

POD SECRET/SENSITIVE FOR THE PRESIDENT ONLY

SUMMARY NOTES OF 561st NSC MEETING July 14. 1966; 12:10 P.M.

Southwest Africa

The President: Groups of U.S. officials should be organized to point up pressing problems in each geographic area. These groups should include the National Security Council area man, the Assistant Secretary of State, an AID official, and a USIA official. They should draw up lists of best quality personnel for their area, organize a reserve of persons to move in when a crisis develops, organize a working relationship with the appropriate Congressional subcommittees. and make a major effort to stay on top of emerging problems.

Under Secretary of State Ball: Presented the background of the Southwest Africa problem speculating that the International Court would rule against South Africa on July 18 on all counts.

After stalling, South Africa will reject the Court ruling and any UN actions to enforce the ruling. The decision will be a blow to sterling, thus creating a major problem for the British. We should avoid supporting economic sanctions against South Africa. We must expect that black Africans will try in the UN to get military and economic sanctions against South Africa.

We are trying to get South Africa to accept the Court's decision when it is handed down. It is doubtful whether we have authority to join other nations in imposing sanctions against South Africa. If the question of sanctions comes up in the UN, the British will be obliged to veto.

No UN action will solve the Southwest African problem, but we cannot give the black Africans the idea we are lying down, nor can we permit a breakdown of the International Court and the international legal system.

Secretary McNamara: No recommendation need be made until we know how the Court rules. We should limit ourselves to working out a preliminary statement to be made immediately after the Court ruling if it goes against South Africa.

USIA Director Marks: We are working on a statement to be made as soon as possible after the Court rules.

Secretary Fowler: We should look closely at the economic factors involved, especially U.S. trade and U.S. investments in South Africa. In addition, the gold problem becomes important because of the large amounts produced in South Africa. The London gold market is losing gold and its future is precarious. In deciding U.S. policy, a major factor should be the impact on the gold problem. DECLASSIFIED

<u>CIA Director Helms</u>: South Africa is one of the least vulnerable countries in the world to economic sanctions.

The President: We should get together all those officials in the U.S. Government who are involved in African problems and work out a statement which could be made from the White House. Arthur Goldberg should be included in this group. We should draft an immediate response to be made as soon as the Court acts and arrange a holding action until we know what our next move is to be. We should stay in close touch with everyone in Congress who is interested in Africa. Possibly, we can relieve some of the pressure which will arise. We should try everything. Even a blind hog may find an acorn.

Secretary Fowler: We should be in touch with officials of private enterprises which have investments in South Africa.

OEP Director Bryant: We should dampen down now African expectations as to what is going to happen when the Court rules.

The President: Reaffirmed the need to organize groups or task forces of U.S. officials.

Browley Smith

THE WHITE HOUSE

Wednesday, July 13, 1966 8:00 P. M.

Mr. President:

The suggested order of business for the 45-minute NSC discussion of the South West Africa problem is as follows:

- 1. Your opening remarks
 - a. my continuing interest in African problems :
 - b. my desire to keep moving on the programs promised in my speech to the African Ambassadors in May;
 - c. my hope that we can find ways to keep the South African problem from upsetting our plans for Africa
- Call on Under Secretary Ball to summarize the State Department's paper. (Note: Secretary Rusk is scheduled to be on the Hill. George Ball has been handling the South West Africa problem.)
- 3. Ask Secretary McNamara for his views.
- 4. Ask CIA Director Helms to comment on the effect of using economic sanctions against South Africa.
- In Ambassador Goldberg's absence, ask George Ball to comment on the UN aspect of the problem.
- 6. Request George Ball to get to you soon a plan for your approval which lists major action recommendations covering all parts of the problem. The urgency is obvious if the International Court hands down its decision next week.

Bromley Smith

LIST OF ATTENDEES FOR THE 561st NSC MEETING

Thursday, July 14, 1966; 12:00 noon

Secretary of Defense McNamara
Assistant Secretary John McNaughton

Under Secretary of State Ball
Assistant Secretary Joseph Palmer

CIA Director Helms

JCS Acting Chairman Admiral McDonald

Secretary of the Treasury Fowler

USIA Director Marks

OEP Director Bryant

Deputy Director of AID Gaud

Walt Rostow
Bill Moyers
Robert Kintner
George Christian
Bromley Smith
Edward Hamilton