MEMORANDUM

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TIONAL SECURITY COUNCIL ASSESSED (3045-X)

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MEMORANDUM OF CONVERSATION

Reviewed by H. D. Brewster

PARTICIPANTS Ambassador Graham A. Martingten.S. J& CLASSIFIED BY FRANK WISNER CLASSIFIED BY FRANK HIDE CLASSIFICATION Ambassador to the Republic of Vietnam SUBJECT TO GENERAL DECLASSIFICATION Ambassador to the Republic of Vietnam SCHEDULE OF EXECUTIVE ORDER 11652 he Secretary SCHEDULE OF EARLY DOWNGRADED AT TWO-The Deputy Secretary AUTOMATICALLY DOWNGRADED AT TWO-THE DIS-AUTOMATICALLY DOWNGRAPTED DIN. Lawrence Eagleburger, Special Assistant to the Secretary to the Secretary

DECEMBER 31, ____ Mr. W. R. Smyser, Senior Staff Member, NSC DATE, TIME

July 17, 1974; 12:00 p.m. नेकार पुरेस्क हैं। समान्य प्रेम से की क्रा राजनेकार राजन क

The Secretary's Office, State Department

Kissinger. I am delighted to have an Ambassador who is tough. Your basic mission seems to be going well.

Martin. The military campaigns are going well. We have kept Hanoi slightly nervous, leaving them uncertain as to what we will do. But the GVN has been told that they have to fight in the first line. They have done so and they have built their confidence. They have fought well. They have not fought for some tactical enclosures near Cambodia but they have held everywhere else. They have disrupted the North Vietnamese infiltration corridor into the Delta. Even the U.S. Army in its great days would have been proud of the operation that the South Vietnamese ran into Svay Rieng.

The other side can mount an offensive. It can have some successes. It can take Tay Ninh or Hue but it cannot keep either.

Kissinger. How long could they hold?

Martin. Maybe several months. But I do not think they would do it if they cannot get you to Paris for a cease-fire in place.

Kissinger. I have no intention of going to Paris. I would like to reply to Le Duc Tho. I do not want an argumentative tone. I have no intention to meet with him. He cannot do anything for us. If he formally requests a meeting and gives me guarantees, it would be OK.

TOP SECRET

SECRET

TOP SECRET/NODIS/EYES ONLY

Martin. I agree. The Paracels affair had a political effect that was positive for Thieu. His domestic position is firm. Our friends come out and they interview the Saigon chapter of the Worldwide Association of Alienated Intellectuals, so they get a different picture. But I think that if one were to hold a vote today, 80 percent of the South Vietnamese would not want to change, even if they do not like Thieu. If the elections under the Paris agreements were held, the GVN would win 90 percent of

Militarily, they are holding. Politically, they are more solid than I had the right to hope,

Kissinger. When I made the agreement, I thought it might be a two-year thing.

Martin. Only if we throw it away. South Vietnam will crumble economically, which will hurt politically, if we do not get enough aid for them. I do not think they can make sufficient military effort if their economy is in trouble.

You are on the verge of something which is the only way it could work. The CIA tells us that North Vietnam will get \$1.2 to \$1.4 billion of aid this year, compared to what South Vietnam gets. They, of course, use their costs figures and no transportation. So, the figure is lower than our comparable

The need in North Vietnam for massive reconstruction is now great. If we can get an aid level here that is enough to get things going in South Vietnam, we will have no problems.

Kissinger. We may get \$600 million.

Martin. That is enough. Dan Spiegel, Humphrey's man, changed his attitude when he was out in Vietnam. So do others. There has been a real change in Vietnam. If we get \$600 million, I can get \$100 million from Japan. Also perhaps something from the Federal Republic and from France. The whole thing will begin to roll.

In Thailand, we started the economic program and finally it expanded to the point where it went on by itself. We can do that in Vietnam.

Kissinger. I am assuming that things in Cambodia make no difference.

TOP SECRET/NODIS/EYES ONLY - XGDS

OP SECRET/NODIS/EYES ONLY

Martin. Can you leapfrog North Vietnam and the KC and get to Sihanouk directly? If we can get him and a few others, we would be in great shape.

Kissinger. I like that idea but I can only do it if I see Sihanouk in Peking.

Martin. Maybe you can get David Bruce to do it. It would perhaps work. Of course, in a real sense, it does not matter. No matter who controls Phnom Pehn, North Vietnam would always be able to keep troops on the South Vietnamese border.

Kissinger. Then you do not think that South Vietnam is weaker now?

Martin. It is much stronger now than before. The Achilles' heel is the economy, in order to pay the soldiers enough. If we can get an appropriated level of \$600 million this year, I can assure you that the place will turn out alright. As for military aid, we need \$900 million if the Pentagon does not steal it from you. That is what they did last year.

They now want somebody who can be responsible at DOD for Vietnam aid. They want von Marbod. I think that's like putting a fox in a chicken coop.

They charged things to Vietnam which have nothing to do with Vietnam, like the R&D on the F5E's.

If I can get about \$1 billion, I will be OK.

One of Brooks' people asked if I should have the authority to approve every item of aid, so as to have some responsible person to whom they could turn. I said that would be alright.

Dan Spiegel said that the publicity campaign has gone to the point where the political prisoner issue is no longer prominent on the Hill.

Kissinger. I don't mind having you testify.

Martin. The GAO has done a report, at Kennedy's specific request, that could be used against us.

Kissinger. We should not have been so defensive about some of the things that came out. We do not comment in leaked documents, Bob (to Ingersoll). But we certainly do not apologize.

4

OP SECRET/NODIS/EYES ONLY

Martin. I have received very positive mail after the flurry of stories.

There was also a lot of hate mail about Kennedy. It worries me. It is one of the strangest things why he attacks me. I have never tried to attack him.

Dan Spiegel says that if you want the appropriation, you can have it.

Kissinger. That is why I have been talking to the committee.

Martin. You have got to make it personally clear.

Kissinger. Right. I will do so after my meeting with the Senate Foreign Relations Committee meeting next Tuesday.

Martin. You can have the money if you want it.

Kissinger. If that is the case, I will get it.

Our opponents have seen that Vietnam is the hinge of our policy. So have others. Lee Kuan Yew said that we have got to get through 1976.

Martin. I can do that if you give me the money.

What I am trying to work for is a de-escalation of the level of violence.

Kissinger. Can we give them a tacit acceptance of a third Vietnam?

Martin. Only if they know that it is the end of the line. But they cannot be certain of that.

Kissinger. The people who talk about a cease-fire may have a situation like that in mind. North Vietnam wanted a cease-fire for political warfare, but they have not won it. The time may come when they will accept a cease-fire for a third Vietnam.

Martin. We cannot have it be acknowledged. It must just happen.

Kissinger. I am fascinated by the reaction of the Poles and the Hungarians.

Martin. They still want the "PRG" zone to be acknowledged. We cannot do that.

TOP SECRET/NODIS/EYES ONLY - XGDS

TOP SECRET/NODIS/EYES ONLY

5

Kissinger. On your appearances, can you wait until after Tuesday? I have that here. How long can you be here?

Martin. As long as you want. I can make a lot of private visits to a lot of people.

The networks want to see me. All the talk shows. What shall I do? I have no interest, but if you think it will make a contribution, I can do it.

Kissinger. Let us not do it unless we need to do it to get a positive note. There is no reason to begin a fight. I favor one on one or small groups.

Martin. On the Kennedy thing, I have heard nothing. If the testimony is good and aggressive, it could go well.

Kissinger. You have not done badly so far.

Martin. My predictions on Kennedy have turned out correct.

<u>Kissinger.</u> Is there anything else we should discuss? Such as Laos or Thailand, etc.?

Martin. I have talked to Kintner. His staff is scared of public opinion. In Thailand, you can have what you want if you handle it correctly. Often, we did not tell them.

Ingersoll. We told the military but they did not pass it on.

Martin. The military is still there and is still very strong. They are all friends. If you like, I can see some of them when I get back. As for Laos, I hope Charlie (Whitehouse) can change his ideas.

(There were some closing pleasantries.)