MINUTES NATIONAL SECURITY COUNCIL MEETING January 27, 1969

The National Security Council convened at 0930 hours,

January 25, 1969, in the Cabinet Room of the White House.

Attendees are at Tab A.

Substance of Meeting

The first formal briefing was given by Mr. Helms, Director of CIA, the text of which is at Tab B. The briefing included a summary of Hanoi's objectives in South Vietnam which included (1) unified country under Communist control, (2) elimination of dividing lines, (3) acceptance of the concept that North Vietnamese forces are not foreign troops and (4) the recent determination that they cannot win by military means and a decision that they can negotiate a settlement which will permit attainment of objectives.

The internal situation in South Vietnam was discussed. The Director concluded that under the present ground rules, assuming the withdrawal of our troops, South Vietnam would be able to go it along in approximately one year. Director reviewed the probable negotiating position of the North Vietnamese government stating that while he believes they are serious about negotiations, they will insist on (1) total U.S. withdrawal and (2) a role in the South Vietnamese government which they believe will optimize their opportunities for ultimate takeover. Director turned next to Laos

DECLASSIFIED E.O. 13526, Section 3.5 NLN 04-H-29/9039, per sec. 3.3(b)(1); ltr. 8/22/11

By: MLH, NARA; Date: 10/26/2011

and made the following points:

- -- War started when the French withdrew.
- -- Majority of the fighting is done by North Vietnamese troops with the view towards protecting their logistic lines into South Vietnam.
- -- Up until now, there has been a reluctance on both sides
 to expand the war in Laos. At present, government
 represents a three-way coalition of neutralist, rightists
 and the Pathet Lao.
- -- Souvanna has recently shifted from a neutralist alignment to a rightist stance and generally supports the U.S. view, especially a compromise political settlement in South Vietnam.

Director turned next to Cambodia making the following points:

- -- Sihanouk has long expected a Communist win.
- -- Has recognized NLF.
- -- Protests U.S. incursions.
- -- Has recently developed second thoughts as the Communist foothold in his country has increased and has initiated tentative feelers to renew relations with the U.S.
- -- Cambodia realizes significant revenue through logistic support to NVA.
- -- The Communist organization in Cambodia controls the logistics framework for the war effort in South Vietnam

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which includes both land and water routing but CIA lacks hard intelligence with respect to the latter.

Director turned next to Thailand, making the following points:

-- Thailand participates with 12,000 troops in support of South Vietnam,

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per sec. 3.3(b)(1)

- -- Has made little progress in controlling insurgency in Northeast Thailand.
- -- Thailand extremely concerned about possible U.S. withdrawal from South Vietnam.

The President interrupted and told the Director that he wished to have an in-depth analysis of Indonesia.

Director stated that in general the U.S. image in Southeast
Asia was quite favorable and the primary concern in the area is that
the U.S. might withdraw precipitously.

The President then inquired about Malaysia, Singapore and Burma.

Director stated that Ne Win, leader of Malaysia has spoken out against the war in South Vietnam. At this point, Mr. William Bundy interrupted and stated that as early as 1966 Ne Win had shifted privately to support of the U.S. war effort and reaffirmed this in discussions with Mr. Bundy at that time. He added that in 1967 Ne Win again reaffirmed his support for the U.S. in discussions with Premier Sato of Japan, much to the surprise of the latter.

Concerning Burma, the Directed stated that Li Quon Hu generally supported the U.S. position but was pessimistic about the Thieu government in South Vietnam.

The President then asked how the other leaders feel about the Thieu government. Mr. Helms stated that the picture was generally mixed, adding that President Marcos of the Philippines supports the U.S. but has been preoccupied with internal problems.

Japan appears to be the main center of the Communist echo in the area. Most of the leaders of the Southeast Asia countries believe the U.S. is willing to settle the war in good faith but are fearful of South Vietnamese delaying tactics. Mr. Helms listed Thailand, South Vietnam and South Korea as countries who were most fearful of the results of a U.S. withdrawal from the area.

The President then asked how the Indonesians felt. Mr. Helms replied that they strongly support the U.S. since the fall of the Sukarno regime, recognizing that the U.S. presence in South Vietnam actually assisted in his downfall. President Suharto has become increasingly willing to encourage a return of U.S. business to Indonesia. At this point, William Bundy emphasized that initial fears in Indonesia concerning U.S. persistence in South Vietnam seemed to be settling.

The President then asked the Director, CIA, to provide him with a review of the outlook of all the countries in Southeast Asia with respect to the options which have been laid out in the paper for consideration by the National Security Council.

Mr. Helms' briefing was concluded.

The briefing by Lt. Colonel Thrush, member of the Joint
Staff is at Tab C. Colonel Thrush's briefing consisted of a series
of charts which covered (1) infiltration statistics, (2) force projections
(Note: The V.P. joined the Security Council meeting at 0934 hours),
(3) enemy casualty statistics, (4) enemy logistics framework,
(5) main enemy logistics routes, (6) enemy bases, (7) enemy bases
in Cambodia, (8) location of supply centers in South Vietnam.

At this point, the President interrupted and asked why we are finding more and better enemy caches recently. General Wheeler replied that this was due to better intelligence, a greater number of defectors who are willing to talk. General Goodpaster added that this also resulted from increased operations in enemy gut areas, withdrawal of main force units from some of these areas.

Mr. Alexis Johnson then added: "I was informed while in Saigon that enemy PWs are now quite disillusioned, even angry and

are willing to talk". The President retorted, "I think there is a tendency to get skeptical of these optimistic reports". Both Mr. Johnson and the Chairman reiterated that there is a positive and honest shift in the enemy's attitude in South Vietnam and in his willingness to surrender. General Goodpaster added that there has been a Chieu striking but not as yet significant increase in_/ Hoi rates.

Secretary of Defense Laird stated, "I have heard these briefings each year and each year they get more optimistic and, therefore, I hope that we will be very careful in digesting the material which is put forth."

Briefer continued showing chart no. 9 on food shortages.

General Goodpaster pointed out that the logistic situation in each area of activity is quite different. In the I Corps area to the north, the In enemy's logistics are weak and he is suffering._/the III Corps area which includes Saigon, the picture is quite different due to the extensive availability of food and supplies moving through Cambodia.

The briefer then turned to what the Joint Staff considered to be four main enemy options in their future operations which could be undertaken individually or in combination:

- 1. Attack across the DMZ.
- 2. Attack in North and South Vietnam, flanking the DMZ via Laos.

- 3. Attacking east and southeast across the Cambodian border towards Saigon.
- 4. Continue current operation of maintaining sporadic effort in all areas of South Vietnam, utilizing main force to attack U.S. forces and guerilla operations to disrupt pacification operations and to strengthen Communist political infrastructure.

option appeared to be the one that the Communist would continue with for the time being. Briefer then displayed Chart on air operations and at this point, President interrupted and asked the Chairman whether or not the military were being restricted in their operations in South Vietnam. General Wheeler replied, "only by the decision of the President". The President asked if General Wheeler agreed with these restrictions. General Wheeler replied that if we need authority to do more, it will be requested. The President commented that he hoped these restrictions were reviewed and reexamined regularly.

Secretary of State Rogers asked whether or not U.S. drones go into China. Chairman replied that on several occasions over the last few years drones have strayed over China but generally over insular territory. President asked whether or not a drone aircraft was distinguishable from conventional aircraft. General Wheeler replied that I believe that Chinese radar operators can now distinguish

between drone and conventional aircraft, certainly between drones and our SR-71 aircraft. General Wheeler noted that the North Vietnamese react very quickly to aircraft north of the 19th Parallel.

Briefer then reviewed type military operations conducted in the various Corps zones in South Vietnam. Under Secretary Richardson inquired, "do our forces involved in interdiction action just set astride enemy supply routes or infiltration routes?" The briefer replied, "yes, but with aggressive patrolling outward". Mr. Richardson then inquired, "does this involve much movement?" General Wheeler and General Goodpaster then described the style of U.S. operations with focus on the III Corps area, commenting that the three ARVN divisions in the III Corps area were their poorest units but that this situation has been resolved through the utilization of the ARVN strategic reserve which includes their airborne division plus their ranger and marine Italians. He also added that the recent redeployment of the 1st Air Mobile Division from the II Corps zone to the III Corps zone had added immeasurably to our capabilities in this area. General Goodpaster then explained the technique of "pile-on tactics" through which U.S. forces rapidly converge on enemy contacts with superior mobile force and firepower whenever the contact develops.

The President then asked, "is this what you described to me as "wielding the force?" General Goodpaster replied affirmatively. The President then asked about the caliber of the ARVN Generals in the Saigon area and what we are doing about their inferior quality. General Wheeler replied that General Abrams has been pressuring the South Vietnamese on both this issue and on the alarmingly high rate of South Vietnamese defections. Dr. Kissinger then asked for some statistics which would enable us to compare friendly and enemy casualties when (a) actions were friendly initiated or (b) enemy initiated. General Goodpaster said he would judge that about 80 to 90% were the result of friendly initiated actions. He also added that U.S. and ARVN casualties inflicted on the enemy were running about equal. General Lincoln then asked why the enemy was willing to sacrifice approximately 2,000 casualties per week in what appeared to be a meat grinder. General Wheeler stated that the enemy must continue its military activities to maintain the most favorable negotiating stance, adding that furthermore if they were to slow down, pacification operations would pick up. General Wheeler stated that the 2,000 casualties per week figure is probably modest since it is based on body count and does not reflect the untold casualties inflicted by air nor include the numerous enemy wounded in action. Under Secretary Richardson again asked

if this figure could be firm. General Wheeler reemphasized its modest content.

The President then asked what the reason was for the dropoff in enemy captured during the last quarter of 1968. General Goodpaster stated he was not sure but it might be due to statistical lag.

The President then inquired whether or not we felt the enemy had deescalated since the bombing halt and if they had whether or not it was forced by friendly effectiveness or was the result of a willful decision to do so. General Goodpaster stated they are continuing to attempt to achieve a success, especially in the III Corps areas and have not been holding back.

The President asked whether enemy initiatives had been increasing or dropping. General Goodpaster replied in the III Corps area they have definitely increased, especially in the III Tay Ninh and Michelin areas.

The President inquired if they were trying to keep up the pressure during the talks. General Goodpaster replied definitely but they have been restricted by our operations to jungle sanctuaries.

The President then asked if we were ready for enemy activity during TET, emphasizing that he wished to be updated on the military situation so that he could approve contingency actions which

might be necessary. General Wheeler stated that General Abrams is ready to move quickly, adding that intelligence indicates that the enemy hopes to move in the Saigon area but has been frustrated by General Abrams' employment of B-52s, tactical air and artillery, together with the logistical attrition that the enemy has suffered.

The President then asked what would hoppen if the enemy moved massively across the DMZ. General Wheeler replied that he would immediately request authority to initiate bombing in and north of the zone. The President again asked if the military was able to do what they wanted in the conduct of the war. General Wheeler replied, "yes, with the exception of the bombing of the north and mentioned that if Saigon were attacked, that his contingency plan is in existence which included strikes in North Vietnam to reflect our serious concern for a breach of understandings arrived at in Paris.

The President asked to see the plan.

Secretary of State Rogers then inquired, "how long General Wheeler thought the enemy could continue in the face of the present losses?"The Chairman replied that in his judgment about two years, pointing out that the conflict was not like World War II where at this point in time exploitation could be initiated and

a decisive victory achieved. The Director of DIA interrupted and stated, "but at this point there are still 500,000 regulars that have not been used in North Vietnam." Secretary of Defense stated, "but attacks are dropping off". General Lincoln then asked whether or not the continuing losses of the enemy were a result of a failure of local units to get the word to fall off. General Wheeler said, "no, they are attacking on orders from Hanoi".

Dr. Kissinger then asked about casualty rates in the event we were to deescalate our operations. General Wheeler replied we would then suffer greater losses as a result of turning the initiative over to the enemy. General Goodpaster added, "we must keep pressure on the enemy or he will achieve local initiative, over-run exposed static U.S. units and, in general, add to U.S. losses". Secretary Rogers then inquired about the possibility of mutual deescalation by agreement. General Wheeler replied, "I can see no viable agreement of that type in the wind". General Lincoln added, "such an agreement need not be explicit but could be tacit". Secretary Rogers said, frankly I just cannot accept such a concept".

At this point, the JCS briefer continued covering air operations, B-52 operations and carrier operations, naval operations, to include market time, game warden and naval gunfire. Briefer then reviewed

ground reconnaissance operations in Laos (Prairie Fire), Cambodia (Daniel Boone) and current restrictions and ground rules involved. Briefer turned next to modernization and improvement of Vietnamese forces under Phases I and II, stating that we were now in Phase II, programmed for completion in FY 72. A discussion on desertion rates followed and General Wheeler stated that he is convinced that the ARVN leadership is improving and should continue upward, adding that some of the deserters were statistical only in that they deserted one unit to go to another unit which had higher pay or better living conditions.

The President then asked whether or not our modernization program for the Vietnamese Armed Forces was adequate.

Secretary Laird stated, "I think we are moving but started very late". General Wheeler stated, "I think we are going about as fast as both we can provide and the South Vietnamese can accept".

General Goodpaster added, "we are paced about right with about two or three qualifications." These include engineer artillery, transportation and medical equipment which we are planning to provide through selective reduction in U.S. units. The worst problem area is the development of the Vietnamese helicopter capability. We would like to deactivate some U.S. units but don't dare at this time.

The President then asked about the situation with respect to local ARVN forces, stating that in his view the AID people are totally unsuited to supervise the development of local security forces,

stating it is like the blind leading the blind, adding AID is incompetent to handle this mission. General Goodpaster suggested that we receive a report from the field.

The President stated, "I know this operation is inadequate and recognize that a police force must be developed. The President then told General Wheeler to get a complete report on the whole program to include who is doing it, whether he is qualified, what system he is employing.

The briefer then continued showing some pacification statistics.

At this point, Dr. Kissinger asked what are your criteria for the various categories of pacification (referring specifically to statistics which reflected that 73% of South Vietnam was pacified). General Wheeler replied, "that figure is probably vulnerable and the pacification chart is significant primarily because it reflects trends noting that subsequent to TET there was an initial drop but with a steady increase shortly thereafter.

Briefer showed a chart on Chieu Hoi which reflected statistics for the month of December 1968 which were the second highest to date. The briefer then showed a chart reflecting the roundup of Viet Cong infrastructure. The Director of DIA commented that President Thieu has finally moved out in this area. Dr. Kissinger asked, "why is there such a problem in getting the South Vietnamese to move against

people who are bent on doing them in, to which Mr. Bundy replied "it is primarily a problem of organization and leadership". The President asked who was our representative charged with this job to which Mr. Bundy replied, "this comes under the COORDS organization under Mr. Colby".

The President then asked "is he a specialist, does he have any idea of what he is doing?" Mr. Bundy replied he was the Chief of Station in Saigon when you were Vice President.

JCS briefer then concluded.

Secretary of State Rogers introduced Mr. William Bundy at 1100 hours. The President stated we will listen to Mr. Bundy for 30 minutes, take a five minute break and then return for our discussion.

Mr. Bundy introduced his briefing, stating that he would comment on (1) pacification, (2) the economic situation in South Vietnam, (3) the political situation in South Vietnam and (4) the situation in Southeast Asia in general.

Mr. Bundy made the following points:

-- Agree that pacification trends are upwards but emphasized that this is extremely vulnerable.

- -- Pacification is mostly a GVN effort and support the COORDS organization under Colby which includes some 5,000 military and 1200 civilians, the latter being primarily AID with some foreign service officers.
- -- The economic situation indicates that inflation continues to be a serious problem.
- -- There has been progress in the countryside on rice production.
- -- Main problems center on (1) requirement to control
 budget (U.S. must carefully gauge its input),
 post-TET progress has been good, (2) on a longterm basis, South Vietnam has good economic recovery potential.

Discussing the political situation, the following points were made:

- -- Until June 1967, Ky appeared to have the helm in South
 Vietnam. Then Thieu took over an uneasy primary role,
 with Ky controlling cabinet appointments and providing
 a basically technician cabinet.
- -- Thieu began last May to reform cabinet and installed

 Huong and the power struggle resolved in favor of

 Thieu.
- -- During Fall, Thieu's stock raised and then fell back to its current low point.

- -- Huong is on Ky'd bad list although he looks like a good man and a man of honor. The cabinet is of Thieu's and Huong's formulation and although it has weaknesses is better than previous models. The General Assembly has performed well as a sounding board, albiet hard line.
- -- Until recently, Corps Commanders wielded autonomous and considerable power which has been reduced since June.
- -- I Corps Commander still very strong. At the district and province level, Chiefs are now appointed from Saigon.
- -- Civil Service is of mixed quality.

Mr. Bundy then turned to political forces in South Vietnam, pointing out that it is a conglomarate of geographic, religious and ethnic divergency.

- -- The major problem is the confidence effectiveness index of the central government.
- -- TET was their Pearl Harbor which crystallized their confidence. Confidence grew as a result of TET, our presence and the retirement of President Johnson.

- -- It appears they can do the job assuming a third factor is properly added to the index, i.e., a sense of reality.
- -- Despite this, there is a great distance to go.
- -- Main problem is corruption.

At this point, Secretary of State interrupted and stated that he has spoken to Senator Kennedy about the recent Kennedy report on corruption and has been assured by Kennedy that he will not release this report.

- The second major problem is how the South Vietnamese can politically organize to permit participation by the NLF either through legitimization or a front solution.

 There has been little progress in this area. The Lin Minh party supported by Thieu has been floundering due to lack of positive leadership by Thieu who hangs back until he is convinced that success is assured.
- -- An effective coalition must be organized.

Mr. Bundy then turned to his view of Southeast Asian reactions to types of settlements referring to the November NIE on this subject.

The President interrupted and stated that he wished to look at this NIE. Mr. Bundy made the following points:

- In general, the nations would be appalled by U.S.

 defeat and defeat in their view has military overtones but in the final analysis will be measured by the
 ultimate results, i.e., if the Communists prevail in
 South Vietnam we are defeated.
- -- Nations are sure we have the power but are less certain of our will.
- In Laos, Souvanna would not survive. In Cambodia, Sihanouk would become a satellite. In Thailand, the situation would be knife-edge, especially with the obvious fall of Laos. In Malaysia, the situation would deteriorate. In Singapore, there is some pessimism about the future and hope that the U.S. will hang in. The Indonesians would like a peaceful solution and might be willing to play a role in Hanoi. They would definitely be shaken if the U.S. were to fail but would probably not collapse as a result. In the Philippines, failure would be a setback and might combine with the Huk problem to escalate difficulties.

The President then emphasized that he wished to read the NIE on this subject and asked how it was prepared. Mr. Bundy replied that

it was an intelligence community document under the Chairmanship of CIA, approved by the U.S. Intelligence Board. Mr. Bundy concluded his presentation and was succeeded by Mr. Philip Habib, Member of U.S. Paris negotiating team.

Mr. Habib brought the group up to date on the Paris negotiations, making the following points:

- -- U.S. kicked off with a limited bombing pause.
- -- Hanoi insisted on total halt and was noncommital on what would follow.
- -- U.S. insisted that while we were willing to stop
 bombing we wanted assurance that serious negotiations
 would follow.
- -- Negotiations started slowly with typical propaganda theme. Hanoi would not engage in discussion of gut issues.
- -- Hanoi continued to demur until during private talks
 with Vance and Habib indicated they might be willing
 to do something.
- In two months, U.S. got a basic understanding which included (1) cessation of U.S. bombing and all acts involving the use of force against the Territory of North Vietnam. At this point, Mr. Habib implied that

the North Vietnamese understood that we would continue reconnaissance operations over North Vietnam. In response for the above, North Vietnam assured us that (1) they would respect the DMZ by not moving through it or massing north of it, (2) discontinue indiscriminate attacks on major cities, such as Saigon, Da Nang and Hue. Attacks included not only ground attacks but shelling and mortaring.

- -- While the North Vietnamese never subscribed to the above agreement, they "understood that if it were broken, talks could not be conducted". While there was no written agreement to this understanding, the North Vietnamese understood what we expected.
- -- U.S. side believe the Soviets moved in and applied some modest pressure at this point and also felt that the approaching U.S. election also exerted pressure on the North Vietnamese.
- This was the genesis of our side-your side formula

 which was to permit four-sided solution. As talks begans, became

 more specific GVN became increasingly fearful and it was

 obvious that Thieu was under pressure.

-- Our side-your side formula confirmed NLF participation and raised GVN fears.

The President then asked what was the U.S. relationship with the GVN at this point. Habib replied, "the only South Vietnamese who really knew what was going on was Thieu and a handful of his advisers. As we approached agreement, he realized he did not have the political support needed to accept the package.

The President then asked what was his main concern then?

Habib replied, "two areas. First the provisions of the non-agreement itself and second, the fact that he might not have the political support to accept such a package but mostly he did not know what the specific role of the NLF would be under the formula. General Goodpaster added that another problem was the timing of the non-agreement. Thieu needed more time to get the general support and we were pushing very hard.

The President then asked, "am I right that the main problem was the role of the NLF"? Habib replied, "correct, they could see a three on one situation developing and our agreement was finally arrived at on the our side-your side formula.

-- Next the procedural wrangle started, the time barrier being the President's inauguration and his feeling on the other side that a settlement should be reached before the new President was installed. It was at this point

that the Russians played a key role, suggesting that conversations be conducted on a two-sided basis. Habib conjectured that the Soviets may have applied a little arm twisting. Mr. Habib then reviewed where we are pointing out that he expected:

- -- A renewed period of intense propaganda sessions followed shortly by secret talks with DRV. Habi b emphasized that the DRV has already agreed to meet at any time at any level.
- -- The outlook is for a circus arena, followed by private sessions which will get down to brass tacks.
- -- Negotiating team views the future in Paris as a subtle balance between political and military negotiating tracks.
- -- The U.S. perhaps to pursue the military track, such as withdrawals, ceasefire and DMZ.
- -- The North Vietnamese to seek a political solution providing for participation by the NLF in the south, combined with U.S. withdrawal.
 - subjects
- -- Habib states all **xuggentions** can be raised at the meeting.

- -- U.S. probably should initiate pressing for restitution of DMZ and mutual withdrawal. The North Vietnamese will probably insist on U.S. withdrawal, plus political entre initially through the so-called "peace cabinet" which could negotiate with the NLF by ultimately seeking a coalition government.
- -- NLF will carry main thrust of Communist political objective.

Mr. Habib then stated to the President, "what we need from you Mr. President are answers to the following questions:

- 1. What are the issues on which we should negotiate in order to secure the objectives you have defined?
- 2. What is the objective of the negotiations? Should it be: (a) withdrawal, *b) neutrality, (c) use DMZ as separate and distinct early negotiating objective, (d) what will be the treatment of the internal political solution in Vietnam, (e) what should be the level of hostilities as related to negotiations, i.e., the relationship of deescalation to negotiation, (f) how should we treat inspection, verification, supervision and guarantees, (g) how should we treat the question of Laos and Cambodia?

The above is the balance mixture of political and military issues which will concern us in the negotiations, not only in their substantive content but also as these issues relate to one another in the sense of

time. Habib stated that the North Vietnamese are worried about keeping strength on the ground to provide leverage. This will influence their timing.

The President then asked what the South Vietnamese think.

Habib replied, "they consider themselves the victims of aggression from the north. If that aggression would cease, they believe they could work bilaterally with the NLF or any other opposition groups."

- -- The south wants to talk primarily to the DRV but have reluctantly agreed to talk to the NLF if need be.
- The heart of their problem is withdrawal by all Vietnamese who came down across the DMZplus all those in South Vietnam who will not lay down their arms.
- -- The South Vietnamese are not yet in tandem with us on this withdrawal issue.
- In June, we had talks between Vance and Lo and in these initial talks the North Vietnamese seemed easy on the DMZ issue and most difficult on the withdrawal issue, claiming as Vietnamese they had the right to fight anywhere in Vietnam. Initially, they insisted that the present government and constitution must go but their line continued to change.
- -- First insisted on patriotic coalition.
- -- Second, insisted on coalition less Thieu and Ky.
- -- Third, insisted on "peace cabinet" alternative.

- -- Fourth, they dropped their requirement for a reunification.
- -- Fifth, as talks continued, they expressed great concern about U.S. escalation.
- The North Vietnamese felt that we abrogated initial understanding when we moved military assets involved in northern operations to participate in southern operations.

 North Vietnamese indicated that Cambodia and Laos are not acceptable for early discussion.
- -- On the issue of supervision and guarantees while appealing to the Geneva Accords, the north does not want to discuss or provide for them. Hanoi insists on recognition of "political realities".

At this point, Dr. Kissinger asked if the North Vietnamese had not asked what we actually meant by the Manila formula. Habib replied, "under authority from Washington, we said withdrawal under Manila indicated mutual withdrawal but that we would not be completely out until six months after they were completely out".

The U.S. also indicated that the level of violence did not mean a total cessation of violation but assuming complete North Vietnamese withdrawal, "residual violence" would not be included under Manila.

The President then stated that he anticipated that the thrust of future negotiations would be done in private and that there would be

no public agreement. Habib stated that this was probably true and that initially the North Vietnamese would prefer to negotiate down both tracks -- mutual withdrawal and political settlement. At this point, General Wheeler stated that the north had not abided by the understandings on the DMZ. Habib replied that their violations had been minor, such as patrolling and reconnaissance, pointing out that the north had really never agreed on the reconnaissance issue and emphasizing that they have abided by the provisions of the no-attack on major cities. General Wheeler retorted "yesterday they fired five times on our reconnaissance aircraft".

The President asked what was the GVN attitude. Habib replied the GVN want international guarantees and supervised withdrawal similar to that in 1954. They will insist on guarantees but might accept the pragmatic withdrawal, provided some border guarantees are offered.

The President then surmized "then from Thieu's viewpoint withdrawal without political settlement may be good, is that right?" Habib replied affirmatively. The President asked "can we do this without formal agreement?" Then if this happens the GVN might be able to do the job and, of course, the north knows this and will insist on the dual track.

At this point, the President interrupted the proceedings to tell General Lincoln to get moving on the tornado problem in Mississippi. He also asked where Ky's wife came from. Bundy stated she was a southerner and the President replied, "she is a dandy".

The President thanked Mr. Bundy and Mr. Habib and they departed at 12:40 p.m.

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provide us a factual basis for proceeding with our investigation and we need the answers soon. We want to approach this problem without inhibitions as to where we have been. I want you to think of the problem as a new one. Seek ways in which we can change the game. We must know what we want. The gain could take many turns. I visualize that it could take two years to settle this thing. Give me your ideas.

At this point, he turned the meeting over to Dr. Kissinger who made the following points:

-- A paper for consideration was drafted in New York without access to government machinery. It can be refined when

when we get the answers to the questions.

- There are ,many topics not included in the paper such as what are the world-wide implications, the domestic implications.
- options

 Three XXXX are the easiest to choose but depth

 and problems associated with these options must be

 flushed out and judged.
- -- There are four outcomes of objectives, with three military postures ranging from escalation to reduction.
- -- The time relationship is important in this regard. For example, some reduction might suggest to the other side greater staying power. An escalation of force might suggest to the other side that our staying power has been compressed.
- -- It is obvious that assured GVN control is the desirable objective but what are the costs and will it take longer to achieve than we are willing?
- -- If we can't accept this, we then turn to the other formulas which include risks. We could press for mutual withdrawal, achieve a military settlement and leave the political side to the Vietnamese.
- This could be a good initial approach to give us time to work out the others, i.e., political, plus the military or the political alone.

- -- It is very difficult to translate negotiating language to reality. This might be a good start.
- -- Should we go the political withdrawal route and, if so,

 I believe we would have to press the GVN to broaden
 its base. This is a two-edge sword.
- -- In sum, we should study and determine what kind of a settlement we would accept short of assured GVN control and to go down the political withdrawal route without knowing this could be disastrous.
- The next question is should we go the laundry list route or concentrate on one or more objectives.
- -- Should we establish priorities?
- -- Will deescalation help or hinder the process?
- the maximum or lessening pressure would be preferable.

 The team in Paris must know this. Similar judgments
 must be made on ceasefire. Doesn't this issue imply
 some form of political settlement? These are some of our
 questions that must be answered. While we have listed
 in the paper territorial settlement, this is so fundamental
 that I believe it would require basic changes. Other questions
 involved should the scale of military operations be an
 object of the early negotiations in Paris are:

- -- Would unilateral US reductions help or hurt?
- -- Should the team in Paris go for a large menu or focus on a few or give priorities to some?
- -- Do we wish to continue priority development of South

 Vietnamese army and police?

Many of the above questions can be decided without prejudice to subsequent negotiations. Group convened for luncheon and reconvened at 1400 hours.

The President asked whether or not it would be appropriate to seek the reestablishment of relationships with Cambodia. Ambassador Murphy commented that he thinks this would be a wise move.

The President stated, "I remember him and think we can do business. Perhaps I should write a note to him."

The President then discussed his views on the ceasefire, pointing out that in his view a guerilla war does not lend itself to a ceasefire.

Secretary Rogers added, "no one wants to advance this as a negotiating position but what are we going to do if the other side raises it? How will we proceed from there? The public will give us problems in the event we did not have an acceptable reply." It was agreed that his reply should follow the lines that a ceasefire without a withdrawal of forces would not be feasible in a guerilla conflict.

The President stated that the ceasefire issue should be stricken from the U.S. negotiating menu. General Goodpaster added that some work was done on this subject in Saigon. A staff paper was prepared which concluded that a ceasefire should be related to or linked with force withdrawal and should start with the DMZ where withdrawals might be effected early. Since the DMZ is already in piece the U.S. negotiating position, linking ceasefire with that whenever of territory might prove the feasible course of action.

The President summed up the issue by saying that this might be a good initial position. General Goodpaster added that, in essence, a ceasefire in South Vietnam constitutes a political settlement unless the GVN have the freedom to move anywhere in South Vietnam.

The President directed that the US think through its reaction to a ceasefire proposal from the other side, especially if Hanoi decides to drag the negotiations on they may raise this issue.

Secretary Rogers agreed that this could happen, adding if they propose it without proclaiming it, then what is our reaction?

The President then asked for a recap of what the North Vietnamese negotiating position will be. It was agreed that they will press for U.S. withdrawal, seek a political settlement in the south, initially

through a peace cabinet and ultimately a coalition government. They will probably follow two tracks to insure complete flexibility but with accent on the political settlement issue. Their basic objective would be to use negotiations to break the back of the current regime in South Vietnam. Recent efforts to establish front groups in South Vietnam by the Viet Cong have failed. Secretary Rogers said our maximum objective in our negotiations would, of course, be option (a) but our minimum objective should be to give South Vietnam an opportunity for time to insure their ultimate control of the government. General Goodpaster added Hanoi will initially also target on the U.S. domestic problem, i.e., U.S. public opinion, stating he is sure that a short range target of the north is to erode U.S. patience and willingness to continue. Secretary of Defense stated it appears we should get a grip on our world-wide objectives. We should know why the Russians are pressing Hanoi.

The President stated that is exactly why I want so much to know exactly where the Soviets stand on this issue. We may be closer to a limited goal than we realize, primarily because of what the Soviets have done. For that reason, I believe our best course of action would be to hang on. On the other hand, we do have the internal problem in the U.S. and it will be very difficult to continue without some some change. We do have this problem. We thus

need much from Paris as it affects our public attitudes at home. It also means we may have to take more risks in a settlement than we would prefer. While I am optimistic that it can be done, I am worried about our ability to sell it to the American people. In summary, maybe our best course would be to focus on mutual withdrawal.

Secretary of State Rogers added, 'I think we can expect more from the American people, especially if we could at some point reduce our commitment by perhaps 50,000.

The President stated if you can do this perhaps maybe we can buy time and perhaps some support. Secretary Rogers mentioned the Bunker telegram outlining his proposed style for American negotiations with emphasis on the patient approach (Saigon 1474).

The President stated that he wished that there be absolutely no public or private criticism of the GVN, that he is tired of seeing them kicked around.

Dr. Kissinger suggested that we should consider ways of insuring that the Soviets know that we are determined to settle this issue one way or the other.

The President asked why the Soviets pressured Hanoi. General Wheeler replied, "economics, strengthening U.S.-Soviet ties, perhaps an effort to move in the Middle East". Ambassador Murphy asked

in a tactical sense might it not be better to let the Soviets take the initiative. Dr. Kissinger stated, "I think the Soviets are nervous about you, Mr. President".

The President stated I think we will need about six months of strong military action, combined with a good public stance which reflects our efforts to seek peace. I feel we must not lose our nerve on this one. We should buy time with negotiations and continue to punish the enemy.

Under Secretary of State Richardson stated, "could we not also seek a small reduction of U.S. forces along the route, perhaps three or four months from now"?

The President asked why Thieu agreed to some U.S. force reduction. The Chairman replied, to insure U.S. support and maybe also to help his own domestic image in the sense that the government is progressing and their forces are growing. What we visualize is the replacement of certain U.S. units with certain GVN units.

Reductions must be balanced at any rate. We are now talking at the staff level in Saigon on this issue. It would also involve the turnover of U.S. equipment to the Vietnamese of certain types."

The President stated, "this might be the thing to do in four months or so, after the initial negotiations are underway. Maybe we had better cut out the bilateral staff talks and conduct this as a

unilateral move in four months or so. It certainly should not be done in the context of the negotiating framework". General Goodpaster stated, "I would be most reluctant to commit ourselves on this at this time." The Viet Cong are concerned with progress in the pacification area. General Abrams may be able to push up some reductions earlier than May or June. If we can confirm this, we may be ready in a couple of months.

The President stated if we do this it must be held very closely until the time is executed. The President said our press line on the troop withdrawal issue is important. Dr. Kissinger stated you might say that this issue is under full factual review by the NSC but that we will never keep more troops in Vietnam than are necessary.

The President asked what is the most effective way to bring the war to a conclusion? Our interest now is to get peace and I shouldn't comment now on the troop withdrawal issue since our position has been stated clearly in Paris". The President then turned to the issue of the political settlement, stating that he saw little hope for such a settlement. We might end up with a settlement of some type without a formal agreement, a sort of mutual accommodation in which either side is not deprived of the hope of ultimate success. The south must know that we are with them. The north thinks they are going to win anyway. We must leave some hope on both sides.

When you lose your nerve, you can lost the basket. The mix of actions should be something like this. We talk hard in private but with an obvious peaceful public stance, seeking to gain time, initially giving the South Vietnamese a chance to strengthen the regime and the pacification effort while punishing the Viet Cong. Within three or four months bring home a few troops unilaterally as a separate and distinct action from the Paris negotiation and as a ploy for more time domestically, while we continue to press at the negotiating table for a military settlement.

Under Secretary of State Richardson asked, "yes, but can we hang on with heavy draft calls, etc"? General Wheeler added that our draft calls in the next few months will be high.

The President then said, "yes and there is a question of our European troop levels, the 6th Division issue. General Wheeler commented "the Army is at the end of its two-year cycle. Consequently, draft calls will increase.

The President asked when the new pay bill would go into effect and General Wheeler replied about July 1st.

The President then said, "what about an all volunteer Army"?

I would like something on this".

The President then asked about the issue of prisoner exchange.

Dr. Kissinger stated this is in the opening statement. The President

then turned to Secretary Laird and stated, "I would like your views on the draft issue." Ambassador Murphy raised the issue of U.S. covert efforts to discredit the Hanoi leadership group.

The President directed that the 303 Committee look at this very carefully stating he was tired of permitting this kind of thing to go on and registering concern about groups in the U.S. who supported Hanoi.

The President asked again about the feasibility of sending a letter to Sihanouk with the view towards reopening diplomatic relations.

The President then asked where our contact with the Soviets is at present. Secretary Rogers said the Soviet Ambassador here in Washington but also the Soviet Ambassador in Paris.

The President stated, "I would like to get some recommendations on getting to the Soviets. In a tactical sense, we need a solution to bridge the gap but we also need strategic help in making Hanoi change its policy, a sort of carrot and stick approach. These efforts should be centered here in Washington. Talking on the strategic arms issue is certainly the carrot. We should get planning started on this immediately".

Dr. Kissinger added actions can be undertaken which look threatening which worry the Soviets but actually may not occur.

These also may help. General Goodpaster stated if we are to contact Sihanouk, we should discuss our concern about Sihanouk bille and

the movement of North Vietnamese arms through that port.

Dr. Kissinger stated, "Sihanouk's main value is the fact that he mirrors the attitudes of the Asians. He is a sort of barometer. You can be sure he will never stick his neck out."

The President said, "another carrot with respect to the Soviets the would be Monproliferation Treaty. As you know, we will go forward after discussing this here - first with the Soviets and then with our legislative leaders a week later. This will be a great symbol."

The President then stated that he had a press conference on Monday and emphasized that he did not like to use the term ''no comment''.

The meeting concluded at 2:20 p.m.