE ANY NEW MEASURES BUT IS SUMMARY OF THOSE ALREADY TAKEN. MANY, SUCH AS PARTNERSHIPS IN VARIOUS SMALL ENTERPRISES, ASSISTANCE IN VACCINATION AND PEST CONTROL AND INCENTIVES TO FARMERS TO GROW PULSES AND SESAME, ARE MINOR. MORE IMPORTANT ONES INCLUDE:

- A. EMPLOYMENT OF ARAB LABOR IN ISRAEL BY PERMIT;
- B. ABOLITION OF CUSTOMS BARRIERS ON ALL PRODUCTS BUT RETENTION OF PERMIT REQUIREMENT FOR COMMERCIAL SIZE

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Department of State

TELEGRAM

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PAGE 02 TEL AV 06154 191700Z

AGRICULTURAL SHIPMENTS; AND

C. INTEGRATION OF TRANSPORTATION AND SOME UTILITIES.  
IN CHALLENGE TO CRITIKZ, DAYAN SAID MINISTERS WHO BELIEVE  
PRESENT POLICY IN TERRITORIES HAS FAILED AND WHO NOT  
SATISFIED WITH DECISIONS TAKEN CAN PROPOSE CABINET CANCEL  
DECISIONS AND LAY DOWN NEW POLICY. DETAILS WILL BE PATCHED  
WHEN FULL TEXT OF DEBATE RECEIVED.

2. COMMENT: DAYAN SPEECH OBVIOUSLY COUNTERATTACK AGAINST  
RECENT CRITICISM OF SAPIR. IT NOT ALTOGETHER CLEAR  
FROM PRESS REPORTS WHETHER DAYAN SAID CABINET ACTUALLY  
MADE DECISION IN FAVOR OF ECONOMIC INTEGRATION OF  
OCCUPIED TERRITORIES OR WHETHER ARGUMENT IS THAT ADOPTION  
OF FOURTEEN MEASURES AIMED AT INTEGRATION IS TANTAMOUNT  
TO APPROVAL OF SUCH POLICY. TERM ECONOMIC INTEGRATION NOT  
DEFINED AND MOST MEASURES CITED FALL FAR SHORT OF ECONOMIST'S  
DEFINITION (TEL AVIV 1233). MOST OF DECISIONS CITED  
REPRESENT PRAGMATIC AND CONTROLLED RESPONSE DESIGNED  
MORE TO PROVIDE SAFETY VALUE FOR ISRAELI ECONOMY OF ISRAEL, BY  
REVIVING ECONOMIC ACTIVITY THROUGH PROVISION OF NECESSARY  
SERVICES AND EMPLOYMENT, THAN TO INTEGRATE AREAS IN  
ECONOMIC SENSE INTO ISRAEL. BARBOUR

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Department of State

TELEGRAM

11c

~~CONFIDENTIAL~~ 018

PAGE 01 TEL AV 06191 211512Z

53  
ACTION NEA 15

INFO NSA 02, GPM 04, NSC 10, SP 02, SS 25, RSC 01, CIAE 00, DODE 00, INR 07,

P 04, USIA 12, AID 28, RSR 01, IO 13, /124 W

065281

R 211429Z NOV 68  
FM AMEMBASSY TEL AVIV  
TO SECSTATE WASHDC 5066  
INFO AMEMBASSY AMMAN  
AMCONSUL JERUSALEM  
USINT CAIRO  
USMISSION USUN

~~CONFIDENTIAL~~ TEL AVIV 6191

DAYAN-SAPIR DEBATE

REF: TEL AVIV 6154

1. ACCORDING PRIMIN'S POLITICAL SECRETARY, YAFEH (PROTECT SOURCE), DAYAN-SAPIR DEBATE LIKELY CREATE EVEN MORE FUROR BEFORE IT OVER. BELIEVES MOTIVES PERSONAL AMBITION LED SAPIR INITIATE PUBLIC DISCUSSION. BUT SAPIR ALSO GENUINELY CONVINCED IT WASTEFUL FOR ISRAELIS INVEST IN TERRITORIES IT WILL ULTIMATELY RETURN UNDER CONDITIONS PEACE AND IT UNDESIRABLE BY ITS QUOTE ESTABLISHMENT OF FACTS UNQUOTE FREEZE ISRAELI PUBLIC ATTITUDES IN PRO-ANNEXATIONIST MOLD. DAYAN DOES NOT BELIEVE THERE WILL BE PEACE FOR SOME TIME TO COME; THEREFORE ISRAEL MUST STRENGTHEN ITS POSITION BY ALL WAYS POSSIBLE INCLUDING QUOTE ECONOMIC INTEGRATION UNQUOTE MEASURES AND ISRAELI SETTLEMENT ON WEST BANK.

2. YAFEH SAID WHEN PUBLIC EXCHANGE BEGAN ESHKOL REQUESTED BOTH MINISTERS TO TEMPER THEIR REMARKS. THERE WAS SOME SLIGHT IMPROVEMENT AND THEN CAME DAYAN'S SALLY IN KNESSET NOVEMBER 18 (REFTEL). PRIMIN HAS SENT SHARP LETTER TO DAYAN OBJECTING TO HIS CONTINUANCE OF DEBATE, HIS REVELATION OF CABINET PROCEEDINGS, AND HIS DEPICTION OF QUOTE ECONOMIC INTEGRATION UNQUOTE AS APPROVED CABINET POLICY, WHICH QUOTE IS NOT TRUE UNQUOTE. THE QUOTE IS NOT TRUE

~~CONFIDENTIAL~~  
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DECLASSIFIED  
E.O. 13526, Sec. 3.5

NLJ-019A-42-4-4

NAR Date 12-08-2017

UCLB



Department of State

TELEGRAM

~~CONFIDENTIAL~~

PAGE 02 TEL AV 06191 211512Z

UNQUOTE PART IS ALREADY CAUSING REVERBERATIONS FROM  
MINISTRY DEFENSE AND YAFEH ANTICIPATED WHOLE AFFAIR WOULD  
BE DISCUSSED BY CABINET DECEMBER 1 WHEN ESHKOL RETURNS  
FROM CONVALESCENT LEAVE.

3. COMMENT: YAFEH DID NOT INDICATE, AND WE DO NOT BELIEVE,  
AFFAIR IS OF SUFFICIENT PROPORTIONS CAUSE MAJOR CABINET CRISIS.  
BUT NO QUESTION POLITICAL GAME IS GETTING ROUGHER.

GP-3. BARBOUR

~~CONFIDENTIAL~~

22

12

INFORMATION

*Pres file*

~~SECRET~~

Friday, November 22, 1968 -- 12:50 p. m.

Mr. President:

Herewith the memorandum of conversation with Ayub, as you summarized the operational result to me in Ayub's presence.

Your memory is correct: the basic statement you made is that "President Johnson agreed to look into the possibility of replacing...." The subsequent sentence is to be read in the light of that basic proposition.

W. W. Rostow

DECLASSIFIED  
White House Guidelines, Feb. 24, 1983  
By MP, NARA, Date 9-23-97

~~SECRET~~

WWRostow:rln

Memorandum of Conversation Between President Johnson and President Ayub,  
at Karachi airport, Friday afternoon, December 22, 1967

(Partial)

President Johnson summarized to me the operational result of his  
talk with President Ayub as follows:

1. We shall look urgently into the possibility of an additional PL 480  
allocation of vegetable oil to Pakistan.
2. We shall look urgently at possibility of additional 500,000 tons of  
wheat for Pakistan, of which 400,000 would be PL 480 and 100,000 commercial  
purchase. The purpose would be to build up Pakistani stocks in this generally  
favorable environment.

President Ayub said that with some exertion they could store this  
additional shipment.

3. President Johnson agreed to look into the possibility of replacing  
the 500 obsolescent Sherman tanks with Pattons. In addition to agreeing to  
sales from third countries (e. g., Italy and Turkey), he wanted us to examine  
whether we could not sell these directly to Pakistan if the Shermans were  
taken out of action.

WWRostow:rln

DECLASSIFIED  
E.O. 13526, Sec. 3.5

~~SECRET~~

NLJ-019R-42-45

by 404 NAR, Date 12-07-2017

Pres Jee

## THE WHITE HOUSE

WASHINGTON

13~~SECRET/HARVAN DOUBLE PLUS~~Friday, November 22, 1968  
12:40 p. m.

MR. PRESIDENT:

I have just come from the meeting you instructed us to have with Secretary Rusk and Secretary Clifford.

~~Attached at Tab A is the statement that we would propose to give the South Vietnamese on Sunday.~~ It takes into account Bunker's suggestions arising from the discussion reported this morning with the South Vietnamese Foreign Minister.

~~It will be preceded by an instruction telling Bunker to take up this draft on Sunday directly with Thieu and to nail it down then;~~

~~We also agreed that we should forward to Bunker the attached Reuters despatch (Tab B) and tell him that there is a strong feeling here that time is running out and that he should make every conceivable effort to meet the schedule of:~~

- agreement on Sunday;
- Troop Contributors' agreement on Monday;
- announcement on Tuesday.

~~There was also discussion of the alternative next approaches to talks in Paris in case we should find Thieu still dragging his feet on Sunday.~~ Sect. Rusk proposes a sequence in which we first establish whether Hanoi would meet with us bilaterally on the DMZ, etc., in secret; then tell Thieu we shall do it unless he gives a date for his delegation in Paris; and then proceed bilaterally. Only if this approach fails would Sect. Rusk advise taking the Clifford approach, which is to tell Thieu that unless he gets to Paris as of a certain date we shall talk openly with the other side on military matters. Sect. Clifford says that secret bilateral talks with Hanoi would not meet the President's political problem.

~~The matter was not resolved;~~ but Sect. Rusk said that we shall come back to it again when we see what happens on Sunday.

After you approve, Sect. Rusk plans to take up this proposed statement with Bob Murphy.

Approved \_\_\_\_\_

Disapproved \_\_\_\_\_

Call me \_\_\_\_\_

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NLJ 91-508  
By W.C.R., NARA, Date 1-11-93

W.C.R. Rostow

~~SECRET/HARVAN DOUBLE PLUS~~

~~SECRET~~/NODIS/HARVAN/DOUBLE PLUS

Action: Amembassy SAIGON - IMMEDIATE  
Info: Amembassy Paris - IMMEDIATE

**DECLASSIFIED**  
Authority 76 9 91-506  
By AS/esp, NARA, Date 4-6-93

A

1. This statement is designed to answer the questions which have been raised by the Government of the Republic of Viet-Nam about a new meeting in Paris.
2. Prior to the President's announcement of October 31 of the stopping of bombing against North Viet-Nam, agreement had been reached in Paris between North Vietnamese and United States negotiators that a meeting to discuss a peaceful settlement in Viet-Nam should be convened in Paris.
3. During the earlier discussions with the North Vietnamese representatives, United States spokesmen made clear that the stopping of bombing and the holding of such a meeting would not be possible without agreed provision for the participation of the Republic of Viet-Nam as a separate delegation forming with the United States delegation one side of the meeting. United States negotiators made clear to Hanoi that it might bring on its side of the table any persons it wished.
4. The North Vietnamese representatives in Paris accepted this proposal and indicated that they would bring to the meeting members of the so-called National Liberation Front.
5. In the light of these facts the arrangements agreed in Paris provide in essence for a two-sided meeting. Hanoi clearly understands that our side will be constituted as separate delegations of the Republic of Viet-Nam and the United States.

6. Whatever others may claim and however they may organize their side, the United States has not agreed and will not agree that the meeting is, or can correctly be described as, a four-sided or four-party conference.

7. Consistent with our view of the nature of the so-called National Liberation Front, we will regard and treat all the persons on the other side of the table -- whatever they might claim for themselves -- as members of a single side, that of Hanoi, and for practical purposes as a single delegation.

8. In the discussions between the United States and North Vietnamese negotiators it was made clear throughout that, whomever Hanoi chose to bring on its side, the arrangement involved no element of recognition whatever. The United States Government has repeatedly made clear, publicly and privately, that it does not recognize either the National Liberation Front or the Democratic Republic of Viet-Nam (North Viet-Nam). Concerning the so-called National Liberation Front in particular, the United States Government has at all times regarded it as a creation of North Viet-Nam and an agent of Hanoi's aggression against the Republic of Viet-Nam. The National Liberation Front is not in any sense a separate entity, much less a government.

9. Following the stopping of the bombing of North Viet-Nam, if Hanoi fulfills its repeated undertakings to enter into serious talks --



undertakings repeated throughout the contacts between North Vietnamese and American representatives in Paris -- the North Vietnamese delegation must talk directly and seriously with the Republic of Viet-Nam's delegation.

10. In the Paris meetings, the representative of the Republic of Viet-Nam will play a leading role as was explicitly affirmed in the Honolulu communique of July, 1968. The Republic of Viet-Nam will take the lead and be the main spokesman on all matters which are of principal concern to South Viet-Nam.

11. The new Paris meetings will be expected to explore all avenues to end Communist aggression against the Republic of Viet-Nam and to reach a peaceful settlement. They will start with a clean slate. The sole agreements that have been reached in the earlier Paris talks between North Vietnamese and United States representatives have concerned the stopping of bombing and the convening of the new meeting. The United States considers that there cannot be productive talks in an atmosphere where the cities are being shelled and the DMZ is being abused.

12. In the new meetings the United States Government will operate in the closest cooperation with the Republic of Viet-Nam, and in continuing consultation with the nations that have contributed military forces to the defense of South Viet-Nam.

13. The substantive position of the American Government will be based on respect for the sovereignty of the Republic of Viet-Nam and on the joint

communiques of Manila and Honolulu, as well as other publicly stated positions. In particular, there has been no change whatever, and will be no change, in the position of the United States Government toward a so-called coalition in South Viet-Nam. The United States does not believe aggression should be rewarded and will not recognize any form of government that is not freely chosen through democratic and legal process by the people of South Viet-Nam. The imposition of any coalition government would be in conflict with this principle.

###

NOR837  
CK 1145

136

NOR838 EPE214  
1147 : URGENT . . . . VIET--TALKS:  
PARIS, NOV. 22 (REUTER)- NORTH VIETNAM TODAY DEMANDED  
THE UNITED STATES BEGIN THE EXPANDED PEACE TALKS IMMEDIATELY.  
~~KNORE) AND/MB/TMB~~

~~NNNN~~  
~~NOR839 EPE215~~  
~~1152 : 1ST ADD PACS VIET--TALKS:~~

~~X-X-X IMMEDIATELY.~~ (WHICH MAY BE BYLINED BILBERT SEDBON)  
HANOI'S CHIEF SPOKESMAN NGUYEN THANH LE SAID THAT IN  
THE ABSENCE OF SAIGON GOVERNMENT REPRESENTATIVES, TALKS SHOULD  
BE HELD BETWEEN NORTH VIETNAM, THE U.S. AND THE SOUTH VIETNAM  
NATIONAL LIBERATION FRONT (N.L.F.), THE VIET CONG'S POLITICAL ARM.  
"WE BELIEVE WE CAN BEGIN A THREE PARTY CONFERENCE AS  
OF NOW --THIS VERY AFTERNOON," HE TOLD A PRESS CONFERENCE.  
THE ENLARGED CONFERENCE COULD KEEP A SEAT READY FOR SAIGON  
TO JOIN IN WHENEVER IT DECIDED TO SEND REPRESENTATIVES TO PARIS,  
HE ADDED. "WE CAN BEGIN THE TALKS AND SAIGON CAN JOIN IN  
WHENEVER THEY WANT", HE SAID.

HANOI'S SPOKESMAN BLAMED THE U.S. FOR THE PROLONGED  
DELAY IN THE FOUR-SIDED CONFERENCE, WHICH SHOULD HAVE OPENED  
16 DAYS AGO.

"THE UNITED STATES SIDE MUST BEAR FULL RESPONSIBILITY,"  
HE SAID.

HE COMPARED THE U.S. TO A RIDER "WHO IS RESPONSIBLE IF  
HIS HORSE DOES NOT BUDGE."

"AS FOR THE THUIE-KY, HUONG PUPPETS, THEY HAVE SHOWN  
THROUGH THEIR DELAYING TACTICS THAT THEY ARE OPPOSED TO PEACE  
AND WANT THE UNITED STATES TO PURSUE ITS WAR OF AGGRESSION IN  
VIETNAM. THEY ARE TRAITORS TO THE FATHERLAND AND AGENTS  
IN THE PAY OF U.S. IMPERIALISTS AND WILL FACE THE PEOPLE'S  
WRATH," LE ADDED.

LE AVOIDED REPLYING TO A QUESTION AS TO WHETHER  
HIS DELEGATION WOULD SIT AT THE SAME CONFERENCE TABLE  
WITH SOUTH VIETNAMESE VICE PRESIDENT NGUYEN KAO KY.

"WE HAVE AGREED TO A FOUR-SIDED CONFERENCE. THE FACT THAT  
WE ACCEPT THE PARTICIPATION OF THE SAIGON ADMINISTRATION IN  
NO WAY IMPLIES RECOGNITION OF THIS ADMINISTRATION, HE SAID.

THE HANOI SPOKESMAN SAID THERE HAD BEEN NO PRIVATE  
CONTACTS BETWEEN THE NORTH VIETNAMESE AND U.S. DELEGATIONS  
IN THE PAST FEW DAYS.

ASKED WHETHER SUCH CONTACTS WERE SUSPENDED UNTIL  
THE HOLDING OF A CONFERENCE BETWEEN FOUR OR THREE PARTIES,  
HE SIMPLY REPLIED, "THERE HAVE BEEN NO CONTACTS IN THE PAST FEW  
DAYS."

AMERICAN OFFICIALS CONFIRMED THIS.

"THERE HAS JUST NOT BEEN ANYTHING TO TALK ABOUT, FRANKLY,"  
THEY SAID.

THE HANOI SPOKESMAN THEN DENOUNCED U.S. MORTAR ATTACKS  
ON THE NORTHERN PART OF THE DEMILITARIZED ZONE IN VIETNAM.  
HE DESCRIBED AMERICAN GUNNING AS "BOMBARDMENT"

HE DESCRIBED AMERICAN SHELLING AS "PROVOCATION ACTS" AGAINST NORTH VIETNAM AND SAID THE U.S. MUST FACE ALL THE CONSEQUENCES FOR THE WAR ACTS.

THREE VILLAGES IN NORTH VIETNAMESE TERRITORY WERE ATTACKED NOV. 16, 17, 20 AND 21 BY ARTILLERY FIRE FROM SOUTH OF THE DEMILITARIZED ZONE AND FROM AMERICAN WARSHIPS OFF THE CUA VIET RIVER MOUTH, HE SAID.

AMERICAN OFFICIALS SAID THAT FOR A LONG TIME THERE WAS NO ACTIVITY IN THE ZONE BY U.S. TROOPS, EXCEPT IN RESPONSE TO ENEMY ACTIVITY.

THERE NOW ARE NO AMERICAN TROOPS IN THE ZONE, THEY SAID.

SINCE THE U.S. BOMBING HALT STARTED NOV. 1, AMERICAN RECONNAISSANCE PLANES HAVE CARRIED OUT 190 SORTIES, LE SAID. "U.S. PLANES HAVE VIOLATED SIX TIMES THE AIR SPACE OVER HANOI," HE SAID. "THEY HAVE ALSO CARRIED OUT 18 FLIGHTS OVER HAIPHONG, COMPARED WITH ONLY 11 DURING THE WHOLE MONTH OF OCTOBER."

AMERICAN OFFICIALS SAID THE U.S. HAD MADE IT CLEAR FROM THE BEGINNING THAT THESE RECONNAISSANCE FLIGHTS WOULD CONTINUE.

**INFORMATION**

14

**Friday, November 22, 1968  
12:30 p. m.**

**Mr. President:**

**Herewith the communique of the  
Bonn meeting and Joe Fowler's  
subsequent statement.**

**W. W. Rostow**

**Bonn Telecon 29  
Bonn Telecon 28**

**WWRostow:win**

BONN TELECON 29

COMMUNIQUE OF THE MINISTERS AND GOVERNORS  
OF THE GROUP OF TEN  
MEETING IN BONN, 20TH - 22ND NOVEMBER 1968

1968 NOV 22 16 47

1. THE MINISTERS AND CENTRAL BANK GOVERNORS OF THE TEN COUNTRIES PARTICIPATING IN THE GENERAL ARRANGEMENTS TO BORROW MET IN BONN ON 20TH - 22ND NOVEMBER, 1968, UNDER THE CHAIRMANSHIP OF MR. KARL SCHILLER, MINISTER OF ECONOMICS, FEDERAL REPUBLIC OF GERMANY. MR. PIERRE-PAUL SCHWEITZER, MANAGING DIRECTOR OF THE INTERNATIONAL MONETARY FUND, TOOK PART IN THIS MEETING, WHICH WAS ALSO ATTENDED BY THE PRESIDENT OF THE SWISS NATIONAL BANK, THE DEPUTY SECRETARY-GENERAL OF THE O. E. C. D., THE GENERAL MANAGER OF THE B. I. S. AND THE VICE-PRESIDENT OF THE COMMISSION OF THE EUROPEAN COMMUNITIES.
2. THE MEETING WAS CALLED BY ITS CHAIRMAN, MINISTER SCHILLER, ON THE PROPOSAL OF SEVERAL MEMBER COUNTRIES. THE MINISTERS AND GOVERNORS HAD A COMPREHENSIVE AND THOROUGH EXCHANGE OF VIEWS ON THE BASIC PROBLEMS OF BALANCE-OF-PAYMENTS DIS-EQUILIBRIA AND ON THE RECENT SPECULATIVE CAPITAL MOVEMENTS.
3. THE PARTICIPANTS AGREED THAT INTERNATIONAL MONETARY STABILITY IS THE JOINT RESPONSIBILITY OF ALL COUNTRIES IN THE INTERNATIONAL ECONOMIC COMMUNITY. BOTH DEFICIT AND SURPLUS COUNTRIES EXPRESSED THEIR WILLINGNESS TO CONTRIBUTE EFFECTIVELY TO THE STABILITY OF THE INTERNATIONAL MONETARY SYSTEM THROUGH APPROPRIATE AND CONCERTED ECONOMIC POLICIES. THEY AGREED ON MEASURES TO COUNTER SPECULATIVE CAPITAL MOVEMENTS.
4. MINISTER SCHILLER EXPLAINED THE DECISION OF THE FEDERAL GOVERNMENT OF GERMANY TO INTRODUCE IMMEDIATELY TAX RELIEF ON IMPORTS OF 4 PERCENT OF THEIR VALUE AND A TAX BURDEN ON EXPORTS OF 4 PERCENT OF THEIR VALUE. THESE MEASURES WILL SUBSTANTIALLY REDUCE THE GERMAN TRADE SURPLUS. THE GERMAN GOVERNMENT ALSO INTENDS TO RESTRICT CERTAIN SHORT-TERM TRANSACTIONS OF GERMAN BANKS WITH NON-RESIDENTS; AND THE FEDERAL BANK HAS DECIDED YESTERDAY TO RAISE TO 100 PERCENT THE RESERVE REQUIREMENTS ON ADDITIONS TO BANKS' LIABILITIES TO FOREIGNERS.
5. AFTER THOROUGH DISCUSSION OF THE GERMAN MEASURES THE MINISTERS AND GOVERNORS AGREED THAT THESE MEASURES WOULD MAKE A SIGNIFICANT CONTRIBUTION TO THE STABILITY OF THE MONETARY SYSTEM AND THE ADJUSTMENT PROCESS. IN THE LIGHT OF THOSE MEASURES, THEY ENDORSED THE DECISION BY THE FEDERAL GOVERNMENT TO MAINTAIN THE PARITY OF THE D-MARK.
6. THE FRENCH ECONOMIC AND FINANCE MINISTER EXPLAINED THE SITUATION OF THE FRENCH CURRENCY, THE MEASURES ALREADY TAKEN TOWARD A RESTORATION OF THE INTERNATIONAL AND EXTERNAL EQUILIBRIUM, AND THE PROBLEMS STILL TO BE SOLVED.

2. THE MEETING WAS CALL BY ITS CHAIRMAN, MINISTER SCHILLER, ON THE PROPOSAL OF SEVERAL MEMBER COUNTRIES. THE MINISTERS AND GOVERNORS HAD A COMPREHENSIVE AND THOROUGH EXCHANGE OF VIEWS ON THE BASIC PROBLEMS OF BALANCE-OF-PAYMENTS DIS-EQUILIBRIA AND ON THE RECENT SPECULATIVE CAPITAL MOVEMENTS.

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6. THE FRENCH ECONOMIC AND FINANCE MINISTER EXPLAINED THE SITUATION OF THE FRENCH CURRENCY, THE MEASURES ALREADY TAKEN TOWARD A RESTORATION OF THE INTERNATIONAL AND EXTERNAL EQUILIBRIUM, AND THE PROBLEMS STILL TO BE SOLVED.

7. IT WAS DECIDED TO SET UP A NEW CENTRAL BANK CREDIT FACILITY FOR FRANCE IN THE AMOUNT OF 2 BILLION DOLLARS. THIS IS IN ADDITION TO FRANCE'S SUBSTANTIAL DRAWING FACILITIES IN THE I. M. F.

8. THE DECISION ON THE ABOVE MENTIONED CREDIT FACILITY UNDERLINES THE DETERMINATION OF MONETARY AUTHORITIES TO COUNTER SPECULATION AND TO OFFSET THE EFFECT ON RESERVES OF DESTABILISING SHORT-TERM CAPITAL FLOWS. FOR THE SAME PURPOSE THE GOVERNORS, TOGETHER WITH THE BIS, WILL EXAMINE NEW CENTRAL BANK ARRANGEMENTS TO ALLEVIATE THE IMPACT ON RESERVES OF SPECULATIVE MOVEMENTS.

9. THE PARTICIPANTS WELCOMED THE MEASURES TAKEN WHICH WILL MAKE A MAJOR CONTRIBUTION TO THE RESTORATION OF INTERNATIONAL PAYMENTS EQUILIBRIUM.

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1968 NOV 22 16 27

BONN TELECON 28

STATEMENT BY THE HONORABLE HENRY H. FOWLER,  
SECRETARY OF THE TREASURY OF THE UNITED STATES,  
AT CONCLUSION OF G10 MEETING, BONN, GERMANY,  
FRIDAY, NOVEMBER 22, 1968

THIS MEETING, CALLED WITH MY FULL SUPPORT,  
WAS AIMED AT FINDING,  
THROUGH MULTILATERAL CONSULTATION, MEANS OF  
DEALING WITH SHORT TERM DESTABILIZING INFLUENCES IN THE  
INTERNATIONAL MONETARY SYSTEM.

IT HAS MET THAT AIM.

THE LEADING FINANCIAL COUNTRIES IN THE WORLD  
HAVE COME TO A COMMON ASSESSMENT OF THE CURRENT  
CURRENCY PROBLEMS AND REACHED A COMMON VIEW  
ON HOW THE NATIONS OF THE GROUP OF TEN CAN ACT  
TOGETHER TO DEAL WITH IT. THIS IS THE COURSE  
WHICH THE FREE WORLD HAS BUILT UP CAREFULLY  
IN RECENT YEARS. IT HAS SERVED US WELL, WITH  
FRUITS OF CONTINUING GROWTH AND PROSPERITY  
FOR ALL.

THE DECISIONS OF THIS GATHERING SPEAK POWERFULLY  
FOR THE COMBINATION OF INTERNATIONAL MONETARY  
STRENGTH AND MULTILATERAL RATIONALITY WHICH  
HAS BEEN MOLDED.

THE CONTRIBUTIONS OF THE VARIOUS GOVERNMENTS  
REPRESENTED AT THIS MEETING TO THIS RATIONAL  
PROCESS STRESS THE FACT THAT THE DAY OF THE  
NARROW, NATIONALISTIC SHORT-RANGE VIEW OF  
INTERNATIONAL FINANCE HAS BEEN REPLACED BY ONE  
IN WHICH ALL OF THE PARTNERS HAVE COME TO  
RECOGNIZE THAT THE PRESERVATION OF THE WHOLE  
CANNOT BE SACRIFICED TO ANY OF THE PARTS.

THE UNITED STATES WILL DO ITS FULL SHARE TO  
HELP EFFECTUATE THE MEASURES TO BE UNDERTAKEN  
BY THE GROUP OF TEN.

NOV 22 AM 11:53

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INT QSL TELCON 28



BRIEFING MEMO

Friday, November 22, 1968 -- 10:20 a. m.

*Profile*

Mr. President:

Herewith notes for a response to the two questions Glen Phillippe tells me Jack Sutherland wishes to raise with you at your 6:00 p. m. meeting today.

1. Did you have success abroad as well as at home? What do you regard as the most important accomplishments in the foreign field?

We have had some success in foreign policy -- perhaps more than is generally realized because of the attention given Vietnam -- less than I would have wished.

Specifically:

-- The difficult 1965 decision on Vietnam opened a new chapter in the history of Asia. If our successors see it through, these three years have been the hinge opening the door to the possibility of a new, free, vital and stable Asia. The components are: confidence in their security; economic and social progress which generally has been remarkable; and cooperation. We are fighting in Vietnam because of the Southeast Asia Treaty. We have a Southeast Asia treaty because the Senate understood that the security of Southeast Asia was the key to the balance of power in all of Asia. Our task, therefore, has not merely been to resist aggression in Vietnam but to bring this new Asia to life -- the region where two-thirds of humanity lives. If there is continuity of policy in the next years, I believe our success in Asia will rank as the greatest achievement in foreign policy of the Johnson Administration.

-- Latin America. In the first months in office, the President faced very dangerous prospects in Latin America: the water crisis at Guantamame; Panama blew up; Goulart was threatening to bring about a Communist take over in Brazil; the prospects in the Chilean election were worrying; the Alliance for Progress was stalled; and, before very long, there was the Dominican Republic crisis to face. It is in the last 5 years that the rate of growth in Latin America began to approximate steadily the 5% target of the Alliance for Progress; we came through all our various crises, including the Dominican Republic, in good style. Even the most hopeful of us would never have believed that constitutional order would emerge and be maintained as it has been in the Dominican Republic. The Communist threat has diminished.

Quite consciously, the President shifted our position from being senior to being junior partner in the Alliance for Progress and, via the Punta del Este conference of 1967, we helped start Latin America seriously on to the path to economic integration -- it was the only way for them to go. There are disappointments also: I regret the coups in Peru and Panama; I would have wished to see integration go even faster; but we leave to our successors a solid base for moving forward in Latin America and maintaining the security of this vital area for the U. S.

-- The President takes special satisfaction in the quite remarkable relations we have had in these 5 years with Mexico. It is all very well for the U. S. to be a great global power. But if we cannot have model relations with our two neighbors -- Canada and Mexico -- our global pretensions don't amount to much. With Canada we have kept close on the essentials despite some differences on Vietnam. And we have done some creative things, like the automobile production arrangements, which tie the two countries closer together. With Mexico, we have the joint border plans, the Chamizal settlement, and a new sense of dignified partnership with that country, which will become increasingly important to the U. S. as the years go by.

-- Despite the burdens of a war in Southeast Asia and problems posed by General de Gaulle, we have kept a basically sound relationship with Western Europe and will turn over a strong NATO to our successors. In the nuclear planning group and in some areas of political consultation, we have moved NATO forward, although basically the job was to make sure that pressures in Europe and at home did not pull NATO apart.

-- The Soviet Union. Despite what everyone said the effect of the war in Vietnam would be on our relations with Moscow, we have moved forward in a whole series of measures. Perhaps the President's greatest disappointment is that the Russians wasted the year and half after Glassboro to come to grips with the strategic missile problem. But we laid the foundation for these talks. They must take place -- just as we must carry forward with the Non-Proliferation Treaty.

-- In 1964-1965, all our wisest people told us that we simply could not get enough of an increase in food production in developing nations to outstrip the rate of population increase. We were staring at a massive crisis in the 1970's which was bound to cause starvation to tens and even hundreds of millions of human beings. By using every bit of leverage and imagination and pressure we could bring to bear, we have helped to bring about a surge in production in food, based on the new rice and wheat seeds, plus fertilizers, and pesticides. This green revolution was not accidental. It took very hard work on our part, sometimes against the resistance of those in the government who felt we were being too tough in forcing this new priority for agricultural production. But the result is that we have bought

invaluable time for the human race to get on with family planning and we have pushed the spectre of mass starvation much further down the road.

-- Although it relates to your second question, we have moved systematically and with purpose to lay the basis for an alternative between excessive U. S. involvement in the world -- and responsibility, on the one hand, and a return to isolationism, on the other. We have done this through the Kennedy Round trade negotiations; new multilateral arrangements for aid; a true revolution in international monetary affairs in which the burdens of responsibility are now shared among the strong nations, not merely allocated to the U. S. ; and, above, all, by encouraging regionalism in Latin America, Africa, and Asia, as well as in Europe; because regionalism is the route by which the nations and peoples take more of their own destiny into their own hands and relieve some of the responsibility and burden from the U. S. The President took this road towards partnership and responsibility because he knew that, on the one hand, the nation would be in mortal danger if we went isolationist and, on the other, there was a determination in the Congress and in the country that we should not continue to bear indefinitely the disproportionate burden that we fell into in the 20 years after the Second World War.

2. Do you have a feeling that this country is moving toward isolation? If so, how would you counter it?

As I have just indicated, I think this country is too wise to believe that isolationism is either possible or safe in a world of missiles, satellite telecommunications, super-jets, and all the rest. Every American knows in his bones that we are drawing every day closer to the rest of the world. So I don't think the underlying feeling in the country is isolationist. But there is a deep and understandable feeling that we have come to a stage where others must do more and we somewhat less. That is why I encouraged the notion that we would be -- wherever possible -- the junior partner to Latin America, Africa, and other regions. That is why I said in my New Orleans speech that the day was coming when an American President would be able to tell the people we were taking our fair share of the world's burdens -- no more, no less. I believe a policy of partnership and fair shares can be indefinitely sustained in our political life. And it may be that the greatest long-run achievement of this administration will have been to have laid the foundations firmly for this policy of partnership and fair shares.

W. W. Rostow

Friday, November 22, 1968

MR. PRESIDENT:

Attached for your approval is a suggested birthday message to General de Gaulle.

*Pres file*

W. W. Rostow

Approve \_\_\_\_\_

Disapprove \_\_\_\_\_

Call me \_\_\_\_\_

JKN:mm

16a

**Suggested Message**

**Dear Mr. President:**

**On the occasion of your birthday, Mrs. Johnson and I send you our greetings and warm best wishes for your good health and well-being. May the years ahead bring a continuation of the historic friendship between the French and American peoples -- more necessary than ever before in these troubled and uncertain times.**

**Sincerely,**

JKN:mm

*Pres. File*

17

Friday, Nov. 22, 1968  
10:10 a. m.

~~SECRET~~

MR. PRESIDENT:

Attached is the outline of the credit package referred to in para. 3 of Ed Fried's message which I have just sent up. *Copy of the letter also attached)*

W. W. Rostow

Attachment

DECLASSIFIED  
White House Guidelines, Feb. 24, 1983  
By sg, NARA, Date 4-8-93

17a  
—

~~SECRET~~

Credit Package

1. The G-10 meeting is arranging a \$2 billion package for France:

- U. S. share is \$500 million,
- German share is \$600 million.

This is short-term money, about six months, intended to provide psychological support and to finance short-term speculative capital flows. Generally, under these circumstances and if the over-all program is effective, this type of credit facility is used little, if at all. The Federal Reserve will put up \$300 million of the \$500 million, and the Treasury, through the Exchange Stabilization Fund, will put up \$200 million.

2. In addition, France will arrange a stand-by credit at the International Monetary Fund of \$985 million, which is the full limit of funds available to it through that institution.

Through the mechanics of the IMF, and assuming they draw the full amount of \$985 million with a good portion in U. S. dollars (as opposed to other currencies), this would mean that the full gold tranche position of the U. S. at the IMF will be re-established -- which means that the United States will have virtually automatic credit of one billion two hundred ninety million dollars available to us from the Fund -- a position we have not been in for about five years.

~~SECRET~~

DECLASSIFIED  
E.O. 12958, Sec. 3.5  
NSC Memo, 1/30/95, State Dept. Guidelines  
By cb, NARA, Date 4-7-99

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1968 NOV 22 14 33

FOR WALT ROSTOW

FROM : FRIED

BASIC AGREEMENT REACHED 4:00 A.M. THIS MORNING ON FOLLOWING PACKAGE:

(1) 4 PERCENT GERMAN BORDER TAX ADJUSTMENT. IN LIGHT OF GERMAN PROGRAM GROUP PUBLICLY ENDORSED NO CHANGE IN DM PARITY.

(2) AGREEMENT ABOUT ANY FRANC DEVALUATION WILL NOT EXCEED 11 PERCENT. FIGURE NOT ANNOUNCED YET AND MAY NOT BE MADE PUBLIC UNTIL WEEKEND.

(3) STANDBY CENTRAL BANK CREDIT FACILITY FOR FRANC OF \$2 BILLION. GERMAN SHARE 600 MILLION U.S. SHARE 500 MILLION.

(4) NO OTHER PARITY CHANGES.

GERMANS TO THE END REFUSED TO BUDGE. ONLY PROBLEM THEN WAS TO NAIL DOWN FRENCH MOVE AND SHOW CLEARLY THAT IT WAS MADE AND NEGOTIATED IN MULTI-LATERAL SETTING. ORTOLI HELD OUT FOR 15 PERCENT UNTIL LAST MINUET.

WE BELIEVE IMPORTANT PRECEDENT ESTABLISHED ON BORDER TAX ADJUSTMENT PRINCIPLE AND ON THOROUGH AIRING OF PARITY CHANGES WITHIN GROUP.

OUR JUDGMENT IS THAT MARKETS WILL BE CALMED DOWN BY FACT THAT GROUP OF TEN REACHED AGREEMENT ON THE WHOLE SET OF ISSUES. ARRANGEMENTS MADE FOR CONCERTED CENTRAL BANK INTERVENTION ON SPOT AND FORWARD EXCHANGE MARKETS AND ON EURO-DOLLAR MARKET ON A MASSIVE SCALE.

ALSO CLEAR THAT GERMAN PERFORMANCE IN PUBLICLY ANNOUNCING POSITION BEFORE MEETING AND REFUSING TO BUDGE GAVE KIESINGER GOVERNMENT AN IMPRESSIVE DOMESTIC VICTORY. IF PACKAGE FAILS TO CALM DOWN SITUATION HOWEVER, THE DOMESTIC PLUSES WILL VANISH AND GERMANS WILL BE ON THE SPOT INTERNATIONALLY.

COMMUNIQUE DRAFT COMPLETED BUT NOT YET APPROVED. TEXT WILL FOLLOW ON APPROVAL.

~~SECRET~~

DECLASSIFIED

E.O. 12958, Sec. 3.5

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

By cb, NARA, Date 4-7-99



~~SECRET~~/HARVAN DOUBLE PLUS*Pres file*

Friday, November 22, 1968 -- 9:40 a.m.

Mr. President:

These three cables from Saigon indicate:

-- We are now close, indeed, if not over the hump, on the proposed U. S. statement;

-- The GVN wants assurances on certain procedural matters. We take the view that they should not be in writing; although Bunker suggests that Paris sit down with Amb. Lam and go over the procedural points with him so that there is no misunderstanding;

-- We will wish to go over Saigon's communique, explaining how the U. S. statement reconciles with Thieu's public statements of November 2 and 8. They promised to furnish us a draft text tomorrow, November 23.

-- It is the common hope that we could forward an agreed text to the troop contributing countries for their general agreement on Monday, November 25, and publish the deal very shortly thereafter.

By and large, at the moment this looks like a good faith negotiation.

W. W. Rostow

Saigon 43269, 2 parts  
Saigon 43270, 2 parts  
Saigon 43271,

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NIJ 91-508  
By WJ, NARA, Date 1-11-93

WWRostow:rla

~~SECRET~~/HARVAN DOUBLE PLUS



Department of State

18a  
TELEGRAM

ACTION COPY

~~SECRET~~

1968 NOV 22 'AM 7 12  
064370

O 22115Z NOV 68 ZFF-6  
FM AMEMBASSY SAIGON  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4867  
INFO RUFCR/AMEMBASSY PARIS IMMEDIATE 2975  
STATE GRNC

BT

~~SECRET~~ SECTION 1 OF 2 SAIGON 43269

NODIS/HARVAN/DOUBLE PLUS

PARIS FOR HARRIMAN AND VANCE

REF: A) SAIGON 43182  
B) STATE 274093

DECLASSIFIED

Authority 769 91-500

By AS/imp, NARA, Date 4-6-93

1. FOREIGN MINISTER THANH ASKED CALHOUN AND HERZ TO CALL THIS MORNING. AMBASSADOR BUI-DIEM AND NGUYEN PHU DUC WERE ALSO PRESENT. THANH SAID HE WOULD SPEAK TO OUR ("SIXTH") DRAFT BECAUSE DIFFERENCES WERE NOW SO FEW THAT THERE WAS NO NEED FOR A VIETNAMESE COUNTER-DRAFT. BUI DIEM WAS EXCEEDINGLY HELPFUL THROUGHOUT THE DISCUSSION, OFTEN -- WITHOUT CONTRADICTION FROM THANH -- ATTENUATING SOME OF THE FOREIGN MINISTER'S FORMULATIONS.

2. THANH SAID THE GVN WOULD STILL LIKE TO DROP OUR PARAGRAPH 2, BUT DISCUSSION REVEALED THAT THIS WAS MAINLY BECAUSE THEY FELT THE WORDS "SUBSTANCE OF A PEACEFUL SETTLEMENT" WOULD REQUIRE FURTHER EXPLANATIONS AND THEY FELT THAT SOMEHOW "SUBSTANCE" MIGHT CONVEY THE IDEA THAT SOME UNDERSTANDINGS ALREADY EXIST BETWEEN THE US AND THE DRV. WE PROPOSED DELETING "ON THE SUBSTANCE OF" AND SUBSTITUTING "TO DISCUSS". THIS SEEMED TO SATISFY THEM. COMMENT: I STRONGLY RECOMMEND THAT WE ACCEPT THIS NON-SUBSTANTIVE CHANGE.

3. RE OUR PARAGRAPH 3, THANH SAID HE HAD NOTED FROM THE TALKING PAPER I HAD GIVEN THIEU THAT WE THOUGHT THE LAST SENTENCE IMPORTANT BECAUSE OF THE LINK BETWEEN IT AND PARAGRAPH 5, WHICH WE HAD DESCRIBED AS "A VERY USEFUL PARAGRAPH." ACTUALLY, THANH SAID, THEY DON'T MUCH CARE ABOUT PARAGRAPH 5 AND WOULD JUST AS SOON DELETE IT IF WE COULD DELETE THE LAST SENTENCE OF PARAGRAPH 3. HE SAID THAT SENTENCE "TROUBLES US VERY MUCH", AND BUI DIEM EXPLAINED THAT IT MIGHT BE MISINTERPRETED AS A U.S. CON-  
CESSION TO HANOI THAT THEY "COULD DO ANYTHING THEY WANT".

~~SECRET~~

~~SECRET~~

-2- SECTION 1 OF 2 SAIGON 43269, NOVEMBER 22. NODIS/HARVAN/DOUBLE PLUS

4. WE ASKED WHETHER THANH UNDERSTOOD THAT EVEN IF WE ACCEPTED DELETION OF PARAGRAPH 5, WE MIGHT STILL BE QUESTIONED ABOUT THE DISCREPANCY BETWEEN OUR STATEMENT AND THE ACTING SECRETARY'S STATEMENT OF NOVEMBER 13. THANH AND BUI DIEM SAID THEY UNDERSTOOD THIS BUT COULD HANDLE IT AS FAR AS THEIR PUBLIC OPINION IS CONCERNED. COMMENT: I RECOMMEND THAT WITH THIS CLEAR UNDERSTANDING ON THEIR PART, WE NOW DROP THE LAST SENTENCE OF PARAGRAPH 3, AS WELL AS PARAGRAPH 5, WHICH WILL BE IN LINE WITH INSTRUCTIONS IN PARAGRAPH 3 REF B ABOUT "ONE LAST CLEAR TRY." WE DO NOT KNOW WHETHER THIS IS A REAL STICKING POINT BUT IT IS CLEAR THAT THE GVN HAS A MAJOR PROBLEM WITH THE LAST SENTENCE OF PARAGRAPH 3 AND HAVE, BY OFFERING TO ELIMINATE PARAGRAPH 5, REMOVED OUR MAIN REASON FOR NEEDING TO RETAIN THAT SENTENCE. DELETION OF PARAGRAPH 5 WILL ALSO BE IN LINE WITH THE POINT SO FORCEFULLY MADE IN PARAGRAPH 8 PARIS 23982.

5. RE PARAGRAPH 7 THEY WOULD LIKE TO INSERT SOMETHING WHICH WOULD INCORPORATE THE FOLLOWING THOUGHT: "WHATSOEVER OTHERS MAY CLAIM AND HOWEVER THEY MAY ORGANIZE THEIR SIDE, THE UNITED STATES HAS NOT AGREED AND WILL NOT AGREE THAT THE MEETING IS A FOUR-SIDED OR FOUR-PARTY CONFERENCE." WE SAID THIS WOULD PROBABLY BE ACCEPTABLE TO WASHINGTON, THOUGH IT MAY NEED SOME EDITING, BUT WE SUGGESTED RETENTION OF THE FINAL CLAUSE "OR PROPERLY SO DESCRIBED." THEY DO NOT LIKE THE WORD "PROPERLY" SO WE SUGGESTED "CORRECTLY". THEY MERELY SAID IF WE COULD DO WITHOUT THE FINAL CLAUSE THEY WOULD PREFER DELETING IT. COMMENT: THE DIFFERENCE HERE IS SO SLIGHT THAT IT SHOULD BE CAPABLE OF ADJUSTMENT.

6. RE PARAGRAPH 9 THANH TRIED TO GO BACK TO "AN EMANATION OF NORTH VIET-NAM AND A TOOL OF HANOI'S AGGRESSION." WE EXPLAINED THAT WE HAVE NO TROUBLE WITH THE SUBSTANCE BUT DID HAVE TROUBLE WITH THE TONE AND STYLE. WITH THE HELP OF BUI DIEM THEY CAME UP WITH THE ALTERNATIVE FORMULA "CREATION OF NORTH VIET-NAM AND AGENT OF HANOI'S AGGRESSION." COMMENT: IN THE LIGHT OF INSTRUCTIONS PARAGRAPH 9 REF B, I ASSUME THIS CAN BE ACCEPTED AND URGE THAT WE DO SO.

7. RE PARAGRAPH 11 IT TURNED OUT THAT THE VIETNAMESE HAD BEEN UNABLE TO DECIDE WHICH WORD SHOULD TAKE THE PLACE OF "IMMEDIATE AND DIRECT." WE URGED THEM TO ACCEPT "PRIMARY" BUT THAT GAVE THEM TROUBLE BECAUSE APPARENTLY IN VIETNAMESE IT IS THE SAME WORD AS "PRINCIPAL" WHICH IS USED EARLIER IN THE SAME SENTENCE. WE FINALLY AGREED ON "MAIN SPOKESMAN ON ALL MATTERS WHICH ARE OF PRINCIPAL CONCERN TO SOUTH VIET-NAM." COMMENT: I THINK THIS IS A REASONABLE SOLUTION TO WHAT HAS BEEN ONE OF THE TWO PRINCIPAL STICKING POINTS AND STRONGLY RECOMMEND THAT IT BE ACCEPTED. BUNKER

BT



Department of State TELEGRAM

~~SECRET~~

~~ACTION COPY~~

06448 Q

VV CRA321  
OO RUEHC RUFNCR  
DE RUMJIR 43269/2 3271150  
ZNY SSSSS ZZH  
O 221115Z NOV 68 ZFF-6  
FM AMEMBASSY SAIGON  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4868  
INFO RUFNCR/AMEMBASSY PARIS IMMEDIATE 2976  
STATE GRNC

1968 NOV 22 AM 7 34

BT

~~SECRET~~ SECTION 2 OF 2 SAIGON 43269

NODIS/HARVAN/DOUBLE PLUS

8. WITH RESPECT TO THEIR ERSTWHILE PARAGRAPH 11, THANH NOTED THAT IN OUR TALKING PAPER WE HAD EXPLAINED HOW WE MIGHT HANDLE INTERNAL POLITICAL MATTERS RAISED BY THE OTHER SIDE. (THIS WAS BASED ON THE LATTER PART OF PARAGRAPH 3B AND FULL PARAGRAPH 3D OF STATE 273732). HE SAID THE GVN WOULD BE SATISFIED TO DROP THEIR PARAGRAPH IF WE COULD GIVE THEM WRITTEN CONFIRMATION OF THOSE POINTS IN THE SAME NOTE IN WHICH WE WOULD RECONFIRM WHAT WE WOULD DO ABOUT RUSES AND PROPAGANDA MANEUVERS. WE SAID WE DID NOT SEE HOW THESE POINTS, WHICH DEALT WITH TACTICS, COULD BE IN A DIPLOMATIC NOTE. BUI DIEM SUGGESTED THAT A CONFIDENTIAL LETTER FROM THE AMBASSADOR TO THE PRESIDENT WOULD BE EQUALLY ACCEPTABLE. COMMENT: I STRONGLY URGE THAT I BE AUTHORIZED TO SAY THAT SUCH A LETTER WILL BE FORTHCOMING. I WILL SUGGEST ITS TEXT SEPARATELY, BUT NEED AUTHORIZATION NOW TO TELL THE GVN THAT THEY WILL GET SOMETHING FROM US ON THIS POINT IN WRITING.

9. RE PARAGRAPH 12 THANH NOW ASKED TO HAVE THE WORD "SUBSEQUENT" IN THE FIRST SENTENCE DROPPED. HE FRETTEO CONSIDERABLY ABOUT DELETION OF THE WORDS "AND THE CIRCUMSTANCES REQUIRED TO ACHIEVE AND MAINTAIN THESE." ON THIS POINT BUI DIEM SUPPORTED HIS FOREIGN MINISTER, POINTING OUT THAT IT HAD BEEN IN OUR EARLIER DRAFTS AND EMPHASIZING THAT LANGUAGE ALONG THESE LINES WOULD BE VERY HELPFUL INDEED WITH VIETNAMESE PUBLIC OPINION. WE ASKED IF IT MIGHT BE HELPFUL IF THE LAST SENTENCE OF PARAGRAPH 12 WAS A SIMPLE DECLARATIVE STATEMENT INSTEAD OF A QUOTATION. BUI DIEM SAID YES. THE FOREIGN MINISTER SAID NOTHING. COMMENT: I THINK WE CAN MEET THEIR CONCERN AT LEAST IN PART BY SUBSTITUTING THE FOLLOWING FOR THE LAST SENTENCE OF PARAGRAPH 12: "THE UNITED STATES CONSIDERS THAT THERE CANNOT BE PRODUCTIVE TALKS IN AN ATMOSPHERE WHERE THE CITIES ARE BEING SHELLED AND THE DMZ IS BEING BUSED." I STRONGLY URGE AUTHORIZATION TO SUGGEST THIS AS A

SECRET

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-2- SAIGON 43269, NOVEMBER 22, SECTION TWO OF TWO

BASIS FOR FINAL AGREEMENT ON OUR STATEMENT, AND ALTERNATIVE LANGUAGE RETAINING THE EARLIER THOUGHT WHICH HAS BEEN DELETED, IF THIS IS POSSIBLE. (DELETION OF THE WORD "SUBSEQUENT" IS OF COURSE ACCEPTABLE SINCE ITS INSERTION WAS ORIGINALLY PROPOSED BY THE GVN.)

10. RE PARAGRAPH 14 THANH AND BUI DIEM REQUESTED REPHRASING OF THE FIRST SENTENCE TO READ: "THE SUBSTANTIVE POSITION OF THE UNITED STATES GOVERNMENT WILL BE BASED ON RESPECT FOR THE SOVEREIGNTY OF THE REPUBLIC OF VIET-NAM AND ON THE JOINT COMMUNIQUE OF MANILA AND HONOLULU". COMMENT: THIS DISTINCTLY IMPROVES APPEARANCES FROM THE GVN VIEWPOINT. WE SAID IT SHOULD BE ACCEPTABLE AND REQUEST CONFIRMATION.

11. WE ARE NOW WITHIN A HAIR'S BREADTH OF AGREEMENT ON THE US STATEMENT. THE NEXT TEXT THAT WE GIVE THE GVN SHOULD BE THE FINAL TEXT, AND I AM CONFIDENT THAT THIS TROUBLESOME BUSINESS CAN NOW BE SETTLED ON THE BASIS OF WHAT WE WORKED OUT THIS MORNING. THERE ARE, HOWEVER, A NUMBER OF LOOSE ENDS THAT REMAIN, NOTABLY IN CONNECTION WITH THE GVN STATEMENT THAT WILL INCORPORATE OURS AND ICC ENDORSEMENT, WHICH ARE THE SUBJECTS OF SEPARATE MESSAGES.

BUNKER

~~SECRET~~



Department of State

186

TELEGRAM

ACTION COPY

~~SECRET~~

NNNNVV CRA319  
OO RUEHC RUFNCR  
DE RUJIR 43270/1 3271200  
ZNY SSSSS ZZH  
O 221133Z NOV 68 ZFF-6

1968 NOV 22 AM 7 29

08445Q

FM AMEMBASSY SAIGON  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4878  
INFO RUFNCR/AMEMBASSY PARIS IMMEDIATE 2982  
STATE GRNC

BT

~~SECRET~~ SECTION 1 OF 2 SAIGON 43270

NODIS/HARVAN/DOUBLE PLUS

PARIS FOR HARRIMAN AND VANCE

REF SAIGON 43269

DECLASSIFIED

Authority 719 91-506

By Asst. Dir. NARA, Date 4-6-93

1. AT EHT END OF THE MEETING NOVEMBER 22 IN WHICH WE CAME TO VIRUTAL AGREEMENT ON THE US STATEMENT, FOREIGN MINISTER THANK SAID THE GVN WOULD ALSO WISH TO HAVE FROM S A-REPLY TO THEIR "TEN POINT MEMORANDUM" ON PROCEDURAL MATTERS (WHICH THEY HAD HANDED US ON OR ABOUT OCTOBER 23 AND WHICH WH HAD NOT TRANSMITTED TO WASHINGTON BECAUSE WE HAD THOUGHT THE POINTS HAD BEEN SATISFACTORILY ANSWERED ORALLY.) THE MEMORANDUM HAD DEALT WITH TALKING DIRECTLY WITH THE GVN, SEATING ARRANGEMENTS, NAME OF THE CONFERENCE, ORDER OF ENTRANCE, CHAIRMANSHIP, OPENING STATEMENT ABOUT THE NLF, REFERENCE TO THE OTHER SIDE, RUSES, AND SIGNATURES OF EVENTUAL AGREEMENT.

2. CALHOUN AND HERZ SAID WE STRONGLY FELT PROCEDURAL MATTERS SHOULD BE WORKED OUT IN PARIS ON THE BASIS OF GENERAL GUIDELINES ON WHICH ALL OF US ALREADY SEEMED TO BE IN AGREEMENT. THANK CONCEDED THAT PERHAPS ONLY GUIDLEINES WERE NECESSARY BUT HE SAID SOMETHING WAS NEEDED IN WRITING SO THAT THERE WOULD BE NO MISUNDERSTANDINGS.

3. I PROPOSE TO REAMIN FIRM IN REFUSING TO ENGAGE IN DRATING SESSIONS ON SUCH PROCEDURAL MATTERS AND BELIEVE THIEU WILL OVERRULE THAN IF HE TRIES TO USE THE NEED FOR SUCH GUIDLINES AS A DILATORY DEVICE. I AM PLEASED TO SEE THAT WASHINGTON AGREES THAT IT IS UNDIGNIFIED TO REQUIRE WRITTEN CONFIRMATION ON ORAL UNDERSATANDINGS ON SUCH MATTERS WHICH ARE ALREADY QUITE CLEAR (PARAGRAPH 1 STATE 274395 APPROVING PARAGRAPH 12 SAIGON 43017). MOREOVER, SEVERAL OF THE POINTS IN THE GVN MEMORANDUM ARE EITHER OVERTAKEN OR ALREADY ANSWERED IN OUR PROPOSED STATEMENT OR IN THE NOTE THAT WE WILL BE HANDING THE GVN. (ON THE OTHER HAND I THINK

~~SECRET~~

~~SECRET~~

-2- SAIGON 43270, NOVEMBER 22, SECTION ONE OF TWO

~~IT WILL BE USEFUL TO SIT DOWN WITH AMBASSADOR LAM AND GO OVER THE PROCEDURAL POINTS WITH HIM AND TRY TO REASSURE HIM THAT WE WILL ALL BE WORKING TOGETHER BOTH IN SAIGON AND IN PARIS.)~~

4. A MORE REASONABLE MATTER WAS RAISED BY BUI DIEM AND DUC AFTER THANH HAD DEPARTED. IT HAS TO DO WITH THE WAY IN WHICH THE GVN PROPOSES TO INTRODUCE OUR STATEMENT, EXPLAINING HOW THE POSITION OF THE GVN HAS EVOLVED FROM PRESIDENT THIEU'S NOVEMBER 2 STATEMENT TO WHERE THEY ARE NOW ABLE TO GO TO THE PARIS CONFERENCE ON THE BASIS OF ASSURANCES THAT THEY HAVE RECEIVED. IT WAS POINTED OUT TO US THAT FOR WEEKS THE GVN INFORMATION AND PROPAGANDA EFFORT HAS BEEN BASED ON THE NOVEMBER 2 AND 8 STATEMENTS SO THAT THE CHANGE TO ACCEPTANCE OF THE NEGOTIATIONS CANNOT BE MADE ABRUPTLY WITHOUT DOING DAMAGE TO THE STANDING OF THE GOVERNMENT. CONSEQUENTLY THEY WILL HAVE TO EXPLAIN THAT THEY'RE GOING ON THE BASIS OF A "COMPROMISE" AND THAT THEIR WISHES HAVE BEEN MORE OR LESS FULFILLED. THIS SEEMS ENTIRELY REASONABLE, BUT IT PROBABLY WILL ALSO HAVE TO INVOLVE GOING OVER THEIR TEXT TO MAKE SURE THAT IN INTERPRETING OUR STATEMENT THEY DO NOT SAY THINGS WHICH WOULD GIVE US DIFFICULTY OR WHICH WE MIGHT EVEN HAVE TO DENY. WE CAN TAKE SOME REASSURANCE FROM THE FACT THAT BUI DIEM SAID HE IS WORKING CLOSELY WITH DUC ON THEIR "COMMUNIQUE" AND THAT THEY HOPE TO HAVE A DRAFT IN OUR HANDS BY COB TOMORROW, NOVEMBER 23.

5. FIRST, DUC SAID, THE COMMUNIQUE WOULD RECALL THE THREE POINTS OF THIEU'S NOVEMBER 2 STATEMENT, THAT (A) HANOI MUST "GUARANTEE" THAT IT WOULD TALK DIRECTLY AND SERIOUSLY WITH THE GVN, (B) THE SUBSTANTIVE TALKS MUST BE "A COMPLETELY NEW PHASE" AND (C) THE NLF MUST NOT BE A SEPARATE DELEGATION. ON THIS THE GVN WOULD EXPECT TO SAY THAT THE US HAS GIVEN ASSURANCES ON THE FIRST POINT, THAT HANOI WILL HAVE TO TALK DIRECTLY TO THE GVN; THAT BOTH THE US AND HANOI HAVE MADE IT CLEAR SINCE NOVEMBER 2 THAT THE SUBSTANTIVE TALKS WILL BE A NEW PHASE; AND THAT PARAGRAPH 8 OF OUR STATEMENT GIVES THEM SUBSTANTIAL SATISFACTION ON THE THIRD POINT. (THE REFERENCE TO HANOI IS EXPLAINED BY THE STATEMENT BY XUAN THUY NOVEMBER 6).  
BUNKER

~~SECRET~~



Department of State TELEGRAM

~~SECRET~~

ACTION COPY  
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VV CRA322 1968 NOV 22 AM 7 41  
OO RUEHC RUFNCR  
DE RUMJIR 43270/1 3271305  
ZNY SSSSS ZZH  
O 221133Z NOV 68 ZFF-6  
FM AMEMBASSY SAIGON  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4879  
INFO RUFNCR/AMEMBASSY PARIS IMMEDIATE 2983  
STATE GRNC  
BT

BB449

~~SECRET~~ SECTION 2 OF 2 SAIGON 43270

NODIS/HARVAN DOUBLE PLUS

6. NEXT, DUC CONTINUED, THE GVN WOULD STILL HAVE TO EXPLAIN WHY IT WAS TETREATING FROM ITS NOVEMBER 8 PROPOSAL ABOUT TWO DELEGATIONS. THEY WOULD POINT TO PARAGRAPHS 6, 7 AND 8 OF OUR STATEMENT AS GIVING THEM, IF NOT COMPLETE THEN AT LEAST SUBSTANTIAL SATISFACTION. THEY WOULD TRY TO DRAW BENEFIT FROM THE FACT THAT THE US HAD TOLD HANOI THAT THERE WOULD BE TWO DELEGATIONS ON OUR SIDE, POINTING OUT THAT ON ALL MATTERS OF PRINCIPAL CONCERN TO THE GVN THEY WOULD BE THE MAIN SPOKESMAN.

7. WE THOUGHT IT USEFUL AT THIS POINT, ESPECIALLY IN THE LIGHT OF SOME RECENT PROPAGANDA STATEMENTS HERE, TO ASK WHETHER IT IS CLEARLY UNDERSTOOD THAT, NOTWITHSTANDING WHAT IS SAID IN PARAGRAPHS 6, 7 AND 8 OF OUR STATEMENT, THE CONFERENCE CANNOT BE DESCRIBED AS A THREE-SIDED OR THREE-DELEGATION CONFERENCE. BUI DIEM AND DUC REPLIED CLEARLY IN THE AFFIRMATIVE. WE THEN ASKED IF IT WAS EQUALLY CLEAR THAT IT CANNOT BE DESCRIBED AS A TWO-DELEGATION CONFERENCE. IT WAS A TWO-SIDED CONFERENCE, WITH THE NUMBER OF DELEGATIONS NOT SPECIFICALLY AGREED. AGAIN THERE WAS ASSENT. THEN BUI-DIEM ADDED, VERY HELPFULLY: "LET THEM CLAIM WHAT THEY LIKE, THERE WILL BE LOTS OF THINGS THAT WE WILL BE CLAIMING TOO." WE SAID THAT WAS EXACTLY THE SPIRIT THAT WAS NEEDED.

8. WE REMARKED THAT IT WOULD BE VERY DESIRABLE FOR WASHINGTON TO HAVE A LOOK AT THEIR DRAFT COMMUNIQUE. WE AMENDED THAT TO SAYING IT WAS "ESSENTIAL" THAT WASHINGTON HAVE A LOOK AT IT WHEN DUC ADDED THAT THEIR COMMUNIQUE WOULD ALSO GO INTO THE UNDERSTANDINGS BETWEEN THE US AND THE DRV ABOUT THE BOMBING CESSATION. WE EXPRESSED RESERVATIONS AND SAID ANYTHING THAT THEY MIGHT SAY ON THAT SUBJECT WOULD BE ATTRIBUTED TO US, SINCE WE WERE THE OBVIOUS SOURCE OF IT, AND ADDED THAT IT WOULD OBVIOUSLY BE UNDESIRABLE FOR ALL CONCERNED IF THE US FOUND IT NECESSARY PUBLICLY TO

~~SECRET~~



~~SECRET~~

-2- SAIGON 43270, NOVEMBER 22, SECTION TWO OF TWO

AMEND ANYTHING THE GVN SHOULD SAY ON THAT SCORE. THE US STATEMENT SHOULD SPEAK FOR ITSELF WITH RESPECT TO THE BOMBING HALT. BUI DIEM AND DUC AGREED THAT THIS WAS A DELICATE MATTER, BUT THEY STILL FELT THAT THE GVN WOULD HAVE TO SAY SOMETHING ON IT. "WE WILL SAY SOMETHING A A VIELO FORM", DUC SAID, "AND THEN OUR PROPGANDA CAN EXPLAIN IT FURTHER."

9. I THINK IT IS REASONABLE FOR THE GVN TO BE WORKING ON A COMMUNIQUE IN WHICH THEY WOULD PRESENT OUR STATEMENT TO THEIR PEOPLE, BUT OBVIOUSLY WE SHALL HAVE TO WORK CLOSELY WITH THEM ON THIS AND AT THE SAME TIME AVOID THAT IT COMES AS A REASON FOR FURTHER DELAYS. I MAY SAY THAT THERE IS NO EVIDENCE YET OF ANY INTENTION TO USE THE COMMUNIQUE FOR DILATORY PURPOSES; BUT ON THE OTHER HAND, FUTURE TROUBLE WILL BE AVOIDED IF WE CAN MAKE SURE THAT IN INTERPRETING OUR STATEMENT THEY DON'T GO OFF THE RESERVATION. WE HOPE TO BE ABLE TO TELEGRAPH THE DRAFT OF THEIR COMMUNIQUE TOMORROW EVENING. TO AVOID ANY SLIPPAGE OVER THE WEEKEND, WE HAVE ALREADY SUGGESTED A WORKING SESSION WITH THEM ON SUNDAY, NOVEMBER 24, TO DISCUSS ANY COMMENTS THAT WE MAY BE RECEIVING ON THEIR DRAFT FROM WASHINGTON. WE SHALL URGE AGAIN TOMORROW THAT THEY GET THE DRAFT IN OUR HANDS BY SATURDAY AFTERNOON IF AT ALL POSSIBLE. BUNKER

~~SECRET~~



Department of State

TELEGRAM

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~~SECRET~~

~~ACTION COPY~~  
ACTION COPY

O 221155Z NOV 68 ZFF-6  
FM AMEMBASSY SAIGON  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4880  
INFO RUFNCR/AMEMBASSY PARIS IMMEDIATE 2984  
STATE GRNC

BT  
~~SECRET~~ SAIGON 43271

NODIS/HARVAN/DOUBLE PLUS

PARIS FOR HARRIMAN AND VANCE

REF: SAIGON 43270 AND 43269

1968 NOV 22 AM 06443  
7 23

DECLASSIFIED

Authority 7C 91-506

By 19/10/7, NARA, Date 7-6-93

1. FOLLOWING THE FOREIGN MINISTER'S DEPARTURE CALHOUN AND HERZ ALSO DISCUSSED WITH BUI DIEM AND DUC THE PROCEDURE FOR OBTAINING ENDORSEMENT OF THE OTHER TCC GOVERNMENTS.
2. IT WAS AGREED THAT THE TWO MAIN ALTERNATIVES WERE (1) INDIVIDUAL STATEMENTS OR DECLARATIONS ISSUED BY THE OTHER TCC GOVERNMENTS OR (2) A GENERAL ENDORSEMENT FROM THEM WHICH COULD BE INCORPORATED INTO THE GVN'S STATEMENT ACCOMPANYING OUR OWN. WE ALL RECOGNIZED THAT THE FORMER COURSE WOULD INVOLVE LENGTHY AND PROBABLY COMPLICATED DRAFTING DISCUSSIONS WITH THE OTHER TCC COUNTRIES WHICH SHOULD BE AVOIDED.
3. WE THEN DISCUSSED THE PROCEDURE AND APPROXIMATE TIMING FOR OBTAINING TCC ENDORSEMENT, TAKING INTO ACCOUNT THE REMAINING PROCEDURAL STEPS REQUIRED HERE AS DESCRIBED REFTTEL AND THE DESIRABILITY OF TRYING TO MINIMIZE LEAKS FROM THE OTHER TCC CAPITALS ONCE CONSULTATION COMMENCES. BUI DIEM SUGGESTED, AND WE AGREED, THAT IT WOULD BE BEST TO USE US COMMUNICATIONS FACILITIES TO SEND THE TEXTS OF THE USG AND GVN STATEMENTS AND DETAILED INSTRUCTIONS. GVN AMBASSADORS WOULD BE GIVEN VERY GENERAL INSTRUCTIONS TELLING THEM TO COORDINATE WITH THEIR AMERICAN COLLEAGUES IN ORDER TO TAKE THE MATTER UP JOINTLY WITH THE GOVERNMENTS TO WHICH THEY ARE ACCREDITED.
4. IT WAS OUR ESTIMATE THAT THE EARLIEST TIME WE COULD HOPE TO FORWARD THE AGREED TEXTS WAS MONDAY, NOVEMBER 25, SINCE WE STILL NEED TO AGREE ON THE GVN STATEMENT INCORPORATING AND INTERPRETING OURS, WHICH WILL HAVE TO HAVE FINAL APPROVAL OF THE GVN SECURITY COUNCIL BEFORE THE TEXTS ARE DISCUSSED WITH THE TCC GOVERNMENTS.

~~SECRET~~

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-2- SAIGON 43271 NODIS HARVANDDOUBLE PLUS 6443Q

5. DEPARTMENT MAY WISH TO ALERT OUR TCC AMBASSADORS REGARDING THE GENERAL NATURE OF THIS PROCEDURE AND THE ESTIMATED TIMING (WHICH MAY SLIP).

6. THERE WAS GENERAL AGREEMENT AMONG US THAT ONCE THE TEXTS HAVE BEEN MADE AVAILABLE TO TCC GOVERNMENTS WE SHOULD SEEK TO OBTAIN THEIR ENDORSEMENT AND ISSUE THE TWO STATEMENTS AS RAPIDLY AS POSSIBLE SINCE THE DANGER OF REALLY SUBSTANTIVE LEAKS WILL GROW AND THESE COULD BE ESPECIALLY EMBARRASSING TO THE GVN.

BUNKER  
BT

NN

~~SECRET~~

*Pres file*

19

Friday, Nov. 22, 1968  
9:45 a. m.

~~SECRET~~

MR. PRESIDENT:

Herewith Ed Fried reports the deal.

I will be sending up shortly the stand-by credit package. It is being put in a way that does not require formal Presidential approval, but I am sure you will wish to see exactly what is being negotiated.

W. W. Rostow

~~SECRET~~ attachment

DECLASSIFIED  
White House Guidelines, Feb. 24, 1983  
By sg, NARA, Date 4-8-93

19a

~~SECRET~~

RECEIVED  
WHCA

~~SECRET~~

1968 NOV 22 14 33

FOR WALT ROSTOW

FROM : FRIED

BASIC AGREEMENT REACHED 4:00 A.M. THIS MORNING ON FOLLOWING PACKAGE:

(1) 4 PERCENT GERMAN BORDER TAX ADJUSTMENT. IN LIGHT OF GERMAN PROGRAM GROUP PUBLICLY ENDORSED NO CHANGE IN DM PARITY.

(2) AGREEMENT ABOUT ANY FRANC DEVALUATION WILL NOT EXCEED 11 PERCENT. FIGURE NOT ANNOUNCED YET AND MAY NOT BE MADE PUBLIC UNTIL WEEKEND.

(3) STANDBY CENTRAL BANK CREDIT FACILITY FOR FRANC OF \$2 BILLION. GERMAN SHARE 600 MILLION U.S. SHARE 500 MILLION.

(4) NO OTHER PARITY CHANGES.

GERMANS TO THE END REFUSED TO BUDGE. ONLY PROBLEM THEN WAS TO NAIL DOWN FRENCH MOVE AND SHOW CLEARLY THAT IT WAS MADE AND NEGOTIATED IN MULTI-LATERAL SETTING. ORTOLI HELD OUT FOR 15 PERCENT UNTIL LAST MINUT.

WE BELIEVE IMPORTANT PRECEDENT ESTABLISHED ON BORDER TAX ADJUSTMENT PRINCIPLE AND ON THOROUGH AIRING OF PARITY CHANGES WITHIN GROUP.

OUR JUDGMENT IS THAT MARKETS WILL BE CALMED DOWN BY FACT THAT GROUP OF TEN REACHED AGREEMENT ON THE WHOLE SET OF ISSUES. ARRANGEMENTS MADE FOR CONCERTED CENTRAL BANK INTERVENTION ON SPOT AND FORWARD EXCHANGE MARKETS AND ON EURO-DOLLAR MARKET ON A MASSIVE SCALE.

ALSO CLEAR THAT GERMAN PERFORMANCE IN PUBLICLY ANNOUNCING POSITION BEFORE MEETING AND REFUSING TO BUDGE GAVE KIESINGER GOVERNMENT AN IMPRESSIVE DOMESTIC VICTORY. IF PACKAGE FAILS TO CALM DOWN SITUATION HOWEVER, THE DOMESTIC PLUSES WILL VANISH AND GERMANS WILL BE ON THE SPOT INTERNATIONALLY.

COMMUNIQUE DRAFT COMPLETED BUT NOT YET APPROVED. TEXT WILL FOLLOW ON APPROVAL.

~~SECRET~~

*Pres. J. Lee*

*20*

Friday, Nov. 22, 1968  
9:10 a. m.

~~SECRET/SENSITIVE~~

MR. PRESIDENT:

Herewith three more of these sensitive intelligence reports on Thieu and Ky.

The first is very interesting and somewhat encouraging.

W. W. Rostow

DECLASSIFIED  
White House Guidelines, Feb. 24, 1983  
By *MP*, NARA, Date *2-23-97*

~~SECRET/SENSITIVE~~ attachments

INFORMATION

~~TOP SECRET--SENSITIVE~~

*Pres file*

Friday, November 22, 1968  
7:30 a.m.

Mr. President:

Herewith the Watch Committee concludes that the most likely explanation for the somewhat disturbing military intelligence in Eastern Europe is: "Military exercises in areas adjacent to Rumania. We consider this the most likely possibility. The purpose of this activity might be to bring pressure on the Rumanians to make them more amenable to the scheduling of a major joint exercise in Rumania in the near future and possibly to the establishment of a long-term Soviet military presence there."

W. W. Rostow

~~TOP SECRET--SENSITIVE~~

DECLASSIFIED  
E.O. 12958, Sec. 3.6  
NLJ/RAC 03-64  
By Sj, NARA, Date 6-2-03

WWRostow:rla

21a

SPECIAL MEETING  
of the  
WATCH COMMITTEE

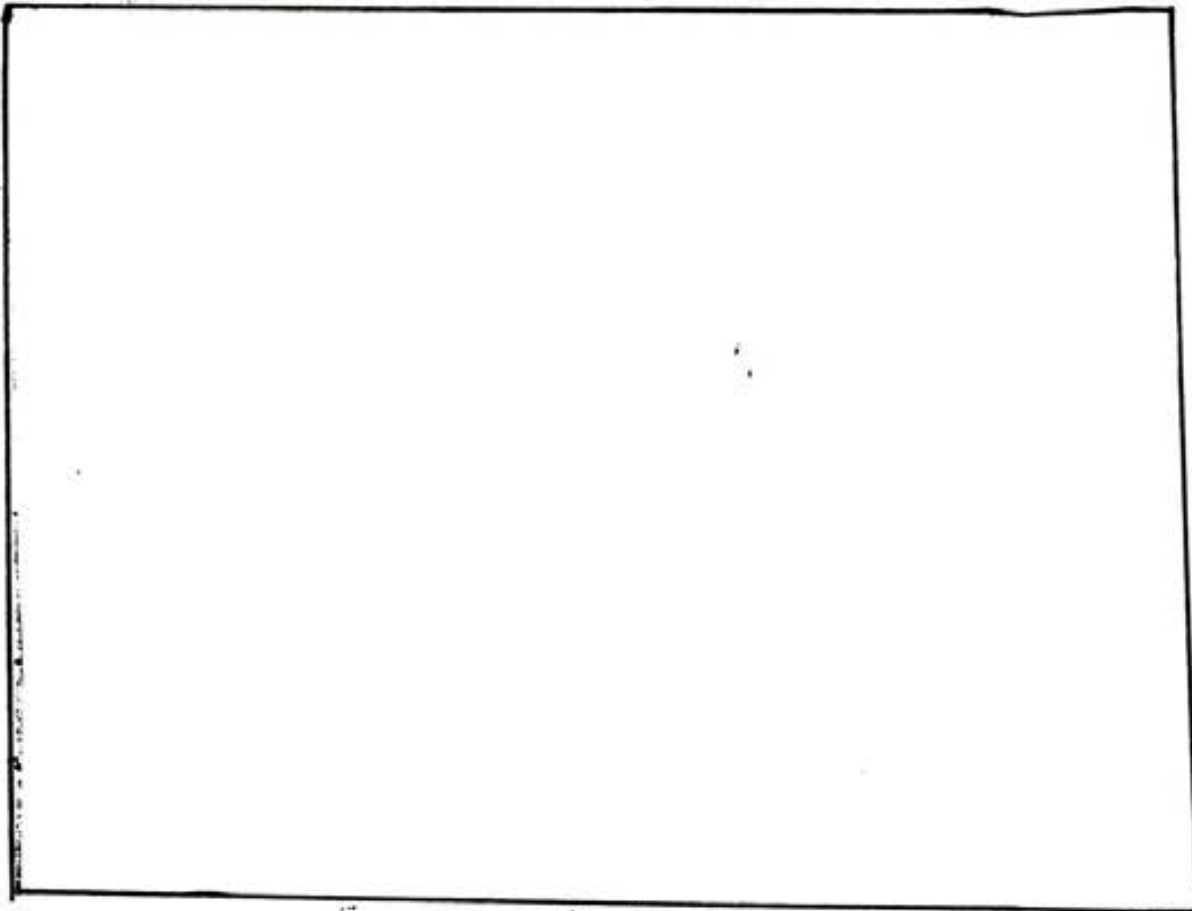
No. 952A

21 November 1968

The Watch Committee met at 2000 hours on 21 November to consider reports bearing on the possibility of an imminent Soviet military move against Rumania.

1. We do not have evidence of any major deployments of Soviet or other Warsaw Pact forces which might be indicative of an imminent invasion of Rumania, but it must be noted that extensive deployments could have occurred without having been detected.

2. Moreover, we have observed a number of unusual developments which give cause for concern. These are:



3. The following possibilities were considered as explanations for the activity:

3.4(b)(1)

3.4(b)(1,6)

**SANITIZED**  
E.O. 12958, Sec. 3.6  
NLJ/RAC 03-65  
By ms, NARA, Date 5-30-03



- In on of Rumania. We find this unlikely. Nevertheless, It remains possible since the military deployments necessary for its implementation could be carried out without our observation.

- A Warsaw Pact exercise with Rumanian participation. We consider this unlikely since the weight of the evidence indicates no preparation by Rumania for such an exercise.

- Military exercises in areas adjacent to Rumania. We consider this the most likely possibility. The purpose of this activity might be to bring pressure on the Rumanians to make them more amenable to the scheduling of a major joint exercise in Rumania in the near future and possibly to the establishment of a long-term Soviet military presence there.

4. Although drastic Soviet action against Rumania is considered unlikely at this moment, we believe that the question of a Warsaw Pact exercise in Rumania will remain a cause of friction in Soviet-Rumanian relations.

~~SECRET~~

11/21/68

VIA DIRECT LINE TO BONN  
FOR SECRETARY FOWLER FROM WALT ROSTOW

*Telecom #19*

The President has cleared your proposed letter to Kiesinger,  
with the following observations:

*Pres file*

-- use your own judgment, but he would prefer the third paragraph to end after the phrase "rejected this course of action." He feels it wiser for the President not to comment on the reasons, and he does not, personally, "accept this position."

-- he wants you to use your judgment as to whether or not this letter is used. But it is his judgment that you should not use it unless you feel there is a "good possibility or even probability" that it would be decisive. He would wish to avoid engaging the President in an effort to move the Germans that failed.

MEMORANDUM

INFORMATION

23

THE WHITE HOUSE  
WASHINGTON

~~SECRET~~

*Pres file*

Thursday, November 21, 1968 -- 7:10 p.m.

Mr. President:

I have not wished to trouble you today, but you should know that the intelligence community is evaluating certain rather disturbing signals indicating possible Soviet movement into Rumania. You will recall that the earlier intelligence was shot down by the intelligence community as inaccurate; that is, the report from the [redacted] in Warsaw.

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

In the light of the ambiguous new [redacted] intelligence, I take the attached CIA report rather seriously (Tab A)

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

It is still by no means clear that the Soviets are planning a move into Rumania or an enforced military movement into Rumania. But I believe you should be alert to the possibility.

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

*W. Rostow*

[redacted]

21 November 1968

*P.S. A CIA evaluation of all this will shortly be available, which I will forward.*

*(Now annexed: Tab B) w.*

*Watch Committee meets at 8 p.m.*

SANITIZED

E.O. 12958, Sec. 3.6

NLJ 03-85

By *iss*, NARA, Date 6-2-03

~~SECRET~~

CENTRAL INTELLIGENCE AGENCY  
Intelligence Information Cable

IN

23a

PAGE 1 OF 3 PAGES

STATE/INR	DIA	NMCC/MC	SECDEF	JCS	ARMY	NAVY	AIR	CIA/NMCC	NIC	NSA	DDO	ONE	CRS
	EXO	DDI					OSR	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX	XXXXXXXXXX

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BACKGROUND USE ONLY

GROUP 1  
Excluded from automatic  
downgrading and  
declassification

THIS IS AN INFORMATION REPORT, NOT FINALLY EVALUATED INTELLIGENCE.

~~SECRET~~

CITE [REDACTED]

25X1A DIST 21 NOVEMBER 1968

COUNTRY RUMANIA/USSR

25X1X

*Restow*

DOI [REDACTED]

SUBJECT COMMENTS OF A RUMANIAN DIPLOMAT CONCERNING CURRENT  
NEGOTIATIONS BETWEEN RUMANIA AND THE SOVIET UNION  
WITH RESPECT TO MILITARY MATTERS

21 19 11 11:55 AM

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ACQ [REDACTED] 25X1A

SOURCE [REDACTED]

25X1C

1. [REDACTED] A SENIOR MEMBER OF THE RUMANIAN PERMANENT  
MISSION TO THE UNITED NATIONS [REDACTED] 25X1X

25X1X

[REDACTED] DISCUSSED CURRENT RUMANIAN-SOVIET  
RELATIONS. THE RUMANIAN OFFICIAL STATED THAT AT THE PRESENT  
TIME THE DISCUSSIONS BETWEEN RUMANIA AND THE USSR CONCERNING  
MILITARY MATTERS, NOTABLY THE PRESENCE OF WARSAW PACT TROOPS  
IN RUMANIA, HAVE REACHED A CRITICAL STAGE. IN THESE DIS-  
CUSSIONS WHICH HAVE INVOLVED A RECENT TRIP TO MOSCOW

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Authority NLJ 019-042-4-2  
By [Signature], NARA, Date 11/21/02

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PAGE 2 OF 3 PAGES 25X1A

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(29-30 OCTOBER 1968) BY THE RUMANIAN MINISTER OF THE ARMED FORCES, COLONEL GENERAL ION IONITA, AND SIMULTANEOUS NEGOTIATIONS IN MOSCOW AND BUCHAREST, THE SOVIET UNION HAS REQUESTED:

- A. THE RIGHT TO STATION TROOPS PERMANENTLY IN RUMANIA;
- B. RUMANIAN APPROVAL OF THE PASSAGE OF SOVIET TROOPS THROUGH RUMANIA AT ANY TIME AT THE REQUEST OF THE USSR; AND
- C. RUMANIAN APPROVAL FOR THE CONDUCT OF WARSAW PACT MANEUVERS IN RUMANIA IN THE NEAR FUTURE.

2. THE RUMANIAN OFFICIAL STATED THAT IN THEIR NEGOTIATIONS WITH THE RUMANIAN GOVERNMENT THE SOVIET OFFICIALS HAD EMPHASIZED THE FOLLOWING CONSIDERATIONS:

- A. THAT AS A WARSAW PACT MEMBER RUMANIA IS OBLIGATED TO COOPERATE WITH THE OTHER WARSAW PACT MEMBERS IN UNDERTAKING ACTIONS AIMED AT FURTHERING THE OBJECTIVES OF THE WARSAW PACT; ALL THREE ITEMS RAISED WITH RUMANIA FALL IN THIS CATEGORY.
- B. THE ACTIONS IN QUESTION MUST BE UNDERTAKEN IN THE NEAR FUTURE AND NOT POSTPONED BECAUSE THEY CONSTITUTE ESSENTIAL PORTIONS OF THE MILITARY DISPOSITIONS NECESSARY TO PROTECT THE WARSAW PACT AREA FROM "POSSIBLE MILITARY MOVEMENT FROM THE DIRECTION OF YUGOSLAVIA."

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PAGE 3 OF 3 PAGES 25X1A

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3. THE RUMANIAN OFFICIAL STATED THAT THE RUMANIAN GOVERNMENT  
CURRENTLY FINDS ITSELF IN A VERY DIFFICULT SITUATION VIS-A-VIS  
THE SOVIET UNION, BUT THAT DESPITE SOVIET PRESSURE THE GOVERNMENT  
DOES NOT INTEND TO ACCEDE TO THE THREE REQUESTS BY THE USSR.

25X1A 4. [REDACTED] DISSEM: NONE [REDACTED] 25X1A

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ACTION

Thursday, November 21, 1968

MEMORANDUM FOR THE PRESIDENT

*Pro file*

SUBJECT: Letter from Prime Minister Holyoake

Attached is a very warm personal message from Holyoake praising your administration. There follows the text of a suggested acknowledgment from you:

"Dear Mr. Prime Minister: Many thanks for your kind and generous message of November 11. I shall always remember my visit to New Zealand in 1966, and the heartwarming welcome you and your countrymen gave me. I shall remember, too, the steadfast support my administration has received from the Government and people of New Zealand in difficult decisions and times of trial. Finally, I shall always be grateful for your friendship, your personal contribution to our joint endeavors and your counsel, which has been unfailingly wise, eloquent and courageous.

"I am confident that under my successor, the close partnership between our two countries -- which owes so much to your enlightened leadership -- will continue to grow in significance, not merely for New Zealand and the United States, but for the entire Pacific region. Best wishes and warm personal regards. Sincerely, Lyndon B. Johnson"

I recommend you approve the reply to Holyoake.

Att \_\_\_\_\_

W. W. Rostow

Approve \_\_\_\_\_

Disapprove \_\_\_\_\_

Call me \_\_\_\_\_

STATE:MWright:wpt

24a

TEXT OF MESSAGE DATED 11 NOVEMBER 1968 to  
PRESIDENT LYNDON B. JOHNSON FROM THE  
PRIME MINISTER OF NEW ZEALAND, RT. HON. KEITH HOLYOAKE

As the term of your Administration draws near to a close I should like personally, and on behalf of the Government and people of New Zealand, to express the warmest appreciation for the accomplishments of your Presidency. They have been wide in their scope and significant in their effects.

You have done much to bring our two nations closer together in understanding, consultation and cooperation. Your visit to New Zealand two years ago was a vivid occasion for all New Zealanders and has left many lasting impressions. But I am sure that our most enduring memories will be of your labours for your country and for the world at large. Both are in your debt.

As I said in Washington, your gesture in rejecting high office to devote yourself to the search for peace will hold an honoured place in American history. The significance and sacrifice of that action are the more apparent as some of the results for which we all have hoped so long begin to appear. I trust that your vital final weeks will be crowned with further achievements in international reconciliation.

You have cause for pride in the leadership and service which you have given in the last five years. I pay you sincere tribute for your courage, steadfastness, understanding and skill.

I express to you and Vice-President Humphrey and to the members of your Government our good wishes for the future.

Yours sincerely,

Keith Holyoake



~~SECRET~~/HARVAN DOUBLE PLUS

Thursday, November 21, 1968 - 5:50 p.m.

*Pres file*

Mr. President:

Herewith Sec. Rusk's and Sec. Clifford's proposals in the light of yesterday's lunch.

Sec. Rusk proposes to:

- Buy time by sending out the attached cable for reaction of Paris and Saigon;
- Then, if necessary, move substantively and quietly -- if possible, only with Hanoi, not the NLF -- on the DMZ.

Sec. Clifford would give Thieu a rather eloquent but still straightforward time ultimatum.

The two approaches will be quite clear to you upon reading.

W. W. Rostow

~~SECRET~~/HARVAN DOUBLE PLUS

WWRostow:rlh

DECLASSIFIED

Authority 7169 91-508  
By ng/isp, NARA, Date 4-6-93

~~SECRET~~

November 21, 1968

NODIS/HARVAN DOUBLE PLUS

DECLASSIFIED

Authority 97C 991-506

MEMORANDUM FOR THE PRESIDENT

By SS/esp., NARA, Date 4-6-93

It seems to me that we should try to avoid, within the next few days, additional public controversy with South Viet-Nam while proceeding quietly to assert and take care of our own interest in further contacts with the North Vietnamese Delegation in Paris.

I would make no public announcement about what we are doing because we would (1) create even more severe problems of face for President Thieu, and (2) expose ourselves to a rebuff from Hanoi which could make us look ridiculous.

As a first step I would ask for the comments of Bunker, Harriman and Vance on the attached telegram. This telegram is based upon the idea that we would proceed to take up certain questions with Hanoi in Paris unless there were a public agreement by Saigon to participate in the Paris talks. These contacts with Hanoi should be private and not public and we should attempt to have them as a continuation of the bilateral contacts we have long been having with Hanoi rather than on the framework of "expanded talks" which would include the NLF. This means we would not, at least at the beginning, talk with both

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Hanoi and the NLF; if this proves impossible because of Hanoi's refusal, we would then have to reconsider that point. The central idea is that we follow up specifically with Hanoi on formal and firm arrangements about the DMZ and the principal cities. These subjects we have already discussed with Hanoi at great length on a bilateral basis. They were crucially involved in the decision to stop the bombing. They are just as crucially involved in our ability to maintain a cessation of the bombing.

If we succeed in engaging Hanoi in discussion of these matters, we should let President Thieu know that we are engaged in such discussions. In a formal sense this would be a continuation of our policy of informing him about our private contacts in Paris; in a political sense, it would serve as pressure on him to get his delegation to Paris because he would know that we are proceeding to discuss important matters with Hanoi whether he is there or not.

I would prefer to let Ambassador Bunker have a little more time to try to work out an agreement with Thieu before we make the situation even more difficult by further public announcements or threats.

~~SECRET~~ HARVAN DOUBLE PLUS

-3-

My suggestion would be that, as the next step, we send out the attached telegram to get a quick reaction from Saigon and Paris. Over the weekend, we can then decide whether Harriman should proceed to contact Hanoi and could make this decision in the light of the current estimate as to the prospect of Thieu's agreeing to join the talks.

Dean Rusk

SECRET

OUTGOING TELEGRAM

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ACTION: Amembassy PARIS PRIORITY  
Amembassy SAIGON PRIORITY

SANITIZED

E.O. 12356, Sec. 3.4

NY 91-506

NODIS/HARVAN DOUBLE PLUS

By 48. NARA. Date 2-12-92

PARIS TODEL \_\_\_\_\_ FOR HARRIMAN AND VANCE.

1. We hope to have an early agreement from President Thieu to join the Paris talks although we are increasingly concerned about further delay. Unless there is prompt agreement by Thieu to send a delegation to Paris, we are contemplating instructing Harriman and Vance to initiate private discussions with the Hanoi Delegation on certain military matters on which we were in full discussion with them in connection with the cessation of the bombing. The purpose of this telegram is to get reactions from Saigon and Paris as a basis for instructions to Paris to seek private discussions with Hanoi along the following lines. Please let us have your comments urgently.
2. First, we should certainly press for actual agreement on the items of military activity we have already covered under the heading of describing circumstances under which the talks and the stopping of the bombing could not continue. This would include fullest possible citation of all violations of the DMZ, going right back to November 1, and the strongest evidence we were able to produce that the units involved were NVA. Regardless of the strength of such evidence, we would of

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~~SECRET~~ NODIS HARVAN DOUBLE PLUS

course insist on Hanoi's responsibility for military action in this area. (Indeed, we should never get into the position of accepting any separation of the NLF as a responsible authority on military matters anywhere in South Viet-Nam. However, the case can be made with particular force on the DMZ.) We should remind Hanoi forcefully what we repeatedly said prior to the cessation, and insist that they now agree formally to desist from the types of action we laid down. We should of course be prepared to give a parallel undertaking as to our own refraining from similar actions.

3. Second, we should make clear that we have in mind ultimate firm agreement that the DMZ should be made a no-man's land within which there would be no movement of persons of any kind. This would go beyond the exceptions provided in Articles 6, 7, and 8 of the Geneva Accords, which permitted military or civilian crossing with the authority of what was then the Joint Commission, and provided a specific exception for persons concerned with "civil administration and relief" in the DMZ area. Under present circumstances, the GVN has already proposed that the final agreement be to this effect, and we understand that the civilian situation in the area of the present DMZ is such as to

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permit it. Thus, we should give notice at the outset of this objective, partly as a gesture to comply with GVN wishes, partly because we ourselves would share the GVN objective, and partly because we would wish to avoid any implication that reciprocal agreement on refraining from the specified military actions exhausted what we had in mind. We should be seeking at this stage to define only a reciprocal agreement concerning military matters, since this would be entirely adequate for our purposes and would keep us clearly within the general "military" area in which we can properly act without reference to the GVN.

4. Thirdly, we should press for agreement on an effective supervisory and reporting presence by the present ICC members,

1.3  
(a)(3)  (We are reviewing these urgently in the DOD and will have further information for Paris on them.) Without getting into exact sizes of force at the outset, we should define the required presence as one which would have access to all parts of the Zone at all times without interference, and would have the power to detect and report violations. We would make clear that such an ICC presence would be required to insure confidence on both sides that the

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~~SECRET/NODIS HARVAN DOUBLE PLUS~~

basic agreement on military actions was being respected. At the same time, we would make clear that the use of the currently constituted ICC for this purpose was solely in recognition of its availability and previous charter, and without prejudice to later consideration of a new and different form of international supervisory machinery. In essence, our stressed proposal to the DRV would be that:

- a. We reach agreement in principle on the presence and functions of an ICC force.
- b. We join in appropriate diplomatic representations to the ICC members, and as necessary to the Co-Chairmen, to establish such a presence forthwith.

5. In all the above, we envisage that these discussions should treat the problem purely in the military context. We recognize the sensitivity Lau has already displayed on this subject (see, for example, paragraphs 22 and 25 of Paris 18012, reporting the Vance/Lau meeting of July 15). We of course have in mind that even a "military" agreement on the DMZ would in fact go far to reestablish the demarcation line and the 17th parallel, as foundations for a future political settlement. But we do not believe we should be pressing at this stage, or in the assumed situation, for a bilateral agreement that extends into political points specifically.

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6. The above gives the general thrust of the instructions we might contemplate. We would appreciate urgent Paris comment, including the pouching of any additional papers that you have done on this subject. We would also appreciate Saigon comment on any aspects that strike it.

7. In particular, we would appreciate Paris comments on the likely Hanoi response.

End.

GP-3.

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THE SECRETARY OF DEFENSE  
WASHINGTON

November 21, 1968

The President  
The White House

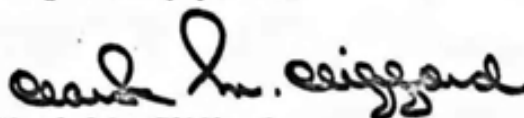
Dear Mr. President:

I note with concern in Ambassador Bunker's report on his talk with President Thieu that Saigon continues to urge the two main points that have been the basis of the disagreement between our two countries. These involve the desire of Saigon to take the lead in the Paris talks, and their refusal to permit problems of internal politics to be considered.

In paragraph 10, Ambassador Bunker states he expects President Thieu's announcement, "hopefully sometime during the next few days." I believe this is so indefinite that I recommend that the attached message to Ambassador Bunker be sent at once.

The delivery of the letter by Ambassador Bunker to President Thieu could be very useful in expediting the decision by the South Vietnamese government. If it does not have this result, then we should be ready to start the Paris talks by the end of next week.

Respectfully yours,



Clark M. Clifford

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(Clifford Draft)  
Nov. 21 .

25d

NO DIS      HARVAN      DOUBLE PLUS

TO: SAIGON

DECLASSIFIED

Authority 476991-508

By AG/osp, NARA, Date 4-6-93

FOR BUNKER FROM THE PRESIDENT

1. Your report on your talk with President Thieu indicates some movement, but I continue to be deeply disturbed that time is running against us. We still have no assurance that we will reach agreement with Thieu by any specific date. Moreover, GVN continuing insistence on a statement that precludes discussions of problems of internal politics graphically illustrates the impasse that would result were the GVN now to join the Paris discussions. We could only anticipate polemics on both sides rather than the progress we would like to see made in implementing the understandings about the DMZ and the cities and in seeking further diminution of the level of conflict.

2. Under all these circumstances, we should not seek to push the GVN to Paris against its will and perhaps against our immediate interests. Instead, we should point out to the GVN that their interests as well as ours are served by our moving promptly to the discussion of military matters with the other side, reserving the consideration of political matters involving South Vietnam for such time as the GVN determines that conditions dictate its participation.

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~~SECRET~~

3. In the meantime, President Thieu and his colleagues must appreciate that we cannot remain longer in a position where we have stopped the bombing, but are unable to discuss with North Vietnam the implementation of the undertakings with respect to the DMZ and attacks against the cities as well as the elimination of other elements of their aggression against the South. Public opinion in this country will not understand or excuse our failure to seize the opportunity to obtain full advantage from our action in stopping the bombing of North Vietnam.

4. Accordingly, unless final agreement is reached on the statement by noon Saturday Saigon time, you should seek an immediate appointment with President Thieu and convey to him the following message, indicating that it is a message from the President. In addition to delivering its substance orally, you should prepare it as a letter from the President to be left with President Thieu. BEGIN TEXT.

5. I have been following very closely the discussions that you have been having with Ambassador Bunker with regard to a joint statement which would provide the basis for your sending a delegation to the new Paris Talks. I continue to hope that it will be possible at an early stage for you to make the decision which will permit your Government to participate.

6. I am sure that you understand and appreciate the increasing

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difficulties that the delay in starting substantive talks causes the United States. I made the decision to halt the use of armed force against North Vietnam in large part because of Hanoi's agreement that it would engage in prompt and serious negotiations to begin on November 6. Although the bombing has been halted for three weeks and Hanoi is prepared to talk, no substantive discussions have, as you know, yet taken place. Accordingly, we have been unable to discuss effectively with Hanoi the subjects related to the bombing halt, namely observance of the DMZ and the ending of attacks against the population centers of Danang, Saigon and Hue. As you know, we had hoped soon after the bombing halt to get Hanoi's explicit agreement to observe the DMZ and to refrain from shelling of these cities.

7. In view of these circumstances, I have decided to follow a procedure which I am confident is fully compatible with the interest of both our countries.

8. My Government will issue a statement announcing that, pending such time as your Government elects to enter into the new peace talks, the United States will engage in discussions with the North Vietnamese side, beginning at the end of next week, on matters relating to their ending their acts of aggression against South Vietnam. This announcement will make it clear that under no circumstances will we engage in any discussions relating to the political future of South Vietnam. This is not the business of Hanoi or ourselves, but that of

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the South Vietnamese people. We will also make it clear that your Government remains free to join these discussions at any time that it chooses to do so.

9. In our discussions with the North Vietnamese side, prior to your joining the talks, we will discuss only a limited range of matters, beginning with proposals to re-establish the DMZ. We will also seek an explicit assurance from the other side that they will refrain from attacks against the population centers. Such discussions would avoid the danger of Hanoi eroding the understanding of the restraints under which we halted the bombing of North Vietnam.

We would want to discuss with Hanoi the release of American prisoners of war, which is a matter of great concern in the United States.

We would also want to discuss with the other side the withdrawal of all foreign troops from South Vietnam and de-escalatory steps which would facilitate such withdrawal. Observance of the Laotian Accords would also be a priority matter.

10. We will, of course, keep your Government fully informed, both in Saigon and in Paris, on the course of these negotiations and of the positions we propose to take. We will continue to make it clear, both publicly and privately, that we will not discuss the political future of South Vietnam in any way, and that your Government is free to join the talks whenever you decide to do so.

11. I would appreciate your giving this procedure full support,

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in recognition of the difficulties that have developed and the untenability of the present situation. As I have said, I believe it takes fully into account our common objectives and the interests of our two countries. We will, of course, continue to prosecute the war in the South and provide support and aid to your Government and its fighting forces. Signed: Lyndon B. Johnson. END TEXT.

12. If queried by Thieu on the meaning of the phrase "North Vietnamese side," you may state that this does include the NLF. This inclusion will have two advantages: first, it will prevent Hanoi from exonerating itself by contending that activities in the southern portion of the DMZ or against the cities of South Vietnam are under NLF control; second, by not objecting to NLF participation, we will be able to treat Hanoi and the NLF as a single entity under common control. This will provide a contrast with Saigon's later entry into the discussions as an independent power. Even if it were possible to exclude the NLF at this stage, and if the talks were only between Hanoi and the United States, then Saigon's subsequent entry accompanied by that of the NLF would inevitably appear to place them on the same footing. From this standpoint, Saigon's political interests are served by our accepting NLF participation as a part of the Hanoi side. Most importantly, since we have already agreed to NLF participation, Hanoi might be able to delay or dodge talks with the U. S. if we now objected to their presence as part of the other side.

INFORMATION

26

~~SECRET~~

Thursday, November 21, 1968  
4:05 p. m.

Mr. President:

Herewith a long complaint from  
Chet Bowles about the Pak tanks, plus  
Nick Katzenbach's terse, but elegant,  
reply.

*Pres file*

W. W. Rostow

New Delhi 850  
State 274578

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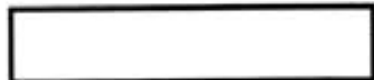
WWRostow:rla

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E.O. 12958, Sec. 3.5  
NSC Memo, 11/27/68, Exec Dir's Guidelines  
By *lg* NARA, Date 2/19/98



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Authority NLS-019-042-004/3

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By jc NARA, Date 12-28-09

*Copy sent Saunders*

*Rostow*

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FM AMBASSADOR ROWLES NEW DELHI  
TO THE WHITE HOUSE, FOR THE PRESIDENT  
AND SECRETARY OF STATE.

1. I HESITATE TO INTRODUCE ANY MORE CONTROVERSIAL PROBLEMS AT A MOMENT WHEN YOUR PLATE IS ALREADY FULL. HOWEVER, I FEEL IMPELLED IN GOOD FAITH TO EXPRESS TO YOU DIRECTLY MY DEEP PERSONAL CONCERN OVER WHAT THE PRESS STATES IS A PENDING AGREEMENT TO ENCOURAGE THE TURKS TO SELL PATTON TANKS TO PAKISTAN UNDER US LICENSE.

2. ALTHOUGH WE HAVE REVIEWED THE BACKGROUND ON NUMEROUS OCCASIONS IT MAY BE USEFUL BRIEFLY TO CONSIDER THE CHAIN OF EVENTS WHICH BROUGHT US TO PRESENT DIFFICULTIES:

A. SINCE JOHN FOSTER DULLES MADE HIS SO-CALLED QUOTE ALLIANCE UNQUOTE WITH PAKISTAN IN 1954 WE HAVE PROVIDED PAKISTAN WITH NEARLY \$800 MILLION IN MILITARY EQUIPMENT, MOST OF IT ON A GRANT BASIS. THE VERY NATURE OF THIS AID INDICATES THAT PAKISTAN NEVER INTENDED IT FOR USE IN THE MOUNTAINS AGAINST THE CHINESE OR SOVIET FORCES BUT RATHER ON THE PUNJABI PLAINS AGAINST INDIA.

B. BETWEEN 1954 AND 1965 TWO AMERICAN PRESIDENTS AND SEVERAL AMBASSADORS (INCLUDING MYSELF) ASSURED THE INDIANS THAT WE QUOTE WOULD NEVER ALLOW THIS US EQUIPMENT TO BE USED AGAINST INDIA UNQUOTE.

C. IN 1963-64 FOLLOWING THE CHINESE WAR, AFTER PROVIDING LIMITED ASSISTANCE TO INDIA, WE REJECTED ITS REQUEST TO HELP MODERNIZE ITS DEFENSE ESTABLISHMENT AT A RATE OF ABOUT \$75 MILLION ANNUALLY BECAUSE OF FEAR OF UPSETTING OUR RELATIONSHIP WITH PAKISTAN. IN RETURN FOR THIS ASSISTANCE THE INDIANS HAD BEEN PREPARED: (1) TO AGREE NOT TO BUY LETHAL WEAPONS FROM THE COMMUNIST NATIONS, (2) TO NEGOTIATE A MILITARY FORCE LEVEL AGREEMENT WITH PAKISTAN, AND (3) TO WORK WITH US ON A POLITICAL BASIS TO ESTABLISH GREATER STABILITY IN ASIA AND SOUTHEAST ASIA.

D. ONLY IN AUGUST 1964 WHEN IT BECAME CLEAR THAT WE WERE NOT PREPARED TO GIVE INDIA THIS ASSISTANCE, DID INDIA TURN TO THE SOVIET UNION AS ITS MAJOR SOURCE OF MILITARY EQUIPMENT.

3. AS THE INDO-PAK CRISIS DEVELOPED IN EARLY AUGUST 1965 THE PAKS SENT SOME 6,000 ARMED GUERRILLAS INTO KASHMIR ON THE MISTAKEN ASSUMPTION THAT THEY WOULD RECEIVE THE SUPPORT OF THE KASHMIR PEOPLE. WHEN THIS EFFORT FAILED THE PAKS SENT AN ARMORED BRIGADE TO CUT OFF INDIA'S VULNERABLE SUPPLY LINES INTO KASHMIR. AFTER THIS COLUMN HAD PENETRATED SOME 12 MILES INTO INDIAN TERRITORY AND TO RELIEVE THE PRESSURE THE INDIANS MOVED INTO THE PAKISTAN PUNJAB. WHATEVER THE FAULT OF INDIA IN RAISING THE TENSION WHICH LED TO THIS THREE-WEEK WAR, THE 3,000 OR SO INDIANS WHO LOST THEIR LIVES WERE KILLED BY AMERICAN WEAPONS, WHICH WE HAD REPEATEDLY AND OFFICIALLY ASSURED THE INDIANS

4. SINCE THEN I AND MY ASSOCIATES HAVE FELT STRONGLY THAT WE SHOULD REFUSE TO GIVE LETHAL EQUIPMENT EITHER TO PAKISTAN OR INDIA. I HAVE TAKEN THIS POSITION IN RECOGNITION OF THE COMPLEXITY OF OUR RELATIONSHIP WITH PAKISTAN AND IN SPITE OF THE THREAT TO THE INTEGRITY OF THE INDIAN NATION BY A CHINESE MOVEMENT ACROSS NORTH BURMA THROUGH NEFA OR THROUGH THE CHUMBI VALLEY BETWEEN BHUTAN AND SIKKIM.

5. IT IS MY CONVICTION THAT THE ONLY REALISTIC WAY TO MOVE THE CHINESE AND SOVIET MILITARY INFLUENCE OUT OF THE SUBCONTINENT IS NOT TO PROVIDE LETHAL EQUIPMENT TO THE TWO GOVERNMENTS, BUT TO HELP BOTH TO BECOME AS SELF-SUFFICIENT AS POSSIBLE IN REGARD TO THEIR DEFENSE REQUIREMENTS. THIS WILL NOT BE ACCOMPLISHED OVERNIGHT.

6. INDIA'S PRESENT TANK STRENGTH IS 1,282 AND PAKISTAN'S IS 865; A RATIO OF ONLY 4 TO 3 IN INDIA'S FAVOR. THIS IS CONSIDERED BY THE INDIANS A BARE MINIMUM CONSIDERING THE TWO-PRONGED THREAT THEY FACE. IF UNDER THESE CIRCUMSTANCES WE PROVIDE NEW TANKS TO PAKISTAN WE WILL FURTHER ESCALATE AND FUEL A SUBCONTINENTAL ARMS RACE AND THE INDIANS WILL SURELY INCREASE THEIR INVENTORY TO MAINTAIN THIS RATIO. AT THIS CRITICAL POINT THIS WILL HAVE A PROFOUNDLY ADVERSE EFFECT ON THE RELATIONSHIP OF INDIA AND PAKISTAN AND OUR RELATIONSHIP WITH DEMOCRATIC INDIA, WHICH HAS A MAJOR POTENTIAL ROLE TO PLAY IN ASIA.

7. I AM KEENLY AWARE OF THE PRESSURES PAKISTAN IS BRINGING TO BEAR, AND I ALSO SHARE THE IRRITATION WE OFTEN FEEL WHEN INDIA FAILS TO TAKE CONSTRUCTIVE POSITIONS ON INTERNATIONAL ISSUES. NEVERTHELESS, I MUST CALL TO YOUR ATTENTION THE ENORMOUS INVESTMENT WE HAVE MADE IN INDIA IN THE LAST 15 YEARS, THE INCREASING DYNAMISM WHICH IS BECOMING APPARENT IN THE INDIAN ECONOMY AND THE SOLID BASIS FOR HOPE THAT INDIA WITHIN A FEW YEARS MAY BECOME A MAJOR FORCE FOR STABILITY IN ASIA.

8. THEREFORE, I RECOMMEND WITH ALL THE EARNESTNESS AT MY COMMAND THAT NO LETHAL MILITARY ASSISTANCE BE GIVEN EITHER PAKISTAN OR INDIA UNDER PRESENT CIRCUMSTANCES.

9. AFTER DICTATING THIS CABLE, I HAD A DIFFICULT TALK WITH FOREIGN SECRETARY WHO IS DEEPLY CONCERNED ABOUT THE SALE OF TANKS. THIS DISCUSSION IS REPORTED IN NEW DELHI 287P. *Attached*

BOWLES

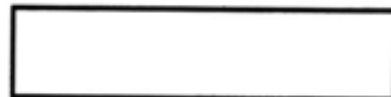
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OUTGOING TELEGRAM Department of State

INDICATE:  COLLECT  
 CHARGE TO

~~SECRET~~

Classification

4.  
274578 WH  
266  
BAC  
A  
FOR OC/T USE ONLY

Origin

ACTION: AmEmbassy, NEW DELHI

Info

NODIS

STATE 274578

FOR AMBASSADOR FROM UNDER SECRETARY

20 Nov 68 10 21z

Roston

For your information the only issues on the tanks to Pakistan were: (1) whether or not the President felt he had a commitment to Ayub; and (2) if so, how best to meet this commitment. The President felt that he did have a commitment to Ayub and all of us here felt that a third country source was the best way to meet it. Warm regards.

END

RUSK

Drafted by: U:NdeBKatzenbach/vh 11/20/68 210  
Telegraphic transmission and classification approved by: The Under Secretary

Clearances:  
S/S - Mr. Walsh *J.P.W.*

FORM 8-65 DS-322

DECLASSIFIED  
E.O. 13526, Sec. 3.5

~~SECRET~~  
Classification

By *444* NARJ, Date *12-08-2017*

*Pres. File*

27

~~TOP SECRET-~~  
SENSITIVE

Thurs., Nov. 21, 1968  
3:40 p. m.

MR. PRESIDENT:

This cheerful message on   
travel plans could be good news -- we'll see.

3.4(b)(1),(3)

W. W. Rostow

~~TOP SECRET TRINE~~ attachment

SANITIZED  
E.O. 12958, Sec. 3.6  
NLJ/RAC 03-66  
By SJ, NARA, Date 6-2-03

*Pres file*  
28

**SECRET**

Thursday, Nov. 21, 1968  
11:30 a. m.

**MR. PRESIDENT:**

We've had so much painful diplomacy with Saigon that this Bunker-Huong conversation on how things are going politically, militarily, and economically is heartening.

W. W. Rostow

P. S. One reason I want Ky in Paris is so he won't fuss with Huong.

**SECRET EXDIS attachment (Saigon 43169)**

DECLASSIFIED  
E.O. 12958, Sec. 3.3  
NSC Memo, 1/30/72, Decls. Guidelines  
By *J* NAEJ/Plac 21998

SECRET  
28a

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WHCA

1968 NOV 21 13 48

~~SECRET~~ HCE091

DECLASSIFIED  
E.O. 12958, Sec. 3.5  
State Dept. Guidelines  
By Y, NARA, Date 2/1/98

PAGE 01 SAIGON 43159 211325Z

44  
ACTION SS 37

INFO SSO 02, NSOC 02, /050 W

05447 S

P 211130Z NOV 68  
FM AMEMBASSY SAIGON  
TO SECSTATE WASHDC PRIORITY 4822

~~SECRET~~ SAIGON 43159

EXDIS

FOR ASSISTANT SECRETARY BUNDY FROM BUNKER

SUBJ: CALL UPON PRIME MINISTER HUONG.

REF: A. STATE 273544 B. SAIGON 43020 C. SAIGON 43141

1. IN ACCORDANCE WITH INSTRUCTIONS (REF A) I CALLED ON THE PRIME MINISTER THIS MORNING TO HEAR DIRECTLY FROM HIM HOW HE VIEWS HIS POSITION AND THE PROSPECTS OF THE FORTHCOMING PARLIAMENTARY DEBATES. I STARTED BY TELLING HIM THAT WE WERE PLEASED TO NOTE FROM HIS YUNG TAU INTERVIEW (REF B) THAT HE HAD NO INTENTION OF RESIGNING. THIS WAS HEARTENING, FOR THE COUNTRY NEEDED HIM. IT WOULD BE A MISFORTUNE IF HE WERE TO RELINQUISH THE HELM.

2. WITHOUT ANY FALSE MODESTY, HUONG AGREED (WHILE POINTING OUT THAT HE WAS NOT IN CHARGE OF THE EXECUTIVE BRANCH AND THUS NOT REALLY AT THE HELM.) HE SAID HE WAS TOUCHED BY THE EXPRESSION OF OUR CONCERN AND SUPPORT, BUT AS HE HAD SAID PUBLICLY HE FELT IT WOULD BE AN ACT OF DESERTION TO QUIT HIS POST DURING THE PRESENT DIFFICULT TIMES. HE FULLY INTENDED TO CONTINUE DOING HIS DUTY. HE WAS NOT WORRIED ABOUT THE PARLIAMENTARY INTERPELLATIONS. HE HAD GOOD RELATIONS WITH THE SENATE, WHOSE PRESIDENT HAS BECOME NEARLY A PERSONAL FRIEND. BY AND LARGE HE ENJOYED THE ACTIVE SYMPATHY OF THE SENATE. "EXCEPT FOR A SMALL NUMBER, PERHAPS TEN, AT THE MOST FIFTEEN, INCLUDING A FEW WHO ARE PAID BY HIM WHO WANT TO DESTROY ME POLITICALLY" (APPARENTLY A REFERENCE TO KYB).

*Rostow*

PRESERVATION

~~SECRET~~

PAGE 02 SAIGON 43169 211325Z

3. WE THEN DISCUSSED THE FACTORS OF GROWING STRENGTH IN THE COUNTRY. HE REMARKED THAT WHILE THOSE FACTORS SHOULD NOT NECESSARILY BE ATTRIBUTED TO HIS OWN ACTIONS, IT WAS A FACT THAT VIETNAMESE, AS ORIENTAL PEOPLE GENERALLY, NEED MYTHS AND THAT HE HIMSELF HAD BECOME SOMETHING OF A MYTH. THE PEOPLE ARE SUPERSTITIOUS AND IN POLITICS OFTEN GO MORE BY SENTIMENTALITY AND PERSONAL FEELINGS THAN BY RATIONAL CONSIDERATIONS, HUONG SAID; AND SO IT HAS HAPPENED THAT HIS NAME HAD BECOME ASSOCIATED WITH ALL THE THINGS THAT RECENTLY HAVE GONE RIGHT.

4. HUONG RECALLED THAT HE HAD STATED AS HIS PRINCIPAL OBJECTIVES THE RESTORATION OF THE AUTHORITY OF THE STATE, AND THE FIGHT AGAINST CORRUPTION. HE WAS RATHER SATISFIED WITH WHAT HAD BEEN ACHIEVED IN THESE TWO FIELDS, EVEN THOUGH AS I KNEW THERE WERE "CERTAIN DELICATE LEVELS WHICH I CAN TOUCH ONLY WITH DIFFICULTY." HE REFERRED AGAIN TO THE FACT THAT APPLICANTS FOR THE POSITIONS OF PROVINCE CHIEFS AND DISTRICT CHIEFS, FOR WHICH PEOPLE AT ONE TIME HAD PAID MILLIONS FOR HUNDREDS OF THOUSAND OF PIASTERS RESPECTIVELY, WERE MUCH FEWER NOW THAT THOSE POSITIONS CARRY MORE RESPONSIBILITY AND VERY MUCH LESS MATERIAL ADVANTAGE.

5. TURNING TO THE MILITARY SITUATION, HUONG REMARKED ON THE FINE COOPERATION BETWEEN THE US AND VIETNAMESE FORCES. HE SAID THE MILITARY SITUATION HAD NEVER BEEN BETTER. HE CLAIMED NO CREDIT FOR THIS, BUT SOMEHOW THE PEOPLE GAVE IT TO HIM ANYHOW. HE RECALLED THAT AT THE TIME OF THE TET OFFENSIVE, SOME PEOPLE EVEN SAID IT WOULD NEVER HAVE HAPPENED IF HUONG HAD BEEN PRIMIN. HE SAID HE WAS CITING THIS NOT BECAUSE HE COULD HAVE PREVENTED THE TET OFFENSIVE, BUT TO SHOW HOW THE SIMPLE PEOPLE FEEL ABOUT HIM.

6. IN THE ECONOMIC AND FINANCIAL FIELD, MUCH REMAINED TO BE DONE. HE DID NOT KNOW WHETHER IT WAS IN THE LAST ANALYSIS DUE TO GOVERNMENTAL ACTION, BUT THE PRICE LEVEL HAS RECENTLY HELD FIRM AND HAS EVEN DECLINED SOMEWHAT. (I REMARKED THAT THIS SITUATION MAY WELL BE TEMPORARY AND THESE ARE INDEED THINGS THAT THE GOVERNMENT HAS TO DO.) WITH RESPECT TO THE CHIEU HOI PROGRAM, THERE HAS BEEN A MOST HEARTENING UPSURGE OF RALLIERS LATELY, WITH MORE OF THEM COMING IN GROUPS RATHER THAN INDIVIDUALLY. "I CLAIM NO CREDIT FOR THIS,"

~~SECRET~~

PRESERVATION COPY

~~SECRET~~

PAGE 03 SAIGON 43169 211325Z

HE SAID, "BUT SOMEHOW THE PEOPLE SEEM TO THINK THAT THE IMAGE THAT I HAVE GIVEN THE GOVERNMENT HAS SOMETHING TO DO WITH RALLIERS COMING FROM THE ENEMY SIDE AND GIVING US THEIR ALLEGIANCE."

7. I ASKED HUONG WHETHER HE INTENDED TO MAKE ANY IMPORTANT CHANGES IN HIS CABINET. HE SAID, "ONLY ONE SMALL CHANGES WITHOUT GRAVITY". THIS WAS NORMAL IN ANY GOVERNMENT. DURING THE INITIAL PERIOD EVERYONE HAD TO CONCENTRATE ON WHAT WAS IMMEDIATELY IMPORTANT, NOW ONE COULD REARRANGE THINGS AND MAKE SOME CHANGES FOR GREATER EFFICIENCY. I PURPOSELY DID NOT ASK WHAT CHANGES HE HAD IN MIND. HE NOTED THAT IN ANY CASE NO REPLACEMENTS OF CABINET MEMBERS COULD BE MADE WITHOUT THE PRESIDENT'S APPROVAL.

8. HUONG THEN REMARKED ON THE LARGER PROBLEM HAVING A STRONG EXECUTIVE. HE SAID THE CONSTITUTION IS DEFICIENT BECAUSE IT PROVIDES NO REAL ARBITRATION IN THE CASE OF A DEADLOCK BETWEEN THE EXECUTIVE AND THE LEGISLATURE. HE SAID IN FRANCE THE PRESIDENT COULD, WITH SUPPORT OF THE SENATE, DISSOLVE THE LM AND CALL NEW ELECTIONS. THE ABSENCE OF SUCH A PROVISION WAS A WEAKNESS OF THE PRESENT STRUCTURE. I NOTED THAT WE HAD MUCH EXPERIENCE WITH THAT SORT OF SITUATION, FOR AFTER WW II, TWO OF OUR ADMINISTRATIONS HAD TO WORK WITH A CONGRESS CONTROLLED BY THE OTHER PARTY, BUT WE HAD FOUND THAT WITH PROPER HANDLING IT WAS POSSIBLE TO WORK THESE MATTERS OUT. WE WERE, IN FACT, ABOUT TO HEAD INTO ANOTHER SUCH SITUATION.

9. HUONG SAID THE PEOPLE WERE CREDITING HIM WITH THE POWERS OF A MAGICIAN, AS IF HE COULD CURE THEIR ILLS BY JUST WAVING A MAGIC WAND; BUT SOMEHOW THAT PROCEDURE DIDN'T ALWAYS WORK WITH THE NATIONAL ASSEMBLY. I SAID HE HAD REFERRED TO MYTHS THAT HAD SPRUNG UP ABOUT HIS PERSON, BUT I THOUGHT HE WAS A PRETTY SOLID KIND OF MYTH. ALL IN ALL, HUONG SEEMED IN FINE FETTER, AND NOT AT ALL WORRIED ABOUT ANY TROUBLE THAT SOME OF HIS LESS POPULAR MINISTERS MIGHT ENCOUNTER IN THE ASSEMBLY.

~~SECRET~~

~~SECRET~~ 211325Z

PRESERVATION 03.1



ACTION

29

*Pres file*

~~SECRET~~

Thursday, November 21, 1968  
11:00 a. m.

Mr. President:

Herewith Joe requests, at the critical moment in Bonn, a letter from you to Kissinger backing his proposition if, but only if, the prospects are good that the present impasse can be broken.

State (Solomon); Treasury (Barr); the Federal Reserve (Gov. Robertson) recommend that we put this letter in Joe's hands if it can help.

W. W. Rostow

Approved \_\_\_\_\_

Approved as amended \_\_\_\_\_

Call me \_\_\_\_\_

DECLASSIFIED  
E.O. 12958, Sec. 3.5  
w4  
Stat. Ex. Guidelines  
By *ly*, MANKA, Date 2-19-98

~~SECRET~~

WWRostow:rla

29a

~~SECRET~~

RECEIVED  
WHCA

1968 NOV 21 15 29

BONN TELECON 21

~~SECRET~~ SENSITIVE

FOR WALT ROSTOW FROM FRIED

MEETING IS NOW AT A VERY CRITICAL POINT. THE GERMAN HAVE BEEN UNWILLING TO BUDGE FROM THEIR OFFER OF A 4 PERCENT BORDER TAX ADJUSTMENT AND HAVE RULED OUT ANY REVALUATION. ORTOLI ASID THIS MORNING THAT IF THE GERMANS CANNOT DO MORE THE FRENCH WOULD HAVE TO CONSIDER 15 PERCENT. THEY WOULD DO LESS IF THE GERMANS DO MORE. OUR HOPE NOW IS TO GET THE FRENCH DOWN TO 10 PERCENT OR LESS WITH NO OTHER CHANGES IN PARITIES. THE BRITISH LOOK AS THOUGH THEY WILL HOLD FIRM AND NOT MOVE. BUT WE NEED A CREDIBLE PACKAGE THAT WILL STOP SPECULATION.

FOWLER PROPOSED IN THE MINISTER'S MEETING THIS MORNING THAT THE GERMAN GOVERNMENT ANNOUNCE A BEST EFFORTS UNDERTAKING TO SEEK APPROVAL FOR A BORDER TAX ADJUSTMENT OF 7 1/2 PERCENT IN PLACE OF 4 PERCENT. WE BELIEVE AN IMPROVEMENT OF THE GERMAN OFFER ALONG THESE LINES COUPLED WITH THE CREDIT PACKAGE WE THINK WE CAN GET AND THE WILLINGNESS OF OTHERS TO HOLD THEIR PARITIES COULD PROVIDE A REASONABLY SUCCESSFUL OUTCOME TO THE MEETING.

FOWLER WOULD LIKE TO HAVE A PRESIDENTIAL LETTER TO KIESINGER ALONG THE ATTACHED LINES TO BE USED AT HIS DISCRETION IN THE NEXT FEW HOURS. HE IS NOT AT THE MOMENT CONFIDENT THAT THE IMPASSE CAN BE BROKEN AND WILL USE THE LETTER ONLY IF THE PROSPECTS ARE THERE.

~~SECRET~~

DRAFT LETTER FOLLOWS.

END

1968 NOV 21 15 42

BONN TELECON 22

29 b

~~SECRET~~ SENSITIVE

DRAFT LETTER FROM THE PRESIDENT TO CHANCELLOR KIESINGER

DEAR MR CHANCELLOR,

SECRETARY FOWLER TELLS ME THE MEETING IN BONN HAS REACHED AN EXTREMELY CRITICAL POINT. MOST OF THE MINISTERS AND GOVERNORS-- INCLUDING THOSE OF THE U.S. -- BELIEVE WE FACE THE PROSPECT OF A SERIOUS FAILURE UNLESS THE FEDERAL REPUBLIC CAN SEE ITS WAY CLEAR TOWARD DOING SOMETHING MORE BY WAY OF COOPERATION.

THE TEMPORARY BORDER TAX ADJUSTMENT OF 4 PERCENT WHICH YOUR GOVERNMENT HAS PROPOSED IS A VERY HELPFUL AND CONSTRUCTIVE STEP. THE PROBLEM IS -- AND IT IS A CRITICAL PROBLEM -- THAT MOST MEMBERS OF THE GROUP BELIEVE IT IS NOT ENOUGH TO HALT SPECULATION, TO KEEP FRENCH DEVALUATION TO MANAGEABLE PROPORTIONS, AND TO REDUCE THE CURRENT GERMAN TRADE SURPLUS TO A LEVEL WHICH DOES NOT PRESS ON THE MONETARY SYSTEM.

MOST MEMBERS OF THE GROUP BELIEVE THAT THE BEST COURSE OF ACTION FOR THE INTERNATIONAL MONETARY SYSTEM AS A WHOLE WOULD BE A REVALUATION OF THE GERMAN MARK. THE GERMAN GOVERNMENT HAS REJECTED THIS COURSE OF ACTION FOR DOMESTIC REASON. I UNDERSTAND AND ACCEPT THIS POSITION.

WHAT CAN BE DONE IS FOR THE MINISTERS AND GOVERNORS TO ENDORSE YOUR POSITION ON REVALUATION AND, THROUGH THIS MEANS, SEEK TO END SPECULATION ON THIS SENSITIVE ISSUE. THIS IN ITSELF WILL HELP RESTORE STABILITY TO THE MONETARY SYSTEM AND PROVIDE THE BEST POSSIBLE SUPPORT FOR YOUR POLICY. BUT THE ESSENTIAL CONDITION FOR THIS ACTION WOULD BE YOUR GOVERNMENT'S UNDERTAKING TO USE YOUR BEST EFFORTS TO SECURE APPROVAL TO ENLARGE THE TEMPORARY GERMAN TRADE ADJUSTMENT MEASURE. SPECIFICALLY YOUR OFFER TO INCREASE THE AMOUNT OF THE BORDER TAX ADJUSTMENT FROM 4 PERCENT TO 7-1/2 PERCENT WOULD GIVE US ALL THE PROSPECT OF BRINGING THIS MEETING TO A DRAMATIC AND SUCCESSFUL CONCLUSION. IT WOULD GIVE CLEAR LEADERSHIP TO THE INTERNATIONAL FINANCIAL COMMUNITY. IT WOULD ENLIST THE CONVINCING APPROBATION, CONSISTENT WITH THEIR CONVICTIONS AND GOOD CONSCIENCE, OF THE LEADERS OF ALL OF THE IMPORTANT FINANCIAL COUNTRIES. IT WOULD DEMONSTRATE BOTH THE STRENGTH AND RESPONSIBILITY OF THE FEDERAL REPUBLIC.

I UNDERSTAND FULL WELL THE DOMESTIC PROBLEMS THIS MIGHT CAUSE FOR YOU BUT I URGE THAT YOU CONSIDER UNDERTAKING THIS ACTION IN THE LIGHT OF INTERNATIONAL OPINION AND THE HELP IT CAN GIVE IN CONVINCING YOUR PEOPLE OF MOVING IN THIS DIRECTION; THE SUPPORT YOU WOULD RECEIVE FOR YOUR DECISION NOT TO REVALUE THE MARK; AND FOR THE VERY POSITIVE CONSEQUENCES IT WOULD HAVE FOR RELATIONS OF THE MAJOR WESTERN POWERS AMONG EACH OTHER AND FOR THE REMARKABLE INSTITUTIONS WE HAVE CREATED IN THE INTERNATIONAL ECONOMIC FIELD WHICH NOW ARE AT STAKE.

D.D

DECLASSIFIED  
E.O. 12958, Sec. 3.5  
NSC Memo, 1/30/95, State Dept. Guidelines  
By cb, NARA, Date 4-7-99

~~SECRET~~

~~SECRET~~

11/21/68

*Re: Jela*  
30

VIA DIRECT LINE TO BONN

FOR SECRETARY FOWLER FROM WALT ROSTOW

The President has cleared your proposed letter to Kiesinger, with the following observations:

-- use your own judgment, but he would prefer the third paragraph to end after the phrase "rejected this course of action." He feels it wiser for the President not to comment on the reasons, and he does not, personally, "accept this position."

-- he wants you to use your judgment as to whether or not this letter is used. But it is his judgment that you should not use it unless you feel there is a "good possibility or even probability" that it would be decisive. He would wish to avoid engaging the President in an effort to move the Germans that failed.

DECLASSIFIED  
E.O. 12958, Sec. 3.5  
NSC Memo, 121-05, Sec. Dept. Guidelines  
By *ly*, NARA, Date 2-19-98

~~SECRET~~

INFORMATION

Thursday - November 21, 1968

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Venezuelan Seizure of Cuban Trawlers

Venezuelan President Leoni has ordered his navy to seize 2 more Cuban trawlers. He is evidently trying by these actions to discourage further Cuban support for guerrilla efforts directed against his government.

3.3(b)(1)

[Redacted]

Leoni is obviously hoping for US moral support in his efforts to discourage Cuban subversion. We have instructed Bernbaum to try to get Venezuela to "cool it". Seizing Cuban vessels on the high seas can only lead to Cuban retaliation and possibly a rapid escalation of trouble for both Venezuela and the US.

Cuba is protesting vigorously in the UN, and seeking to implicate the US in Venezuela's actions. State fears that should additional seizures occur, Cuba might retaliate in some form against us, as well as against Venezuela.

3.3(b)(1)

[Redacted]

State is also considering passing a message to the Cubans to make clear that we had nothing to do with Venezuela's actions. Such a message would be designed to discourage any reactions against US vessels or planes.

W. W. Rostow

SWLewis:mm

cc - George Christian

SANITIZED  
E.O. 12958, Sec. 3.6  
NLJ/RAC 03-64  
By SJ, NARA, Date 6-2-03

MEMORANDUM

32  
INFORMATION

THE WHITE HOUSE  
WASHINGTON

Thursday, Nov. 21, 1968  
9:25 a. m.

~~SECRET~~/HARVAN DOUBLE PLUS

MR. PRESIDENT:

Herewith the Thieu/Bunker conversation.

Thieu says: "We are very close now. We need only one more draft." (para. 7)

Thieu also says that the Vung Tau meetings were to lay the basis for going to Paris (para. 8). That is also Bunker's judgment (para. 10).

He urges very strongly (para. 10) that we say nothing which deprives Thieu of the "psychological effect that he needs to carry his country with him."

If Bunker is right -- and I suspect he is -- Clifford and his people should be very careful in the next few days.

W. W. Rostow

~~SECRET~~/HARVAN DOUBLE PLUS attachment

DECLASSIFIED  
E.O. 12356, Sec. 3.4  
NLJ 91-508  
By [signature], NARA, Date 1-11-93



Department of State

~~SECRET~~ 32a  
TELEGRAM  
21a 1

O 211050Z NOV 68 ZFF-6  
FM ANEMBASSY SAIGON  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4815  
INFO RUFNCR/AMEMBASSY PARIS IMMEDIATE 2964  
STATE GRNC

6036Q  
NOVEMBER 21, 1968  
7:26 A.M.

~~SECRET~~ SECTION 1 OF 2 SAIGON 43182

MODIS/HARVAN/DOUBLE PLUS

PARIS FOR HARRIMAN AND VANCE

SANITIZED  
E.O. 12356, Sec. 3.4  
NLJ 91-506  
By 409, NARA, Date 2-12-92

REF: A. SAIGON 43099 B. STATE 274093 C. SAIGON 43016

1. I SAW PRES THIEU THIS MORNING AT 10 O'CLOCK. (BUI DIEM HAD JUST PRECEDED ME.) IN HANDING THIEU OUR LATEST DRAFT STATEMENT, I SAID WE HAD NOW HAD SEVERAL LONG SESSIONS WITH THE FONNIN AND MR. DUC AND THIS WAS THE SIXTH OF A SUCCESSION OF DRAFTS AND COUNTER-DRAFTS. THE TIME HAD NOW COME TO MOVE AHEAD, TO GET AWAY FROM LEGALISM AND TO MAKE A DECISION. I REMINDED THIEU THAT HE HAD TOLD ME SEVERAL TIMES THAT HE WANTED TO HELP PRES JOHNSON TO HELP HIM. I SAID THIS WAS THE TIME TO DO IT. ONLY A FEW POINTS REMAINED TO CLEAR UP, AND WE SHOULD TRY TO DO SO AT THIS SESSION.

2. I THEN WENT THROUGH OUR DRAFT (REF B) POINT BY POINT, COMPARING IT WITH THE LAST DRAFT THEY HAD GIVEN US (REF C), DWELLING AT LENGTH ON THE TWO PRINCIPAL OUTSTANDING POINTS, OUR PARAGRAPH 11 ("IMMEDIATE AND DIRECT CONYER" AND THEIR ERSTWHILE PARA 11 ("PROBLEMS OF INTERNAL POLITICS WILL NOT BE CONSIDERED"), PUTTING FORWARD OUR ARGUMENTS IN ACCORDANCE WITH INSTRUCTIONS.

A. WITH RESPECT TO OUR PARA 11, I TOLD THIEU THAT WE DO NOT INSIST ON THE PRECISE WORDS "IMMEDIATE AND DIRECT" BUT COULD NOT ACCEPT THE STATEMENT, WITHOUT ANY QUALIFICATION, THAT THE GVN WOULD BE THE PRINCIPAL SPOKESMAN "ON ALL MATTERS OF CONCERN TO SOUTH VIETNAM." I SAID WE WERE PRETTY MUCH AGREED ON HOW SUBJECTS WOULD BE DIVIDED BETWEEN US ACCORDING TO WHO WAS PRIMARILY CONCERNED, THAT IT WAS MOST REASONABLE TO BE FLEXIBLE AND TO LEAVE IT TO OUR DELEGATIONS TO WORK OUT ON THE SPOT, AND I OFFERED AS ALTERNATIVES "ALL MATTERS OF CONCERN PRIMARILY TO SOUTH VIETNAM" OR "ALL MATTERS OF PARAMOUNT CONCERN TO SOUTH VIETNAM" OR "ALL MATTERS RELATING TO THE SUBSTANCE OF A POLITICAL SETTLEMENT IN VIETNAM." THIEU DID NOT ARGUE IN FAVOR OF THE GVN DRAFT AND JUST NOTED DOWN OUR SUGGESTIONS.

~~SECRET~~

B. WITH RESPECT TO PARA 11 OF THEIR DRAFT, I EXPLAINED IN GREAT DETAIL WHY IT WOULD BE BOTH TACTICALLY UNWISE FOR BOTH OF US AND ALSO INCONSISTENT FOR THE US TO SAY THAT INTERNAL POLITICAL MATTERS COULDN'T BE DISCUSSED. I MENTIONED THE MANY TIMES WHEN WE HAD PUBLICLY STATED THAT WE WOULD BE READY TO DISCUSS ANY SUBJECT, QUOTING THE PRESIDENT'S 1966 STATE OF THE UNION MESSAGE AND OTHER PRONOUNCEMENTS WHICH HAD BEEN MADE WITHOUT OBJECTION FROM THE GVN. I SAID WE SIMPLY COULD NOT MAKE A STATEMENT THAT WOULD BE IN CONTRADICTION TO WHAT WE HAD SAID PUBLICLY SO MANY TIMES. I NOTED THAT THE GVN COULD MAKE SUCH A DECLARATION, BUT STRESSED THAT BY DOING SO THEY WOULD BE INCURRING SERIOUS POLITICAL LIABILITIES AND WOULD, IN FACT, DEPRIVE THEMSELVES OF IMPORTANT POLITICAL ADVANTAGES. I SAID THE GVN SHOULD WELCOME THE OPPORTUNITY TO CONTRAST ITS FREE AND INCREASINGLY PROSPEROUS SOCIETY WITH THE CONTROLLED COMMUNIST SYSTEM IN NORTH VIETNAM. THEY WOULD BE VERY UNWISE TO FORECLOSE THEMSELVES FROM CARRYING THE PROPAGANDA BATTLE TO THE ENEMY IN THE PARIS DISCUSSIONS. AGAIN, THIEU DID NOT TAKE ISSUE.

3. THE PRESIDENT WAS IN FACT REMARKABLY RELAXED THROUGHOUT OUR DISCUSSION. I BELIEVE THAT HE HAD ALREADY MADE UP HIS MIND TO TAKE PART IN THE TALK BUT THAT HE STILL NEEDS ONE MORE GO AROUND AT THE STATEMENT BEFORE HE CAN MOVE TO AGREEMENT AND PUBLIC ANNOUNCEMENT. HE LISTENED TO THE REST OF MY PRESENTATION, WHICH ALSO STRESSED THAT WE REGARDED THE FINAL SENTENCE OF PARA 3 AS IMPORTANT (BECAUSE IT REALLY IS INTRODUCTORY TO THE NEXT SIX PARAGRAPHS DESCRIBING HOW WE WILL TREAT THE OTHER SIDE), AND THEN BEGAN TO TALK ABOUT TACTICS IN PARIS.

4. HE ASKED ME WHAT WE (COLLECTIVELY) WOULD DO IF HANOI CLAIMS THAT THE NLF IS A SEPARATE DELEGATION. I SAID OF COURSE THEY WOULD CLAIM THIS, BUT THIS WAS NO REASON TO WALK OUT OF THE MEETING. IN PARA 8 OF OUR STATEMENT WE WERE GIVING THE GVN THE KEY ON HOW TO HANDLE THIS. WE WOULD BE IN A VERY STRONG POSITION TO WORK TOGETHER TO COUNTER SUCH PROPAGANDA, TO MAKE OUR CASE BEFORE VIETNAMESE OPINION AND INTERNATIONAL OPINION. I SAID IF WE GO AHEAD ON THE BASIS OF OUR STATEMENT, WITH THE FULL ENDORSEMENT OF OUR FIGHTING ALLIES AS THIEU HIMSELF HAD PROPOSED, WE NEED NOT BE AFRAID THAT THE OTHER SIDE WILL PUT ANYTHING OVER ON US. WE WOULD HAVE A UNITED FRONT, AND ESPECIALLY IF THE GVN IS NOT RELUCTANT TO SPEAK AS A SOVEREIGN GOVERNMENT IN NAILING ENEMY PROPAGANDA CLAIMS ABOUT THE INTERNAL SITUATION, WE WOULD HAVE THE STRONGEST POSSIBLE POSITION. I ADDED THAT AT THE SAME TIME WE UNDERSTOOD THE GVN POSITION THAT SUBSTANTIVE TALKS ON INTERNAL MATTERS ARE BETTER HANDLED IN SIDE TALKS, AND I REMARKED THAT IF THE GVN REFUSES TO DISCUSS A SUBJECT OF THIS KIND, OBVIOUSLY WE COULD NOT DO SO ON OUR OWN,  
BUNKER





Department of State

TELEGRAM

~~SECRET~~

0 211050Z NOV 68 ZFF-6  
FM AMEMBASSY SAIGON  
TO RUEHC/SECSTATE WASHDC IMMEDIATE 4316  
INFO RUFNCR/AMEMBASSY PARIS IMMEDIATE 2965  
STATE GRNC

BT

~~SECRET~~ SECTION 2 OF 2 SAIGON 43182

03032

1968 NOV 21 AM 7 22

NODIS/HARVAN/DOUBLE PLUS

5. I MIGHT ADD HERE PARENTHETICALLY THAT I DID NOT USE THE ARGUMENTATION PROVIDED BY THE DEPT IN PARA 11 REF B TO REBUT THE CLAIM ABOUT THE 1962 GENEVA CONFERENCE BECAUSE IT IS POSSIBLE THAT WE HAD MISUNDERSTOOD THEM ON THIS POINT. PERHAPS THE GVN POSITION IN THIS MATTER WAS REALLY THAT THEY DREADED THE PRECEDENT OF THAT CONFERENCE PRECISELY BECAUSE INTERNAL MATTERS HAD BEEN DISCUSSED, BECAUSE THIS HAD RESULTED IN ESTABLISHMENT OF A COALITION GOVERNMENT IN LAOS. I THOUGHT IT BEST TO LAY STRESS ON THE POSITIVE ELEMENTS OF THAT PARAGRAPH OF THE INSTRUCTIONS.

6 THIEU REMARKED THAT HE THOUGHT HANOI WAS PLANNING ANOTHER OFFENSIVE, NOT BECAUSE THEY EXPECTED TO ACHIEVE ANYTHING MILITARILY BUT BECAUSE THEY MIGHT BE ABLE TO MAKE FANCIFUL CLAIMS ABOUT A "VICTORY" AND ABOUT THE LOSSES THEY WERE INFLECTING ON US, TO PUT PRESSURE ESPECIALLY ON AMERICAN PUBLIC OPINION. I SAID THIS WAS ENTIRELY POSSIBLE, BUT THE FACTS WOULD SPEAK LOUDER THAN HANOI'S WORDS. THIEU AGREED AND REMARKED "WE ARE MORE PRACTICAL". I ENUMERATED THE FACTORS OF STRENGTH IN THE PRESENT POSITION OF THE GVN AS THEY HAD BEEN REVIEWED WITH US THE SAME MORNING BY THE PRIMIN (SEPTEL). THIEU ALSO SAID HE THOUGHT THE OTHER SIDE WAS MAKING A SPECIAL EFFORT WITH RESPECT TO ATTACKS ON THE CITIES TO CONVEY THE IMPRESSION THAT THE US HAD REALLY OBTAINED NOTHING IN CONNECTION WITH THE BOMBING HALT; TO PROVE THAT THE US WAS GIVING A FALSE IMPRESSION TO THE PEOPLE OF SVN; AND THAT IT WAS TOO WEAK TO PROTEST. BUT HE VOLUNTEERED THAT OUR STATEMENT OF NOV 13 HAD PROVIDED WELCOME, IF BELATED, AMMUNITION IN COUNTERING SUCH ALLEGATIONS.

SIX

7. I THEN SAID WE HAD NOW ~~TH~~ SUCCESSIVE DRAFTS. IT WAS VERY IMPORTANT WHEN WE COULD HAVE HIS DECISION. THIEU SAID HE WOULD HAVE ANOTHER MEETING OF THE NSC TODAY AND THEN WE WOULD TALK AGAIN. HE SAID, "WE ARE VERY CLOSE NOW. WE NEED ONLY ONE MORE DRAFT". I ASKED IF HE THOUGHT SEVEN WOULD BE THE LUCKLY NUMBER. HE SMILED AND REPEATED, "WE ARE VERY CLOSE" AND SAID WE WOULD BE HEARING FROM FONMIN THANH. SINCE THIEU WOULD BE TAKING OUR NEW DRAFT TO THE NSC MEETING, I LEFT WITH HIM A SANTIZED VERSION OF MY TALKING PAPER, SO THAT HE WOULD HAVE THE FULLY ARRAY OF OUR ARGUMENTS IN CONNECTION WITH THE POINTS THAT WERE STILL UNAGREED.

~~SECRET~~

8. IN THE COURSE OF OUR DISCUSSION THIEU ALSO MADE SOME REMARKS WHICH SHOW, I BELIEVE, HOW HE INTENDS TO PROCEED. I NOTED HE HAD BEEN TO VUNG TAU TWICE IN THE LAST FEW DAYS AND ASKED IF THIS WAS IN CONNECTION WITH THE PACIFICATION COUNTER-OFFENSIVE. HE SAID HE HAD REALLY BEEN MEETING WITH HIS PSYCHOLOGICAL WARFARE PEOPLE AND WITH ADMINISTRATORS FROM THE PROVINCES, AND THAT HE HAD CALLED THOSE MEETINGS TO MAKE ESPECIALLY TWO POINTS: (A) THAT IT WAS ABSOLUTELY UNTRUE THAT THE GVN WAS BOYCOTTING THE PARIS TALKS; AND (B) THAT ANY EXPRESSIONS OF ANTI-AMERICAN FEELING MUST BE IMMEDIATELY COUNTERED, THAT WE WERE WORKING CLOSELY TOGETHER AND THAT THAT COOPERATION MUST AND WOULD CONTINUE. IT WAS APPARENT FROM THIS REMARK THAT HE IS METHODICALLY LAYING THE GROUNDWORK FOR PUBLIC SUPPORT WHEN HE ANNOUNCES THAT THE GVN WILL PARTICIPATE IN THE PARIS TALKS.

9. THE OTHER REMARK THAT HE MADE IS ESPECIALLY IMPORTANT. HE SAID THAT A NUMBER OF PEOPLE [REDACTED] WERE GOING AROUND ASKING QUESTIONS ABOUT THE COMPOSITION OF THE GVN DELEGATION. THEY WERE FOR INSTANCE ASKING WHETHER SEN TRAN VAN LAM WOULD HEAD THE DELEGATION, AS IF EVERYTHING ELSE WERE ALREADY ARRANGED. HE SAID THIS WAS BAD BECAUSE IT CREATED THE IMPRESSION OF FOREIGN PRESSURE AND INTERVENTION. I SAID I HAD HAD NO KNOWLEDGE OF THIS ACTIVITY. [REDACTED]

1.3  
(a)(5)

10. I THINK THIS IS A TIME WHEN WE SHOULD BE ESPECIALLY CAREFUL TO AVOID ANY LEAKS OR SPECULATIONS THAT WOULD GIVE THE IMPRESSION THAT EVERYTHING IS IN THE BAG AND THAT IT IS A FOREGONE CONCLUSION THAT THE GVN WILL BE SENDING A DELEGATION TO PARIS. THERE HAVE BEEN SOME UNFORTUNATE STORIES OF THAT KIND RECENTLY, NOT ONLY FROM HERE BUT ESPECIALLY WITH PARIS AND WASHINGTON DATELINES. THIEU MENTIONED THAT HE HAD REFUSED TO TALK TO REPORTERS AT VUNG TAU YESTERDAY. IF, AS IS APPARENT, THIEU IS CAREFULLY LAYING THE GROUNDWORK FOR HIS ANNOUNCEMENT HOPEFULLY SOMETIME DURING THE NEXT FEW DAYS, WE SHOULD REFRAIN FROM ANYTHING THAT WOULD DEPRIVE HIM OF THE PSYCHOLOGICAL EFFECT THAT HE NEEDS TO CARRY HIS COUNTRY WITH HIM. THAT EFFECT, AFTER ALL, IS THE PURPOSE OF OUR DRAFT STATEMENT. WE SHOULD NOT DISSIPATE IT BY ANYTHING SAID TO THE PRESS AT THIS TIME.

BUNKER  
BT

INFORMATION

*See file*

~~SECRET~~

Wednesday, November 21, 1968  
9:10 p. m.

Mr. President:

As the attached (reports incomplete) indicate, the Bonn meeting opened with a plenary session, out of which no consensus emerged.

After a buffet dinner, the Common Market group met separately. That went on until about 1:00 o'clock Bonn time.

To the best of our knowledge, they did not reach agreement. The meeting convenes again at 10:00 a. m. Bonn time, 4:00 a. m. our time. They all know that they can't go home until they have come to an agreement sufficiently good to permit the markets to reopen. What that agreement will be, we don't know. I would expect that you will be asked sometime early tomorrow morning to act on what Joe and Bill Martin recommend.

W. W. Rostow

DECLASSIFIED  
E.O. 12958, Sec. 3.5  
NSC Memo, 1/10/03, Sec. 1.4, Guidelines  
By *g*, NARA, Date 2/9/98

~~SECRET~~

WWRostow:rla

~~SECRET~~

BONN TELECON NBR 20

~~SECRET~~

FOLLOWING IS A SUMMARY OF THE DISCUSSION AT THE FIRST G-10 PLENARY SESSION

THE MEETING BEGAN ABOUT 4:30 THIS AFTERNOON WITH A LONG STATEMENT FROM SCHILLER EXTOLLING THE VIRTUES OF THE GERMAN TAX PACKAGE AND NAILING DOWN THE PROPOSITION THAT THE DEUTSCHE-MARK SHOULD NOT BE REVALUED.

SECRETARY FOWLER FOLLOWED WITH THE STATEMENT ALREADY TRANSMITTED.

ROY JENKINS SAID THAT A 4 PERCENT CHANGE ON THE TRADE BALANCE WAS NOT EQUIVALENT TO A 4 PERCENT TARIFF CHANGE. IT WOULDN'T COVER THE WHOLE RANGE OF INTERNATIONAL TRANSACTIONS. IT SIMPLY WASN'T ENOUGH. IT ONLY ELIMINATED ONE-THIRD OF THE MASSIVE GERMAN TRADE SURPLUS. WE MUST COME UP WITH SOMETHING MORE CONVINCING. PROPOSED GERMAN ACTION EQUIVALENT TO 7 1/2 PERCENT REVALUATION. THERE WAS AN ABORTIVE DISCUSSION ABOUT WHAT THE BANKERS HAD DONE AT BASLE AND IT WAS AGREED THAT THEY HAD DONE NOTHING.

ORTOLI THEN SPOKE. SAID THAT THE SITUATION AFFECTS THE WHOLE MONETARY CLIMATE, WHICH IS VERY FRAGILE. HOW CAN WE EFFECTIVELY ACHEIVE A BETTER SYSTEM THAT IN THE LONG RUN, AND HE EMPHASIZED THE LONG RUN, WOULD BE VIABLE? FIRST QUESTION TO DEAL WITH IS WHETHER THE TECHNICAL MEASURES OF THE FEDERAL REPUBLIC WILL SOVE THIS PROBLEM. HE AGREED WITH FOWLER AND JENKINS THAT IT WASN'T ADEQUATE. HE AGREED THAT THE FEDERAL REPUBLIC HAD MADE A REAL EFFORT, BUT THERE WOULD STILL BE A PROBLEM. HE DIDN'T WANT TO SET A RATE FOR THE DEUTSCHEMARK IN PRECISE TERMS, BUT WHATEVER RATE IT HAD SHOULD BE REALISTIC AND CREDIBLE (AND BY IMPLICATION THE PRESENT RATE WASN'T). HE SAID THAT TECHNICAL MEASURES (THE BORDER TAX) HAVE TWO MAJOR DRAWBACKS. IT DIDN'T COVER THE AREAS OUTSIDE OF TRADE AND IT WAS TOO SHORT TERM. HE THOUGHT IT

~~SECRET~~

DECLASSIFIED  
E.O. 12958, Sec. 3.5  
State Dept. Guidelines  
By cl NARA, Date 5-20-99

~~SECRET~~

WOULD INVITE SPECULATION AND THAT WAS A REAL RISK. WHAT NEEDED TO BE DONE WAS READJUSTMENT IN THE WHOLE LEVEL OF INTERNATIONAL PAYMENTS AND WE NEEDED A DURABLE SOLUTION WITH CREDIBLE PARITIES. THIS COULD APPLY TO THE DEUTSCHEMARK AND OTHER CURRENCIES AS WELL.

COLOMBO SPOKE AT SOME CONSIDERABLE LENGTH. HIS NET CONCLUSION WAS THAT THE PRESENT SYSTEM HAD TO STAND ON A FIXED PARITY BASIS AND THAT PARITIES SHOULD NOT BE CHANGED. THIS WOULD REQUIRE OTHER MEASURES FOR BOTH CREDITOR AND DEBTOR COUNTRIES. THE SCHILLER PROGRAM SHOULD MAKE A POSITIVE CONTRIBUTION TO ADJUSTMENT. SPECULATORS ACT ON THE BELIEF THAT CURRENCY PARITIES WILL BE CHANGED. THIS DOCTRINE MUST BE REFUTED. THERE SHOULD BE NO PARITY CHANGES. HE SAID THAT ITALY INDEED HAD A SURPLUS, BUT FOR REASONS DIFFERENT FROM THOSE OF THE GERMAN SURPLUS. HE WAS CONFIDENT THAT THE MEASURES ITALY WAS TAKING TO EXPAND ITS ECONOMY WOULD SOON ELIMINATE THEIR SURPLUS AND BRING THEIR ACCOUNTS INTO EQUILIBRIUM.

WITTEVEEN REACTED TO COLOMBO'S PRESENTATION VERY STRONGLY. HE SAID THAT IN A SYSTEM OF FIXED PARITIES WHEN COUNTRIES ARE IN DIS-EQUILIBRIUM IT WAS IMPORTANT TO DETERMINE WHETHER IT WAS FUNDAMENTAL. IF IT WASN'T FUNDAMENTAL, OTHER MEASURES COULD BRING ABOUT PROPER ADJUSTMENT, PARTICULARLY DEMAND MANAGEMENT MEASURES. IF IT WAS FUNDAMENTAL, SUCH MEASURES WOULDN'T WORK AND PARITY CHANGES WERE DESIGNED TO COVER SUCH SITUATIONS. THIS IS WHAT WAS ENVISAGED AT BRENTON WOODS.

~~SECRET~~

#3

~~SECRET~~

THE VERY LARGE GERMAN SURPLUS SEEMED TO HIM TO BE FUNDAMENTAL. HE CONGRATULATED THE GERMANS ON RUNNING A SUCCESSFUL ECONOMIC PROGRAM, BUT THEIR VERY SUCCESS REQUIRED A FUNDAMENTAL ADJUSTMENT. HE DOUBTED THAT THE GERMAN TAX MEASURES WOULD BE ADEQUATE AND HE ALSO DOUBTED THAT THEY WERE REALLY CONSISTENT WITH THE IDEA OF TAX NEUTRALITY. HE SAW SOME DANGER FOR THE COMMON MARKET IN USING THIS AS AN ADJUSTMENT FACTOR. THE PROGRAM IN HIS JUDGMENT WAS INSUFFICIENT; THEREFORE IT WOULD NOT MAKE THE NECESSARY IMPRESSION ON THE FINANCIAL WORLD. HE ALSO WAS CONCERNED ABOUT IT BEING TEMPORARY RATHER THAN IT BEING A DURABLE CHANGE. HE ASKED, ISN'T SOMETHING BETTER POSSIBLE? FINALLY, HE ASKED ABOUT THE ITALIAN SURPLUS. WOULD EXPANSION OF THE DOMESTIC ECONOMY REALLY CURE THAT PROBLEM?

SCHILLER RESPONDED TO THE DUTCH COMMENT. HE SAID HE KNEW THE TVA WAS MEANT TO BE NEUTRAL, BUT SINCE IT WASN'T TO GO INTO FULL EFFECT UNTIL 1970, GERMANY WAS FREE TO ADJUST IT IN 1969. ALSO HE VIEWED THE GERMAN ACTIONS AS BEING NOT FOR PROTECTION OR FOR SUBSIDY, AND CONSEQUENTLY THEY SHOULD NOT BE REGARDED AS BAD ADJUSTMENT POLICIES. TO THE CONTRARY, THE GERMAN APPROACH IS TO LOWER THE OBSTACLES TO IMPORTS AND RAISE THE BURDEN FOR EXPORTS.

BONN TELECON NBR 19

FOLLOWING IS TEXT OF SEC. FOWLER'S OPENING STATEMENT AT 6-10 MEETING BONN BOVEMBER 20, 1968.

OUR PURPOSE HERE IS TO DEAL WITH AN INTERNATIONAL MONETARY CRISIS IN AN INTERNATIONAL SETTING AND THROUGH THE APPROACH OF MUTUAL COOPERATION AND ASSISTANCE. THIS IS THE APPROACH WE HAVE BUILT UP CAREFULLY OVER THE COURSE OF MORE THAN TWO DECADES. IT HAS SERVED US WELL AND HAS BROUGHT US A LONG WAY.

IN EACH CRISIS THERE IS AN OPPORTUNITY AND A DANGER.

THE OPPORTUNITY IS TO GO FORWARD AND BUILD A STRONG STRONGER SYSTEM ON THE FOUNDATION OF INTERNATIONAL FINANCIAL COOPERATION WE HAVE CONSTRUCTED SO CAREFULLY OVER THE PAST TWO DECADES. WE HAVE ALWAYS SEIZED THIS OPPORTUNITY IN THE PAST; I AM CONFIDENT WE SHALL SEIZE IT ONCE AGAIN AT THIS MEETING.

THE DANGER-- WHICH WE HAVE ALWAYS AVOIDED IN THE PAST-- IS TO FAIL TO FIND A SOLUTION AND IN SO FAILING ERODE THE STRONG FOUNDATION WE HAVE BUILT.

AS RATIONAL MEN SITTING AROUND THIS TABLE, I BELIEVE WE CAN COME TO A COMMON ASSESSMENT OF THE PROBLEM AND A COMMON VIEW OF HOW WE CAN AND SHOULD ACT TOGETHER TO DEAL WITH IT.

THE MARKETS HAVE BEEN BOILING FOR SOME TIME NOW. ACTIVITY REACHED A NEW HIGH OVER THE PAST WEEK AND THREATENED TO REACH A CLIMAX BY THE END OF THIS WEEK.

THE MARKETS ARE BEING DOMINATED BY UNCERTAINTIES AND FEARS AND HENCE ARE UNDULY SUBJECT TO SPECULATIVE FORCES. IT IS OUR TASK TO RESTORE REASON AND RESOLVE THOSE UNCERTAINTIES AND FEARS.

IT WOULD BE TRAGIC INDEED FOR THE MOST POWERFUL FINANCIAL COUNTRIES IN THE WORLD -- WITH ALL THE RESPONSIBILITIES THAT GO WITH THAT POWER -- TO BE HELPLESS IN THE FACE OF SPECULATIVE FORCES.

WE CANNOT FAIL TO ACT -- FOR THIS WOULD LET THESE FORCES TAKE OVER. THAT WOULD BE IRRESPONSIBLE.

WE CANNOT ACT UNILATERALLY IN WAYS THAT COULD WORK AT CROSS PURPOSE(S). THIS WOULD TEAR DOWN THE INTERNATIONAL STRUCTURE WE HAVE BUILT AND WOULD BE EQUALLY IRRESPONSIBLE.

WE MUST ACT TOGETHER IN THE FULL KNOWLEDGE THAT WE HAVE THE POWER TO CONTROL EVENTS AND SHAP THE FUTURE IN A CONSTRUCTIVE WAY. THAT IS WHAT RESPONSIBILITY MEANS.

I BELIEVE WE CAN COME TO A COMMON ASSESSMENT OF OUR OBJECTIVES IN THE CURRENT SITUATION. I SEE THESE OBJECTIVES AS BOTH PROMISSIVE AND PREVENTIVE.

ON THE POSITIVE SIDE:

1. TO RESTORE STABILITY TO THE INTERNATIONAL MONETARY SYSTEM IN THE FACE OF THE SPECULATIVE FORCES CURRENTLY OPERATING ON THE FRANC, THE POUND AND THE D-MARK.

2. TO GIVE COUNTRIES IN DISEQUILIBRIUM A CHANCE TO WORK OUT THEIR PROBLEMS IN AN ATMOSPHERE OF CALM WITH THE CONSTRUCTIVE PROGRAMS THEY ARE NOW EXECUTING.

3. TO PROMOTE THE WORKINGS OF THE ADJUSTMENT PROCESS FOR BOTH DEFICIT AND SURPLUS COUNTRIES.

ON THE PREVENTIVE SIDE:

1. TO AVOID A RETURN TO SENSELESS UNILATERAL MEASURES BY COUNTRIES UNDER PRESSURE IN PLACE OF COOPERATIVE MULTILATERAL ACTIONS AND MUTUAL ASSISTANCE.

2. TO AVOID A COMPETITIVE STRUGGLE FOR RESERVES

3. TO AVOID A RETURN TO BEGGAR-THY-NEIGHBOR POLICIES AND VICIOUS TRADE PROTECTIONISM.

HERE, I BELIEVE IT TO BE OF KEY IMPORTANCE THAT WE THINK IN POSITIVE AND REALISTIC TERMS. THAT MEANS THAT WE MUST NOT BE TIMID IN OUR APPROACH-- IF WE ERR AT ALL IT MUST BE ON THE SIDE OF HELPING TOO MUCH RATHER THAN HELPING TOO LITTLE.

ALSO OF KEY IMPORTANCE IS THE QUESTION OF TIMING. WE MUST COME TO A PROGRAM HERE AND NOW. WE CANNOT ADJOURN THIS MEETING WITHOUT A POSITIVE AND AGREED PROGRAM THAT WILL REMOVE UNCERTAINTY AND DEMONSTRATE THAT IT WILL HELP ALL COUNTRIES MOVE TOWARD PAYMENTS EQUILIBRIUM IN AN EXPANDING WORLD ECONOMY.

FINALLY, WE MUST DO WHAT WE DO IN AN ATMOSPHERE OF CONVICTION -- CONVICTION THAT CAN BE COMMUNICATED TO THE WORLD AND THEREBY RESTORE THE ROLE OF REASON IN THE MARKETS.

SO WE MUST GUARD AGAINST THE OFT-REPEATED VICE OF TOO LITTLE AND TOO LATE WHICH AUTOMATICALLY GUARANTEES FAILURE.

NOW WHAT ARE THE ACTIONS THAT WE SHOULD CONSIDER AND AGREE UPON IN A PROGRAM TO RESTORE STABILITY AND STRENGTHEN THE INTERNATIONAL MONETARY SYSTEM AND THE ADJUSTMENT PROCESS. I SEE THREE SEPARATE BUT CLOSELY RELATED AREAS OF ACTION.

1. CURRENCY PARITIES. AMONG THIS GROUP OF POWERFUL AND LEADING NATIONS THERE MAY BE S



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NATIONS THERE MAY BE CASES IN WHICH PARITIES ARE OUT OF LINE. TAKEN TOGETHER, ECONOMIC ANALYSIS, BALANCE OF PAYMENTS PERFORMANCE AND MARKET APPRAISALS ALL POINT TO THIS CONCLUSION. IN MY JUDGMENT THE ARGUMENTS FOR REVALUATION ARE MORE CLEAR-CUT AND PERSUASIVE THAN THE ARGUMENTS FOR DEVALUATION.

2. EXPORT REBATES AND IMPORT TAXES. THE ANNOUNCED PROGRAM OF THE FEDERAL REPUBLIC ON TAXES THAT AFFECT TRADE IS A GOOD MOVE-- GOOD IN THE SENSE OF A PRACTICAL S ADJUSTMENT PROCESS AND GOOD IN THE SENSE OF MAKING A CONTRIBUTION TO RESTORATION OF STABILITY IN THE INTERNATIONAL MONETARY SYSTEM. WHETHER THE GERMAN PROGRAM AS SPELLED OUT MORE CLEARLY WILL BE AN ADEQUATE CONTRIBUTION IS A POINT THAT WE SHOULD DISCUSS HERE. IN THE LIGHT OF THAT PRESENTATION BY REPRESENTATIVES OF THE FEDERAL REPUBLIC WE MUST DETERMINE WHETHER THE ACTION IS AN ADEQUATE READJUSTMENT OF THE GERMAN TRADE SURPLUS, WHICH I FEAR HAS BECOME SO LARGE AS TO DISRUPT THE PAYMENTS SYSTEM AND IS VIEWED BY THE MARKET AS A DISEQUILIBRATING FACTOR.

IT IS IMPORTANT TO NOTE HERE THAT A COMBINATION OF PARITY CHANGE AND TRADE TAXES COULD BE A COSE E E CONSTRUCTIVE APPROACH.

3. CREDIT PACKAGE. THIS IS AN ESSENTIAL PART OF ANY VIABLE PROGRAM. IT MUST BE ADEQUATE TO MEET NEESE E NEEDS AND THE UNITED STATES WILL DOITS SHARE. IN MY JUDGMENT IT SHOULD INVOLVE RECHANNELLING OF IDENTIFIABLE RESERVE LOSSES FROM CAPITAL FLIGHT, A NEW PACKAGE OF CONVENTIONAL CENTRAL BANK CREDIT AND THE MAXIMUM POSSIBLE STANDBY CREDIT FACILITY FROM THE IMF WITHOUT BURDENSOME CONDITIONS TO SUPPORT THE FRANC.

I WOULD LIKE TO REPEAT MY ORIGIANL POINT. WE MUST END OUR MEETING HERE WITH THE ASSUREANCE THAT WHAT WE DO WILL RESOTRE STABILITY TO THE INTERNATIONAL FINANCIAL MARKETS AND THEREBY PERMIT COUNTRIES TO CARRY OUT POLICIES THAT CAN MAINTAIN WORLD ECONOMIC GROWTH. THE PRIME MINISTER OF FRANCE SAID LAST NIGHT THAT "THE CRISIS MUST BE ENDED ON AN INTERNATIONAL LEVEL AND THAT EVERY EFFORT MUST BE MADE TO CONCERT POLICIES AND REACH, IF POSSIBLE, COMMON DECISIONS WITH FINANCIAL PARTNERS." I FULLY SUPPORT THIS APPROACH.

IT IS OF THE HIGHEST IMPORTANCE TOBRING A RE RATIONAL, DECISION-MAKING PROCESS IN A MULTILATERAL SETTING BY THE TEN MAJOR FINANCIAL COUNTRIES WITH THE PARTICIPATION OF THE INTERNATIONAL MONETARY FUND MANAGEMENT, TO THE EXISTING DISEQUILIBIE E E DISEQUILIBRIUM IN THE MONETARY SITUATION WHICH IS CAUSING EXCESSIVE INSTABILITY IN THE MARKETS.

END OF TELECON 19 FROM BONN

INFORMATION

34

~~CONFIDENTIAL~~

Wednesday, November 20, 1968  
6:30 p. m.

*Pres. file*

Mr. President:

At last we have a fix on  
Gardiner.

He's a nut!

W. W. Rostow

~~CONFIDENTIAL~~

DECLASSIFIED  
White House Guidelines, Feb. 24, 1992  
By 19, NARA, Date 4-22-93

WWRostow:rln

*Pres. file*

35

Wednesday, November 20, 1968  
5:00 p. m.

~~SECRET~~

MR. PRESIDENT:

As general insurance, I asked our Latin American expert (Sam Lewis) to conduct an investigation of this question: is Castro likely to do anything serious between now and Jan. 20?

The result (attached) is reassuring; but the whole community will remain alert.

W. W. Rostow

DECLASSIFIED  
White House Guidelines, Feb. 24, 1983  
By MP, NARA, Date 9-10-97

~~SECRET~~ attachment

MEMORANDUM

THE WHITE HOUSE

WASHINGTON

Wednesday - November 20, 1968

~~SECRET~~

DECLASSIFIED

Authority NLT 94-280

MEMORANDUM FOR WALT ROSTOW

By ap/je, NARA, Date 1-13-98

SUBJECT: Possible Cuban Moves in the Caribbean Before January 20.

We have thoroughly canvassed State, CIA and DIA views of current Cuban intentions and capabilities. The picture that emerges is:

- Castro continues to train guerrilla forces and plans for infiltration into the Dominican Republic, Haiti, Guatemala, and Venezuela.
- Caamano is almost certainly in Cuba training a small force of Dominicans; if and when he tries to return, however, the Dominican Army should be able to handle the threat easily.
- Castro could knock off Haiti with little effort, but he's deterred by fear of US response and by reluctance to be saddled with Haiti's problems. A disturbing possibility is that Castro might miscalculate US readiness to take decisive action on Haiti during the transition period in Washington.
- Venezuela's defensive capability against guerrillas is now very high; Castro's support is having only a very limited effect.
- Guatemala is the most vulnerable politically. Castro wants to infiltrate men to help the F.A.R. but the F.A.R. apparently wants only material support. The greatest danger in Guatemala, however, is more terrorism leading to a military take-over.

None of the agencies see hard evidence of a heightened threat between now and January, although everyone agrees that Castro's adventures in Bolivia demonstrate his unpredictability. One nagging doubt, however -- might not the current Soviet posture in eastern Europe (Castro backed the USSR on Czechoslovakia) encourage him to believe the USSR would now protect a Cuban adventure against US retaliation? (A possible straw in the wind -- a Cuban military mission is currently in Moscow.)

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-2-

Regular US Navy surveillance of the Windward Passage was recently withdrawn -- surface patrol in January 1968, and air patrol October 1, 1968. The reasons were budgetary. However, State agrees with Navy's view that the patrolling was ineffective against infiltration in any event -- and other intelligence sources would spot any large-scale preparations for "invasions", (a very unlikely contingency).

I agree with State that the situation does not now argue for reinstating special Navy patrols -- the Guatemalan problem would be unaffected in any case. I will, however, urge NSA to disseminate more of its large COMINT collection on Cuba -- probably the best way to keep close tabs on Castro's more grandiose schemes.

All agencies are alert. I think that's all that is necessary at this time.

Attached are staff memos from CIA, State, DIA, and Navy.

  
SWLewis

Attachments

35b

OPTIONAL FORM NO. 10  
5010-102

UNITED STATES GOVERNMENT

~~SECRET~~

SANITIZED  
E.O. 12356, Sec. 3.4  
NJ 95-365  
By mp/isp, NARA, Date 1-14-98

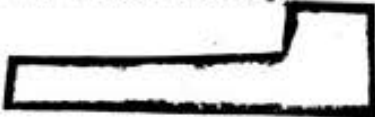
# Memorandum

TO : F. Peter Jessup

DATE: 18 November 1968

1.5(c)  
3.4(b)(1)

FROM :



SUBJECT: Cuban Intentions to Export the Revolution

Transmitted herewith are copies of the Memorandum requested per your office.

~~SECRET~~

~~SECRET~~

35c

**SANITIZED**

### Cuban Intentions to Export the Revolution

1. One year after the death of Ernesto "Che" Guevara, Cuba appears still intent on moving against one or more Latin American countries. Those countries which stand out as Cuban targets are Guatemala, the Dominican Republic, Haiti, and Venezuela.

2. The information which follows is a summary [redacted] 1.5(c)  
[redacted] It concentrates on Castro's intentions. In 3.4(b)(1)  
so doing, it might appear "alarming;" however, when one considers Castro's intentions for the last ten years to export the revolution, they would be just that - alarming - if reported in advance. It must be emphasized that to organize "landings" Castro has a tremendous organizational effort to undertake - something he has never yet been able to do well. It is unlikely that he will be able to organize an effort using as many men as reported by the sources. He will also have difficulty keeping to his "schedule" as reported. For example, there are other reports (not included here) that the timing was October 1968 for Haiti and December 1967-January 1968 for the Dominican Republic. Also the report from Guatemala says that planning for that operation has been going on for two years and there are still problems to solve.

3. The Dominican Republic and Haiti. In early September 1968, [redacted] 1.5(c)  
[redacted] "disturbances" were being prepared 3.4(b)(1)  
in Santo Domingo by groups of individuals who were trained in Cuba and who had already left Cuba for their respective countries.

4. In late March 1968, [redacted] 1.5(c)  
[redacted] 3.4(b)(1)

**SANITIZED**  
Auth: NLS 95-363  
By: mp/c6 DIANA 2-14-78

~~SECRET~~

8. Rumors of Caamano's whereabouts abound and place him from Bolivia to N. Korea. Where he is at any given time is not that important - what is important is that he has become an instrument of the Cuban government. Caamano can serve Castro's interests in the Dominican Republic not as a charismatic leader - he is not - but as a figurehead in an effort to influence (even pressure) Dominicans who sided with the constitutionalists in 1965 to throw in again with "the revolution."

9. Haiti. In June 1968, [redacted] estimated that up to 28 Cuban-trained Haitians were in Haiti. In May 1968, [redacted]

1.5(c)  
3.4(b)(1)

that Cuba had selected Negro soldiers from the Cuban army to be trained for an invasion of Haiti. A major problem with reporting on Haiti is trying to differentiate between Haitian exile wishful thinking and Castro's plans.

10. Guatemala. In early August, [redacted] Guatemalans were being trained in Cuba as a nucleus for an "invasion force" to land in the near future.

1.5(c)  
3.4(b)(1)

11. [redacted]

1.5(c)  
3.4(b)(1)

12. [redacted]

1.5(c)  
3.4(b)(1)



13. Additional evidence of plans for a landing came from a FAR member who told [REDACTED] of a planned landing by ship in Guatemala by a mixed force of Guatemalans and Cubans under the command of Cesar Montes.

1.5(c)  
3.4(b)(1)

14. [REDACTED]

1.5(c)  
3.4(b)(1)

15. Venezuela. Venezuela has always been a high priority Cuban target and will continue to receive men and material from Cuba by sea; however, intelligence indicates that Cuba will try to maintain continuing pressure on the Venezuelan government without making it as immediate a target as the other countries.

16. A basic assumption borne out by intelligence reporting is that when Cuba supports the spread of revolution, it tries to control and direct the operations. Therefore, an understanding of how Castro views the world and defines Cuban self-interest is essential to being able to "predict" when, where, and how Castro will strike next. And we can be easily misled by trying to figure out what Castro's mind is planning. A man capable of supporting an operation in the desolate regions of the Bolivian Andes behind the back of the Bolivian Communist Party using a small band of Cubans and Bolivians who didn't speak the language of the area to recruit the inscrutable Bolivian Indians is capable of almost anything. It should not be inferred, therefore, that it is not worth the trouble to try to predict Castro's plans. On the contrary, it is necessary, using our best sources of information.

17. The reporting from these sources would indicate that:

A. Castro has selected a target nearer to Cuba which he can support with men and material by sea

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B. "Landings" have become an integral part of Castro's next episode reverting to the pattern of 1959-1963. While the word "invasion" might overstate the size of the projected landings, it is the word used by our sources and indicates that the landing of men - not necessarily Cuban - and supplies is an essential part of his strategy.

~~SECRET~~

ADDENDUM

- MRLJ4 - Fourteenth of June Revolutionary Movement - A Marxist-Leninist party which accepts the teachings of Mao Tse-Tung but which is divided as to specific tactics to make the revolution.
- PCD - Dominican Communist Party - A Communist party which remains neutral in the Sino-Soviet split and endorses Cuban support of Latin American violent revolutionary movements.
- FAR - Rebel Armed Forces - A Guatemalan communist guerrilla/terrorist organization which endorses Cuban support of Latin American revolutionary movements Guatemalan Workers' Party.
- PGT - Pro-Soviet Guatemalan Communist Party.

~~SECRET~~

35d

UNITED STATES GOVERNMENT

SECRET

DECLASSIFIED

# Memorandum

Authority NLJ 90-27

By MLP/isp NARA, Date 12-12-97

DATE: November 15, 1968

TO : Mr. Samuel W. Lewis  
The White House  
THRU : ARA - Mr. Vaky  
FROM : ARA/CCA - John F. Fitzgerald

SUBJECT: Assessment of Possibility Castro May Sponsor Landing Led by Former Dominican Col. Caamaño on Island of Hispaniola Before January 20.

## BACKGROUND

Former Dominican Colonel Francisco Alberto CAAMAÑO Denó, military leader of the April 1965 Dominican revolution, defected from his post as Dominican Military Attache to London in October 1967 and has not been seen since then. During the past year, intelligence information and educated speculation by Caamaño's former associates has situated him in Cuba and in training for an eventual Cuban-sponsored incursion into either Haiti or the Dominican Republic. Without confirming previous indicators, recent intelligence has established the strong probability that Caamaño has been and is now in Cuba and that he has been undergoing preparations, in conjunction with Dominican and possibly Haitian and other communists, for a possible effort against the Dominican Republic at some time during the next two months.

## ASSESSMENT

Although hard evidence is not available, we and elements of the intelligence community agree that it is highly probable that Caamaño is and has been in Cuba, that he is and has been training with a guerrilla force, and that the eventual purpose of his presence in Cuba is to participate in, if not to lead, a Castro-sponsored effort against Hispaniola. Intelligence has been insufficient to pinpoint the target country, although the strong likelihood is that it would be the Dominican Republic. We cannot, however, forecast either the time or the place at which such an effort might be made, nor can we state

SECRET  
GROUP 1

Excluded from automatic  
downgrading and declassification.



SECRET

- 2 -

with confidence--because of the many variables in the situation--that an effort will in fact be made. Should an incursion against Hispaniola take place, we tend to believe, because of a combination of internal and external factors, that it would be in the form of a clandestine infiltration by a small number of men rather than an invasion attempt by a large group with relatively sophisticated logistic support.

Current Dominican security capabilities are believed adequate to meet any situation resulting from any likely Caamaño-led incursion unless it should take place in conjunction with other major developments, e.g., the assassination of the President or high military leaders. The same cannot be said should the target country be Haiti, as basic conditions there are such as to afford a much more exploitable opportunity if a fair-sized group of invaders could be landed.

It should be noted that the U.S. naval patrol through the Windward Passage between Cuba and Hispaniola was withdrawn on January 1, 1968. We have recently been assured by the Navy that the patrol can be reinstated temporarily on 12 hours notice should an emergency need arise. Consideration is being given to reinstatement of the patrol on a permanent basis.

Clearance:  
ARA/CAR - Mr. ~~Long~~ (substance)

ARA/CCA:Arenales:ym

SECRET



DEFENSE INTELLIGENCE AGENCY  
WASHINGTON, D. C. 20301

DECLASSIFIED

Authority NLJ 90-29

By AP/isp NARA, Date 12-12-97

S-5180/AP-6A

MEMORANDUM FOR THE CHAIRMAN, JOINT CHIEFS OF STAFF

ATTENTION: BRIG GEN ~~Ralph~~ N. GINSBURGH, CHAIRMAN'S  
STAFF GROUP *about.*

SUBJECT: Cuban Intentions in the Caribbean (U)

1. (S/NFD) There have been a number of low level reports in the last few months that Castro may attempt to export his revolution to a neighboring country, particularly Guatemala, Haiti, and the Dominican Republic. We have no doubt that Castro intends to continue to support revolutionary movements wherever possible but have no strong indications of any imminent action.
2. (S/NFD) One of the leaders of the Guatemalan Communist Rebel Armed Forces (FAR) is believed to be in Cuba and is reported to be preparing a group to invade or infiltrate Guatemala in support of the insurgency effort there. It would be easy for Castro to infiltrate small groups or arms along the Guatemalan or Mexican coast and many of those infiltrated could probably make contact with the FAR without detection. FAR leaders are said to oppose any invasion attempt and we do not believe that Castro would take overt action which might spark US reaction. The insurgency movement in Guatemala is in no position to threaten the government at this time and it would take strong support from Cuba to put it in a position to do so within the next year or so.
3. (S/NFD) Former Dominican constitutionalist leader Caamano Deno is believed to be in Cuba and there are reports that he is preparing a group to invade the Dominican Republic. Communist groups within the republic are divided and in no position to support such a move. Caamano is not popular outside of leftist circles and despite the many dissatisfied groups within the country it is unlikely that he would draw much, if any, popular support. The Dominican Armed Forces are alert to the possibility that Caamano may attempt to return and are considered capable of containing any invading group.
4. (S/NFD) The Duvalier government in Haiti is basically unstable and there are many groups both inside and outside Haiti opposed to the regime. There are thousands of Haitians in Cuba but the majority have been there for many years and are established as residents. These individuals have no desire to leave Cuba and return to Haiti. Castro is believed to have trained at least 50 Haitians for possible action in Haiti. A few Cuban-trained individuals have returned to Haiti but there is no evidence that

they have been able to organize any opposition group; some of them have been jailed by Duvalier. Castro could easily land a sufficiently strong force to oust the present government if he were not concerned about US reaction. We believe that he is unlikely to take any action which might cause the US to respond but that he may continue to help a few individuals to return and will probably try to exploit any chaos which develops when the Duvalier government comes to an end.

5. (S/NFD) There is some evidence that Castro is trying to assist the insurgency movement in Venezuela to step up its activities prior to the 1 December elections. A few Cubans or Cuban-trained Venezuelans with arms may have been infiltrated recently and others may be landed to reinforce the insurgents. We do not believe that the insurgents, with or without Cuban aid, can prevent the elections or threaten the government.

*P. E. Bergin*

~~SECRET~~

POINT PAPER

18 November 1968

SUBJECT: Surveillance of Windward Passage (U)

1. The Windward Passage Patrol was established in 1961 subsequent to the assassination of Generalissimo Trujillo and was maintained continuously by the US Atlantic Fleet until 1 January 1968. The purpose of the Patrol was to facilitate the detection of invasion or infiltration attempts from Cuba into the Dominican Republic or Haiti. There were no sightings reported which would indicate infiltration of arms or personnel from Cuba during this period. Since August 1963 the patrol was maintained by MSOs operating from Guantanamo -- one MSO was on station continuously.

2. Aerial surveillance was maintained by two daily maritime patrol flights until 1 October 1968.

3. On 24 November 1967 CINCLANT was authorized to eliminate the surface patrol of the Windward Passage effective 1 January 1968. Stated reasons were:

a. Unproductive results obtained since inception of patrol in 1961;

b. Desire to obtain more efficient use of available Navy assets (i.e., lowered fleet manning levels did not permit maintenance of a sufficient number of MSOs to maintain the Windward Passage patrol and other assigned missions; no other ships were available).

4. On 1 October 1968 CINCLANT eliminated aerial patrols over the Windward Passage due to cuts in military spending which caused deactivation of the patrol units that formerly provided this coverage.

5. Surveillance of the Windward Passage is now maintained by transiting US Navy ships which are instructed to "loiter" in the Passage a minimum of six hours. An average of three Navy ships per week provides coverage in the Windward Passage in this manner. Aerial surveillance is provided by assignment of aircraft operating in the area a surveillance mission on a random basis.

6. Surface and/or aerial surveillance could be provided by the US Navy on four hours' notice if directed. However, such surveillance would result in diversion of ships/aircraft from assigned missions, and would result in degradation of those missions if maintained any length of time.

DECLASSIFIED

Authority NLJ 91-388

By MC/isp NARA. Date 12-12-97



CENTRAL INTELLIGENCE AGENCY  
Intelligence Information Cable

• ROUTINE

IN -363-4

PAGE 1 OF 6 PAGES

STATE/INR DIA NMCC/MC (SECDEF JCS ARMY NAVY AIR) CIA/NMCC NIC NSA SOO ONE CRS  
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This material contains information affecting the National Defense of the United States within the meaning of the Espionage Laws, Title 18, U.S.C. Secs. 793 and 794, the transmission or revelation of which in any manner to an unauthorized person is prohibited by law.

THIS IS AN INFORMATION REPORT. NOT FINALLY EVALUATED INTELLIGENCE.

18 21 37 Nov 68

CITE [REDACTED] 1.3(a)(4)

DIST NOVEMBER 1968

COUNTRY SOUTH VIETNAM

DOI [REDACTED] 1.3(a)(4)

SUBJECT PRESIDENT THIEU'S COMMENTS ON PEACE TALKS

IMPASSE [REDACTED]

SANITIZED

E.O. 12856, Sec. 3.4

NIJ 95-31

By [REDACTED], NARA, Dec 1-18-96

ACQ VIETNAM, SAIGON [REDACTED] 1.3(a)(4)

SOURCE [REDACTED] 1.3(a)(4)

1.3(a)(4)

(classification)

(dissem controls)

SUMMARY: PRESIDENT THIEU [REDACTED]

1.3(a)(4)

[REDACTED] HAD BEEN SURPRISED BY THE PRESSURE EXERTED ON HIM BY THE U. S. DURING THE PRE-BOMBING HALT DISCUSSIONS. HE TERMED THE U. S. ACTION A "BETRAYAL" AND SAID VICE PRESIDENT KY FULLY SUPPORTED HIS POLICY ON THE PEACE TALKS ISSUE, INCLUDING HIS TWO-DELEGATION PROPOSAL. HE INDICATED HE MIGHT RESHUFFLE HIS CABINET IN AN EFFORT TO PLEASE THE NEW U. S. ADMINISTRATION.

[REDACTED] THIEU REITERATED HIS DETERMINATION NEVER TO TALK WITH NATIONAL LIBERATION FRONT (NFLSV) REPRESENTATIVES OUTSIDE OF SAIGON. THE ONLY FORMULA FOR THE PARIS TALKS HE WILL ACCEPT IS ONE WHICH REQUIRES THE NFLSV REPRESENTATIVES TO BE A PART OF THE HANOI DELEGATION. THIEU THINKS PRESIDENT-ELECT NIXON WILL LET PRESIDENT JOHNSON TRY TO SOLVE THE TALKS IMPASSE SINCE A SOLUTION BY JOHNSON WOULD MAKE NIXON'S JOB AFTER INAUGURATION EASIER.

1.3(a)(4)

END SUMMARY.

1. [REDACTED] COMMENT: OTHER INFORMATION [REDACTED] INDICATES THAT BY 1.3(a)(4) 15 NOVEMBER PRESIDENT THIEU HAD RECOGNIZED THE NEED FOR AN ACCOMMODATION WITH THE U. S. AND FOR THE REVERSAL OF THE HARD LINE ON THE PARIS PEACE TALKS THAT HE TOOK IN HIS 2 NOVEMBER

[REDACTED] 1.3(a)(4)

(classification)

(dissem controls)

SPEECH TO THE NATIONAL ASSEMBLY. THIS REPORT IS, THEREFORE, ALREADY OUTDATED AS AN INDICATION OF THE PRESIDENT'S POLICY ON THE PARIS TALKS. IT DOES SERVE TO SHOW, HOWEVER, THE STRENGTH OF THIEU'S RESENTMENT OVER AMERICAN POLICY AND SEVERAL OF THE MISCONCEPTIONS ON WHICH HIS OWN STAND WAS BASED. IT ALSO SHOWS THAT, AS LATE AS 11 NOVEMBER, THIEU WAS STILL ENJOYING PLAYING THE POPULAR ROLE OF DEFENDER OF VIETNAMESE NATIONAL INTERESTS.)

2.

1.3(a)(4)

PRESIDENT NGUYEN VAN THIEU SPOKE CRITICALLY OF THE UNPRECEDENTED PRESSURE TO WHICH THE U.S. GOVERNMENT HAD SUBJECTED HIM DURING THE PRE-BOMBING HALT DISCUSSIONS. ACCORDING TO THIEU, THE AMERICANS HAD CITED THE SIZE OF THE U.S. COMMITMENT IN BLOOD AND MONEY AS JUSTIFICATION FOR INSISTING THAT U.S. INTERESTS PREVAIL AND HAD CITED THE PRESENCE IN SOUTH VIETNAM (SVN) OF A HALF MILLION U.S. TROOPS. THIEU SAID HE HAD HAD TO REMIND THE AMERICANS THAT THE GOVERNMENT OF VIETNAM (GVN) CONTRIBUTION TO THE WAR WAS IN FACT, LARGER THAN THE U.S. COMMITMENT.

3. THIEU CHARACTERIZED THE U.S. GOVERNMENT ACTION AS A

1.3(a)(4)

(classification)

(dissem controls)

"BETRAYAL" COMPARABLE TO THE U.S. ABANDONMENT OF CHIANG KAI-SHEK AS A RESULT OF THE YALTA, TEHERAN AND CASABLANCA CONFERENCES. HE COMPLAINED THAT THE AMERICANS HAD SENT THE AUSTRALIAN AND KOREAN AMBASSADORS TO BADGER HIM INTO ACCEPTING THE U.S. POINT OF VIEW. THIEU OBSERVED THAT VICE PRESIDENT NGUYEN CAO KY, WHO WAS NOT PRESENT, WAS FULLY IN ACCORD WITH HIS POLICY ON THE PARIS TALKS QUESTION, INCLUDING HIS RECENTLY ENUNCIATED "OUR SIDE-YOUR SIDE" FORMULA.

4. THIEU [REDACTED] DURING THE U.S. ELECTION CAMPAIGN [REDACTED] HAD SENT TWO SECRET EMISSARIES TO THE U.S. TO CONTACT RICHARD NIXON. HE INDICATED HE MIGHT RESHUFFLE THE CABINET IN AN EFFORT TO PLEASE THE NEW U.S. ADMINISTRATION, MENTIONING SPECIFICALLY THE POSTS OF PRIME MINISTER AND FOREIGN MINISTER.

1.3(a)(4)

5. THERE WAS SOME CONFIDENTIAL TALK AMONG THE PRESIDENT'S GUESTS ABOUT ORGANIZING CATHOLICS "TO SUPPORT THE PRESIDENT THROUGH DEMONSTRATIONS WHEN THE TIME COMES." THIEU HIMSELF REFERRED ONCE TO HIS "KNOWLEDGE" OF AMERICAN-PLANNED DEMONSTRATIONS FOR PEACE BY THE AN QUANG BUDDHIST FACTION.

6. [REDACTED]

1.3(a)(4)

1.3(a)(4)

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1.3(a)(4

(classification)

(dissem controls)

[REDACTED]

1.3(a)(4)

[REDACTED]

[REDACTED]

[REDACTED]

7. [REDACTED]

1.3(a)(4)

[REDACTED]

[REDACTED] ASKED [REDACTED] TO EXPLAIN HIS "TWO-DELEGATION" FORMULA, THIEU SAID HIS IDEA WAS THAT ALL POLITICAL DISCUSSION IN PARIS SHOULD TAKE PLACE BETWEEN THE GVN AND HANOI REPRESENTATIVES, ALTHOUGH THE GVN WOULD DEFER TO THE U.S. ON SUCH MATTERS AS DISPOSITION OF MILITARY BASES AND TROOPS.

8. IN RESPONSE TO ANOTHER QUESTION [REDACTED]

1.3(a)(4)

THIEU SAID HE WAS FIRM IN HIS DETERMINATION TO TALK ONLY WITH HANOI. HE WILL NEVER TALK DIRECTLY WITH THE NATIONAL LIBERATION FRONT (NFLSV) OUTSIDE OF SVN, THIEU SAID, ALTHOUGH HE CONTINUES TO HOLD OPEN THE POSSIBILITY OF DIRECT TALKS WITH NFLSV SPOKESMEN IN SAIGON. THE OFFER OF SAFE PASSAGE TO AND FROM SUCH TALKS STILL STANDS. THIEU SAID HE HAS A PARTICULAR OBLIGATION TO OLDER PEOPLE TO KEEP UP THEIR CONFIDENCE HE WILL NEVER RECOGNIZE THE NFLSV. TALKING WITH NFLSV REPRESENTATIVES

[REDACTED]

1.3(a)(4)

(classification)

(dissem controls)

OUTSIDE OF SAIGON WOULD AMOUNT TO SUCH RECOGNITION. HE EMPHASIZED HE WOULD WELCOME AS WITNESSES TO GVN/HANOI TALKS ALL COUNTRIES BELONGING TO THE UNITED NATIONS BUT WOULD REMAIN FIRM ON HIS STAND THAT THE ONLY FORMULA ACCEPTABLE TO HIM IS ONE WHICH REQUIRED THE NFLSV REPRESENTATIVES TO BE PART OF THE HANOI DELEGATION IN PARIS.

9. THIEU SAID THAT THERE HAD BEEN NO REACTION FROM WASHINGTON TO HIS TWO-DELEGATION PROPOSAL SINCE THE RECENT MEETING BETWEEN PRESIDENT JOHNSON AND PRESIDENT-ELECT NIXON. HE EXPECTS NIXON TO LET JOHNSON TRY TO SOLVE THE TALKS CRISIS AND TO GO AS FAR AS POSSIBLE TOWARD REACHING A SETTLEMENT. THIS WOULD MAKE NIXON'S OWN JOB EASIER AFTER INAUGURATION AND WOULD LEAVE FOR THE NIXON ADMINISTRATION THE OBVIOUS MEASURES TO BE TAKEN TO DISENGAGE THE U.S. FROM SVN, THUS ALLOWING NIXON TO BE THE "HERO" WHO DE-AMERICANIZED THE WAR.

10. [REDACTED] DISSEM: STATE (AMBASSADOR BUNKER, DEPUTY AMBASSADOR BERGER, POLITICAL COUNSELOR) USMACV (GENERAL ABRAMS, MR. COLBY, MAJOR GENERAL DAVIDSON) 7TH AIR FORCE (GENERAL BROWN) [REDACTED]

1.3(a)(4)

1.3(a)(4)

INFORMATION

~~SECRET~~

Wednesday, November 20, 1968  
3:05 p. m.

*Pres file*

Mr. President:

Herewith Robert Anderson's report of his talk with Nasser.

From this account, Nasser appears:

- Under conflicting political pressures;
- Unable to decide or to lead.

But at least there are some factors, from this account, operating in the direction of a settlement.

W. W. Rostow

Tehran 7379

DECLASSIFIED  
 E.O. 12356, Sec. 3.4  
 NIJ 91-343  
 By ju, NARA, Date 2-1-93

WWRostow:rla



Department of State

37a *WHL*  
TELEGRAM

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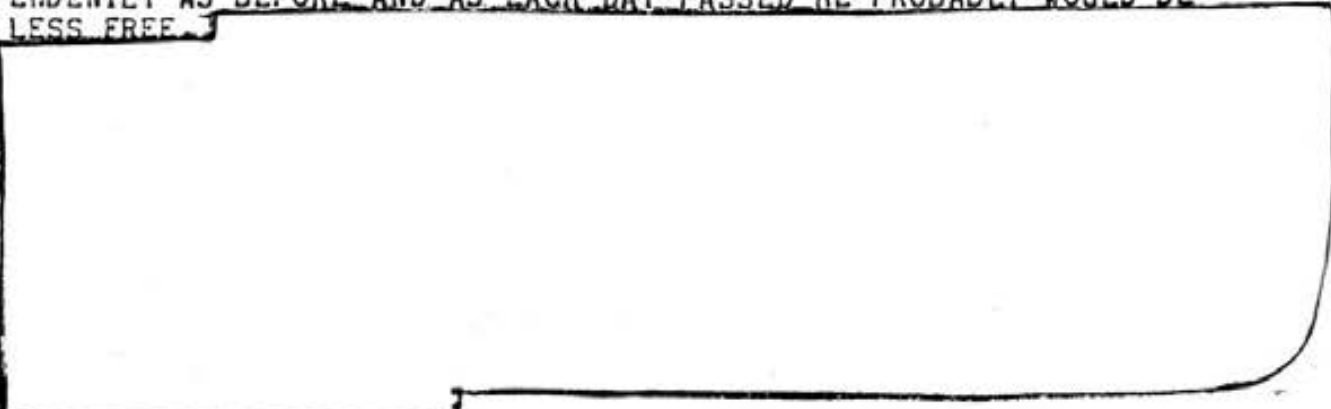
NODIS

FOR THE SECRETARY FROM ROBERT ANDERSON

1. WHILE I WAS IN CAIRO DISCUSSING WITH UNITED ARAB AIRLINES THE ACQUISITION OF EIGHT BOEING PLANES, PRESIDENT NASSER ASKED ME TO COME TO HIS HOUSE ON MONDAY. WE TALKED ABOUT THREE HOURS. GIST OF WHAT NASSER SAID WAS:

A. NASSER WAS MORE ANXIOUS THAN EVER TO HAVE SOME KIND OF PEACE BECAUSE HE THINKS THAT IF WAR SHOULD COME AGAIN THERE WOULD BE VAST DESTRUCTION ON BOTH SIDES. HE SAID WE WOULD NOT BE ALONE IN THE NEXT ROUND.

B. NASSER SAID HE WAS NOT ENTIRELY FREE ANY LONGER TO ACT AS INDEPENDENTLY AS BEFORE AND AS EACH DAY PASSED HE PROBABLY WOULD BE LESS FREE.



1.3  
(4)(3)  
(4)(5)

D. FINALLY, NASSER SAID HE NOW HAS "FACTIONS" IN HIS COUNTRY WHICH MAKES IT MORE DIFFICULT TO MAKE INDEPENDENT DECISIONS EVEN INSIDE HIS COUNTRY. HE STATED THAT IF FOR ANY REASON HE SHOULD BE REPLACED IN CAIRO, ANY SUCCESSOR WOULD BE DICTATED TO BY THE ARMY AND THE ARMY WOULD BE LESS INCLINED TO ANY PEACEFUL SETTLEMENT THAN HE IS.

2. FOR FOREGOING REASONS, NASSER FEELS THAT THERE IS A SENSE OF URGENCY ABOUT ACHIEVING PEACE. ON OTHER HAND, HE REITERATED HIS OLD STATEMENTS THAT UNDER NO CIRCUMSTANCE CAN HE HAVE DIRECT NEGOTIATION, EITHER SECRETLY OR OPENLY. HE INSISTS HE HAS TO HAVE A TIMETABLE AND SOME KIND OF A MAP THAT WOULD SHOW WHAT BOUNDARY ADJUSTMENTS ARE BEING CONTEMPLATED BEFORE HE CAN "DO A SELLING JOB" EVEN TO HIS OWN PEOPLE. HE BELIEVES THAT IF ANY MOVE OF HIS IS TERMED

~~SECRET~~

~~SANITIZED~~

Authority: *NLS 91-388*  
By *mg/lip* NAMA, ENCL. 2-11-96



~~SECRET~~

TO BE CAPITULATION, HE WILL LOSE SUPPORT OF THE ARMY AND WITHOUT THE ARMY HE WOULD LOSE HIS OWN CONTROL OF THE COUNTRY.

3. I ASKED NASSER IF HE DIDN'T THINK A MAJOR PART OF HIS TROUBLE WAS A LACK OF COMMUNICATION BOTH WITH ISRAELIS AND WITH COUNTRIES LIKE OURS. HE AGREED BUT SAID HE COULD NOT FIGURE OUT A WAY TO ESTABLISH COMMUNICATION WITH ISRAELIS, FIRST, BECAUSE HE DIDN'T TRUST THEM AND, SECOND, BECAUSE IF HE MADE AN AGREEMENT WITH SOME PART OF ISRAELI GOVERNMENT THEY WOULD BE UNDERCUT BY OTHER POLITICAL SEGMENTS IN ISRAEL WHO ARE COMPETING IN NEXT SPRING ELECTION.

4. NASSER EXPRESSED GREAT CONFIDENCE IN JARRING AND STATED HE DOES NOT INTEND FOR JARRING MISSION TO END ON HIS ACCOUNT. HE FEELS, HOWEVER, THAT SOMETHING MORE IS GOING TO HAVE TO BE DONE THAN JARRING'S SIMPLY CARRYING MESSAGES BETWEEN TWO PARTIES. HE DID NOT MAKE ANY SPECIFIC SUGGESTION AS TO HOW THIS COULD BE DONE EXCEPT TO SAY THAT HE NEEDS MORE DEFINITION FROM ISRAELIS SO AS NOT TO AGREE IN EFFECT TO A PROGRAM OF ISRAELI EXPANSIONISM.

5. NASSER WAS OBVIOUSLY PLEASED TO RECEIVE A REPLY FROM PRESIDENT-ELECT NIXON. HE TALKED ABOUT POSSIBILITY OF THIS BEING SOME EXCUSE TO RESUME DIPLOMATIC RELATIONS WITH UNITED STATES PROVIDING THERE WAS SOME STATEMENT FROM NEW ADMINISTRATION WHICH WOULD OFFSET STATEMENT DURING CAMPAIGN OF MAINTAINING ISRAELI ARMS SUPERIORITY. NASSER ALSO HAS UNDER CONSIDERATION WRITING A LETTER EXPRESSING HIS VIEWS TO PRESIDENT-ELECT NIXON.

6. I AM GOING TO BE BACK IN CAIRO WITHIN NEXT TEN DAYS IN CONNECTION WITH FINANCING OF BOEING PLANES. NASSER STATED HE MIGHT ASK ME TO BRING A LETTER FROM HIM TO PRESIDENT-ELECT NIXON.

7. THERE IS CONSIDERABLE AMOUNT OF DETAILS THAT TOOK PLACE IN LONG DISCUSSION WHICH I HAVE NOT TRIED TO INCORPORATE HERE BUT WHICH I WILL CONVEY FULLY TO APPROPRIATE PEOPLE UPON MY RETURN, WHICH SHOULD BE TOWARD END OF THIS MONTH. IN VIEW OF FACT THAT I AM GOING BACK TO CONDUCT DISCUSSIONS RE AIRPLANCE FINANCING, IF YOU HAVE ANY SUGGESTIONS I WILL BE HERE IN TEHRAN UNTIL LATE SATURDAY OR SUNDAY AND WOULD BE GRATEFUL TO RECEIVE THEM.

8. ONE FURTHER THING OF SOME SIGNIFICANCE. IN A TALK WITH [REDACTED] HE STATED HE WANTED TO TELL ME CONFIDENTIALLY THAT NASSER WAS UNDER PRESSURE FROM TWO SIDES, ONE TO SECURE IMMEDIATE PEACE AND OTHER TO CONTINUE ARMS DEVELOPMENT AND TRAINING. HE SAID THAT IN VIEW OF ALI SABRI'S HEART ATTACK AND ABSENCE OF SOME OTHER PEOPLE WHO ARE NOT SO INTERESTED IN PEACE, NEXT TWO OR THREE WEEKS ARE GOING TO BE CRUCIAL IN DECISIONS WHICH NASSER MAKES. [REDACTED] STATED THAT HE IS AMONG THOSE WHO BELIEVE THAT PEACE IS INDESPENSIBLE FOR EGYPT AND IS URGING PRESIDENT TO GO AS FAR AS HE CAN TO SECURE PEACE.

1.3  
(a)(5)

9. I WAS UNABLE TO SEE DON BERGUS AFTER RECEIVING THIS INFORMATION AND HAVE THEREFORE NOT REPEAT NOT PASSED ANY OF ABOVE ON TO HIM. MEYER

~~SECRET~~

~~SECRET~~

38

Meeting with the President

Wednesday, November 20, 1968, 1:00 p. m.

AGENDA

1. NATO (Sects. Rusk and Clifford)

Report.

DECLASSIFIED  
White House Guidelines, Feb. 24, 1983  
By ig, NARA, Date 4-8-93

2. Spanish Negotiation (Sect. Rusk)

Report.

3. Portugal (Sect. Rusk)

Report.

4. Vietnam: Diplomacy (Sects. Rusk and Clifford)

Present state of U. S. -GVN negotiation on language, in preparation for tonight's (Washington time) meeting between Bunker and Thieu. (Bui Diem talk with Bunker attached at Tab A.)  
Sect. Rusk may have a draft secret U. S. memorandum to GVN for clearance.

5. Vietnam: Military Situation (Sect. Clifford)

- DMZ situation.
- attacks on small cities and towns.
- supply movements from North.
- apparent enemy intentions.

6. European Financial Crisis (Sect. Rusk)

Sitrep.

7. Other.

W. W. Rostow

~~SECRET~~



Department of State

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TELEGRAM

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ACTION BODY

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NODIS/HARVAN/DOUBLE PLUS

PARIS FORHARRIMAN AND VANCE

1. PRES THIEU HAS BEEN IN VUNG TAU TODAY, RETURNING IN THE LATE AFTERNOON. BUI DIEM CAME TO SEE ME AT NOON, AND I WENT OVER THE ESSENTIAL POINTS OF OUR NEW DRAFT WITH HIM.

2. I SAID WE THOUGHT WE HAD GONE AS FAR AS WE COULD WITH THANH AND DUC, IT WAS TIME TO GET AWAY FROM LEGALISMS, AND I THOUGHT THE PRESIDENT AND I SHOULD NOW TRY TO RESOLVE THE OUTSTANDING POINTS BETWEEN US.

3. BUI DIEM SAID HE AGREED ENTIRELY, THAT HE WAS ANXIOUS TO SEE THE PRESIDENT BEFORE I HAD MY APPOINTMENT WITH HIM, AND THAT IN FACT IT HAD BEEN ARRANGED FOR HIM TO SEE THIEU AFTER HIS RETURN FROM VUNG TAU. HE INTENDED IN PARTICULAR TO IMPRESS ON THE PRESIDENT THE FOLLOWING POINTS: A) THAT TIME IS OF THE ESSENCE; B) THAT THERE IS GROWING IMPATIENCE IN THE US; AND C) THAT IT WAS IMPORTANT NOW TO ESTABLISH A TIME SCHEDULE. SUCH A SCHEDULE MIGHT INVOLVE A THREE-DAY SEQUENCE; AGREEMENT ON THE TEXT OF THE FIRST DAY, CONVENING OF THE NSC AND THE NEXT DAY, AND ISSUANCE OF THE STATEMENT PUBLICLY THE NEXT FOLLOWING DAY.

4. I POINTED OUT TO BUI DIEM IN SOME DETAIL WHY WE COULD NOT ACCEPT THEIR VERSION OF PARA 11, AND HE EXPRESSED THE HOPE THAT WE MIGHT FIND SOME WORDING THAT WOULD BE ACCEPTABLE TO VIETNAMESE OPINION.

5. I ALSO WENT INTO SOME DETAIL IN EXPLAINING WHY WE COULD NOT ACCEPT THEIR ORIGINAL PARA 11, STRESSING THE POSITIVE NOTE THAT THE GVN SHOULD WELCOME EVERY OPPORTUNITY TO CONTRAST THEIR CONSTITUTIONAL AND DEMOCRATIC SOCIETY WITH THE DIC-

~~SECRET~~

DECLASSIFIED  
E.O. 12958, Sec. 3.5  
State Dept. Guidelines  
By *ly*, NARA, Date *2-19-98*

~~SECRET~~

-2- SAIGON 43099, NOVEMBER 20

TATORSHIP AND SLAVERY OF NORTH VIETNAM. I ALSO EXPLAINED WHY IT WOULD BE IMPOSSIBLE FOR US TO STATE, OR TO ASSOCIATE OURSELVES WITH A STATEMENT, THE INTERNAL MATTERS COULD NOT BE DISCUSSED AT THE FORTHCOMING MEETINGS. BUI DIEM WAS ESPECIALLY TAKEN WITH THE ARGUMENT ABOUT INCONSISTENCY WITH PREVIOUS US STATEMENTS AND REMARKED THAT HE WOULD POINT OUT TO THE PRESIDENT THAT THE US AS A GREAT POWER CANNOT SAY THINGS THAT SMALLER COUNTRIES MIGHT BE ABLE TO SAY."

6. IN CONCLUSION BUI DIEM SAID HE WOULD TRY TO IMPRESS ON THE PRESIDENT THE IMPORTANCE OF PROCEEDING RAPIDLY NOW TOWARD A CONCLUSION. IF HE SAYS TO THIEU WHAT HE SAID HE WOULD SAY, THEN THIS SHOULD BE A USEFUL ADVANCE PREPARATION FOR THE MEETING THAT I WILL BE HAVING WITH THE PRESIDENT.

7. I HAVE JUST HAD WORD FROM THE PALACE THAT THE PRESIDENT IS AT PRESENT CONFERRING WITH HIS ADVISORS AND THAT HE WOULD WANT TO SEE ME TOMORROW MORNING NOV 21 INSTEAD OF LATER TONIGHT.  
BUNKER

~~SECRET~~

Pres. file.

39

Wednesday, Nov. 20, 1968  
10:30 a. m.

~~TOP SECRET~~

MR. PRESIDENT:

Marked in the text and with paper clips are items from one day's NSA take in Southeast Asia which give a quick picture of the situation:

- limited mutual harassing at the DMZ;
- enemy units under pressure and in difficulty at a number of points;
- enemy morale problems due to Paris talks;
- very large supply movements in North Vietnamese panhandle;
- Chicom building roads in northern Laos;
- Cambodians shooting at VC in Cambodia.

W. W. Rostow

~~TOP SECRET~~ attachment (Southeast Asia Sigint Summary 3/0/  R278-68 20 Nov 68  
SEA Sigsum 278-68)

3.4(b)(1),(3)

SANITIZED  
E.O. 12958, Sec. 3.6  
NLJ/RAC 03-66  
By Sj, NARA, Date 6-2-03

12/15/97

Processing Note:

Doc. #39x is separate from and was never attached to Doc. #39.

MEMORANDUM

*Pres. File*  
39x

THE WHITE HOUSE

WASHINGTON

~~TOP SECRET~~/SENSITIVE  
LITERALLY EYES ONLY

Wednesday, November 20, 1968  
12:30 p. m.

DECLASSIFIED

MR. PRESIDENT:

Authority \_\_\_\_\_

By \_\_\_\_\_, NARA, Date \_\_\_\_\_

You asked me to develop a plan to get the missile talks started at the highest level.

DECLASSIFIED

1. Problems

Authority NLJ 89-151

-- Czechoslovakia

By mp/isp, NARA, Date 12-17-97

The military situation is that the Soviets appear to be down to three divisions plus some headquarters troops. That is probably rock bottom. They have pulled their forces away from the German frontier and are not, therefore, in a tactically threatening position with respect to NATO. My judgment about Soviet troops is that we have that issue in about as good shape as we can get it. It should not be a barrier to strategic missile talks.

With respect to Czech politics, the situation is less clear. Obviously, Czech liberals and Soviet-backed conservatives are still struggling with the conservatives, making progress, but not winning. The students and the unions seem to have made effective common cause. I would say that unless we get demonstrations and strikes with bloody repression, we could probably live with the Czech domestic political situation.

-- In making the case to our people for going ahead with strategic missile talks, however, we would have to acknowledge that the whole intervention was tragic. We could not gloss it over. We could say something that is true: It is in the interest of the Czechs as well as all humanity that we proceed with the strategic missile talks.

-- Berlin

Recent alarms proved false. My guess is that Berlin would be quiet if we went ahead.

-- The text of the Joint Communique on Missiles.

I re-read what the Soviets added. One of their paragraphs talks about "equal security should be assured for both sides." If this is interpreted to mean that each side should be left with an assured second strike capability, we could buy it. We would have to make sure, however, that the Soviets did not read this as meaning that we were going for equal numbers in all categories. This we could not buy.

-- More generally, I think we would have to come back to the Soviets with our own redraft of the present combination of their points and our points before we could be confident that the result would be acceptable. Bob Murphy could work with Secretary Rusk on this once the President and Mr. Nixon had agreed in principle that we should go forward.

-- The major problem is Nixon and his willingness either to support an early meeting on missiles at the highest level, or not to oppose it. I repeat the paragraph from my previous memo:

"With respect to a rationale for Nixon, these are key points:

-- we have been working on this since January 1964, and working intensively since the Glassboro sessions;

-- we start with a position which is fully acceptable to the JCS and all civilian authorities in the government;

-- any modifications and negotiations from that position will lie in the hands of the next Administration;

-- a coming to grips with this matter at an early date would make it easier to get the NPT through the Senate in January;

-- equally important, if Nixon encourages the President to go forward with this, it will virtually guarantee Soviet restraint on Berlin and Eastern Europe in the first phase of his Administration because once the talks are started, the Soviet Union will have a major interest in not creating circumstances which would require that they be broken off. We have been clear with them about both Berlin and Czechoslovakia. "

2. In retrospect, I think the last point could be made very strongly to him. In general, my somewhat amateur political advice would be this:

-- Tell Nixon you have decided to go ahead if you can get agreement along the lines of the principles already built into the U.S. national position;

-- Give him the option of coming along, like Attlee with Churchill to Potsdam;

-- Give him the option also of having Murphy come along;

-- Before seeing Nixon, however, make sure we have an agreed redraft of the principles we would put to Moscow cleared by the JCS. That is the first preliminary technical job. I would suggest that Sect. Rusk



be asked by you to take it in hand promptly.

3. Your case for doing it before January is exceedingly strong because:

-- You have put almost five years' work into it, including intensive work in the last year and a half;

-- The opening of these talks could ease the NPT problem enormously.

W. C. Rostow

40  
Pres file

Wednesday, November 20, 1968  
9:15 a. m.

MR. PRESIDENT:

I am told that Lieutenant Commander Atkin, White House motion picture photographer, was informed that the President has expressed an interest in having his meetings covered with sound-on-film motion picture cameras.

Does the President wish to have his meetings with the National Security Council so covered? (Any film taken can, of course, be safeguarded with proper classification.)

W. W. Rostow

Yes \_\_\_\_\_

No \_\_\_\_\_

Call me \_\_\_\_\_

Brom and I have reservations  
except perhaps, for a one-shot  
cosmetic effort.  
W

ACTION

Wednesday - November 20, 1968

Mr. President:

*Pres. file*

President Lopez of Honduras cabled you a message of friendship after the November Presidential elections (tab B). A suggested response is attached (tab A).

If you approve the reply, State recommends that it be transmitted through our Embassy in Tegucigalpa. State also recommends the usual formula on release of the message -- no release in Washington, but no objection if President Lopez wishes to release it.

W. W. Rostow

Approve reply

Disapprove

Call me

Approve usual  
release formula

Do not approve

Call me.

**Attachments**

- Tab A - President Lopez's congratulatory message of November 9.
- Tab B - Proposed Presidential response, for signature.

cc - George Christian  
SWLewsi:mmm

4/a

**Proposed Presidential Response to Message of November 9, 1968  
from President Oswaldo Lopez Arellano  
of Honduras**

**His Excellency  
Oswaldo Lopez Arellano  
President of the Republic of Honduras**

**Dear Mr. President:**

**Thank you for the thoughtful telegram after our recent Presidential election. Your kind words about my Administration's efforts to strengthen the ties between our countries reinforce the memory of the warm reception given me by the Honduran people during my recent visit to San Pedro Sula.**

**I wish you and the people of Honduras well in the coming years and look forward to continued close relations between our countries.**

**Sincerely,**

**Lyndon B. Johnson**

(TRANSLATION)

LS NO. 5875  
T-3/R-XX  
Spanish

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1968 NOV 9 PM 1 32

WN1 142 VIA RCA

TEGUCIGALPA 0951 NOVEMBER 9, 1968

THE PRESIDENT

THE WHITE HOUSE

I EXTEND CORDIAL CONGRATULATIONS TO YOUR EXCELLENCY ON THE NEW AND EXCELLENT EXAMPLE OF THE DEMOCRATIC PROCESS THAT THE UNITED STATES OF AMERICA HAS SET FOR THE WORLD THROUGH THE PRESIDENTIAL ELECTIONS HELD ON NOVEMBER 5 AND, WITH THE HOPE THAT THE DECISIONS TAKEN AT THE POLLS BY THE AMERICAN PEOPLE WILL STILL FURTHER INCREASE THE WELL-BEING AND GREATNESS OF YOUR NATION, I RENEW TO YOUR EXCELLENCY THE ASSURANCES OF MY ADMIRATION AND FRIENDSHIP, AS WELL AS THE EXPRESSION OF THE DEEP APPRECIATION OF THE HONDURAN GOVERNMENT AND PEOPLE FOR THE GENEROUS ASSISTANCE AND MANY MARKS OF FRIENDSHIP THAT YOU AND YOUR ADMINISTRATION HAVE SHOWN THE REPUBLIC OF HONDURAS, WHERE YOU WILL ALWAYS BE ASSOCIATED IN OUR THOUGHTS WITH THE ECONOMIC, SOCIAL, AND CULTURAL DEVELOPMENT OF OUR PEOPLE. SINCERELY,

OSWALDO LOPEZ A.

PRESIDENT OF THE REPUBLIC