No Objection To Declassification in Full 2011/04/28: LOC-HAK-45-1-21-7'

MEMORANDUM

NATIONAL SECURITY COUNCIL

SECRET GDS

March 18, 1974

DOS REVIEWED 16 MAR 2011 NO OBJECTION TO DECLASSIFICATION

MEMORANDUM FOR: SECRETARY KISSINGER

FROM:

Jeanne W. Day

SUBJECT:

Talker for Breakfast Meeting with Schlesinger, Tuesday, March 19

OSD REVIEWED 15-Mar-2011: NO OBJECTION TO DECLASSIFICATION.

The staff suggests the following items for your breakfast meeting with Secretary Schlesinger on Tuesday, March 19:

Withdrawal of U.S. Forces from Thailand

Secretary Schlesinger raised this subject with you two weeks ago, saying he wanted to get a decision on our troop levels in Thailand, and will probably raise it again. He has also asked for your approval of a new DOD plan to withdraw about 8,000 men (9,300 spaces) along with a number of aircraft (6 tactical air squadrons and 33 B-52's) in sixty days, by June of 1974. This would bring our actual military personnel level down to about 28,000.

- Kintner's Views. Kintner has expressed his desire for withdrawals in a "steady and orderly manner": he has said that he opposes sudden unilateral withdrawals taken without previous consultation. He thinks the Thai want us to withdraw but believes that a level of 32,000 by the end of June could cope with expected pressures from the Thai election campaign which will be in full swing by early summer. During the next fiscal year, Kintner thinks we should be down to about 25,000 by next December and down to below 20,000 by June 30, 1975.
- The Thai Prime Minister told Mr. Rush two weeks ago that his caretaker government could not make final decisions or engage in definitive consultations on our troop disposition. That would have to be done by the next government.
- Our view is that we can and should reduce our forces (starting in late May) by something like the magnitude that Schlesinger proposes, but that we should stretch out the withdrawals over a six month period because:

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- -- We must discuss with the new Thai government to be elected late this summer or early fall the question of re-entry rights for some of our B-52's and tactical air squadrons in the event of need in Indochina.
- -- We should give the new government some of the credit for the withdrawals.
- -- We should avoid a sudden, massive reduction that could raise questions as to our basic intentions and could cause serious economic dislocations.

As regards withdrawals over the longer-term, we believe Defense and State should address our long term military presence in Thailand.

We are preparing a NSDM on this entire question for your and the President's consideration.

<u>Jordan</u>

General Bin Shaker is here this week. You may want to reinforce with Secretary Schlesinger that the President promised King Hussein that every effort would be made to give Jordan the best possible value for its military assistance dollar. The President wants not only a package totalling \$100 million (\$70 million in grant and \$30 million in credit) but also an opportunity to review a package totalling \$130 million.

<u>Israel</u>

If you have not had a chance to do so previously, you may wish to explain to Secretary Schlesinger your thinking on holding up a final decision on the mix of grant and credit in the \$1.5 billion package.

Suez Canal Clearance

An issue has arisen of how to pay for the US contributions to the reopening of the Suez Canal. There are two projects: (1) clearing mines and removing unexploded ordnance and (2) raising sunken ships. The mine clearing will be performed by the US Navy, which has estimated costs at about \$10 million although not all would be spent this fiscal year. We have offered to help train Egyptians to remove unexploded ordnance along the Canal. The removal of ships will be done by a civilian contractor and should cost approximately \$7 million, which Fahmi has asked us to pay for at \$7 - \$10 million. AID should pay for the ship-raising; the issue is whether Defense or Security Assistance should pay for the mine-clearing. There are arguments both ways.

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You will receive a separate memo on this. For purposes of this talk with Schlesinger, it is suggested that you say the following:

- -- Would Secretary Schlesinger please take a hard look at Defense paying for the mine-clearing and unexploded ordnance operations?
- -- If Schlesinger finds serious legal reasons for not doing so, could he pare the Navy's costs to an absolute minimum? (The estimate is \$10 million, but most people feel that could be cut at least in half if the normal overhead and administrative costs were not charged.)

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