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January 7, 1969

MEMORANDUM FOR THE RECORD

SUBJECT: National Security Council Meeting, Wednesday, June 7, 1967

The following is a record from my notes made during the meeting, but, because of the fast moving events in the Middle East, not transcribed until today.

Secretary Rusk opened the discussion of the situation in the Middle East by reporting that Nasser had suffered a "stunning loss." He had miscalculated the military situation and Soviet support. There was widespread disillusionment with Nasser in the Middle East. The Soviets seemed to have been guilty of encouraging him. The Arabs in the UN felt that the USSR had let them down. Israel was riding high and its demands will be substantial. Israel will probably demand a peace treaty with the Arabs with the following objectives:

- a. Clear resolution of the state of belligerence.
- b. Getting rid of the UN truce supervisory machinery. Israel will accept no arrangements that derogate its sovereignty.
- c. At the beginning it seemed that Israel was not seeking territorial acquisition, but Ambassador Barbour feels they will want Sharm el-Sheikh and straightened out borders.

Looking ahead, the Secretary spoke of the importance to us of removing belligerent rights, resuming international guarantees, and regional economic and social developments to absorb intra-Arab and Arab-Israeli quarrels. If we do not make ourselves "attorneys for Israel," we cannot recoup our losses. We do have something to bargain with in that Israel must be grateful to the US and Israel requires continuing US support.

The Secretary reviewed the question of "who did what?" He said we had a primary obligation to ourselves to maintain peace. What we would have done had we been in Prime Minister Eshkol's shoes is another question. Eban had laid bare Israeli thinking and we understood it. In any case, the situation on June 8 appeared "more manageable than five days or three days ago." The air battle had been significant.

Mr. Helms said that the Russians had badly miscalculated, even more so than in the Cuban missile crisis.

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Mr. Katzenbach said that arrangements for evacuation of Americans were in progress everywhere except in Jordan. We still were holding off in Kuwait and Saudi Arabia.

Mr. Gaud reported that we had had aid programs in six of the fourteen Arab countries (plus Israel)--Sudan, Jordan, Tunisia, the UAR, Morocco, Israel--and a pipeline of one sort or another to twelve. He had stopped obligations to all of these countries. He had frozen everything for those countries who have broken diplomatic relations. In addition there are US contributions to the world food program, UNRWA and voluntary agencies which we had not stopped. The pipeline of unliquidated obligations added up to about \$130 million. The President asked Mr. Rostow to pull all of this information together and to see how it sorted itself out.

With regard to our aid through international or private agencies, Secretary Rusk said it would be serious to pull out of the FAO. On the other hand, with American personnel coming out of countries like the UAR, voluntary agency programs might have to give for the time being.

The discussion turned to the question of military equipment. The Vice President said the Congress was watching the flow of arms shipments very carefully. Mr. E. V. Rostow noted Soviet shipments to the Arabs.

The President said "he was not sure we were out of our troubles." He could not visualize the USSR saying it had miscalculated, and then walking away. Our objective should be to "develop as few heroes and as few heels as we can." It is important for everybody to know we are not for aggression. We are sorry this has taken place. We are in as good a position as we could be given the complexities of the situation. We thought we had a commitment from those governments, but it went up in smoke very quickly. The President said that by the time we get through with all the festering problems we are going to wish the war had not happened.

Ambassador Thompson said he could figure out no explanation for the Soviet misjudgment. The Russians should have known the Arabs' capability. He felt the end of belligerence should be relatively easy to handle with the USSR. Barring a direct threat to Cairo, he felt the Soviets would probably stay out of war.

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Secretary Rusk felt that, in Moscow, those advising caution may be strengthened.

General Wheeler reported briefly on the air war, noting that the Israelis had caught a large portion of the UAR air force on the ground. He also pointed out that the striking nature of the Israeli success reflected great superiority in maintenance, leadership, training and discipline rather than numerical superiority.

The President then went on to read a statement later released to the press (attached), establishing a Special Committee of the National Security Council to deal with the Middle East crisis, with McGeorge Bundy to serve as Executive Secretary and as a special consultant to the President and with Secretary Rusk as chairman.

Secretary Fowler discussed briefly the effect of hostilities on the money markets of the world. In sum, he felt there was nothing to indicate any massive movement of funds. He said we were not interfering.

At the President's request for comment, Mr. Bundy said the following about his new assignment: He would be in familiar company and would do his best. He needed the help of people who had been working in the crisis and would require the support of a small staff. He knew his job was primarily to take the best possible advantage of work already going on.

Secretary Rusk concluded by suggesting that there be a meeting of the new committee at 6:30 p.m.

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Harold H. Saunders

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