



H. R. Haldeman Diaries Collection, January 18, 1969 – April 30, 1973

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Friday, February 16th. The President had a Cabinet meeting today. He opened the meeting, referring to the VP's trip and then left to meet with Sir Christopher Soames while the VP gave the report on his trip. He did a pretty good job, taking about a half hour to paint the overall picture. Regarding Thieu, he said he's in good shape, positive, would win with an 85 percent vote on an election held today. A much better position than his image in the United States shows. And the VP urged him to try and improve his image in the US Told him he ought to consider addressing the American people when he comes over here, and he ought to talk to people, thank the American people, lay a wreath at Arlington, and so on.

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Audio Cassette 31, Side A, Withdrawn Item Number 3 [AC-31(A) Sel 2-1]
Duration: 1 minute 35 seconds

Cambodia, he says, is the most discouraging of the countries. Lon Nol has serious physical and political problems. Insurgency there has grown greatly; it's diverse and fragmentary, but the government only controls one-third of the country. They have a bad army and there's a lot of corruption. In Laos, Phouma was optimistic regarding the Pathet Lao and the cease-fire. Thailand were cagey neutrals, but pro-US, at least in the form of Thanom, the Prime Minister. Thanom is afraid the US doesn't have the resolution to carry out the Nixon Doctrine, so he's reluctant to openly support us. They're all afraid that we're withdrawing from the area.

In Singapore, Lee Kuan Yew said the ballgame was over in Indochina if Nixon hadn't responded to the May invasion; May 8th is what held Indochina together. Indonesian, not too strong of the US Suharto is in constant battle with Malik. Our total aid to them is \$500 million or, I think, the total foreign aid they're getting is \$500 million and the US provides one-third of this. They can't



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develop their assets; their population is located badly. Malaysia, he was very impressed. There's a good structure there. They're neutralist, but, they understand the US presence and want it. The Philippines there's great political instability in spite of Marcos moves; the religious problem with the Muslim insurrection. They're worried about continued US assistance; they're in a good position now. And he got a very cordial reception there.

He summarized by saying there's great fear that the US won't carry out the Nixon Doctrine, because Congress will cut off the aid money. They're afraid we'll withdraw completely and militarily. If we get out, the Communists will build and they'll fall. They want more aid than we're giving.

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Duration: 21 seconds

But, they won't give up China-Soviet trade. Lee Kuan Yew is concerned about Australia and New Zealand softening and going socialist, but he thinks they'll live-up, they'll line-up, when the going gets tough...

...and they are making economic progress in the area, and stability is building. If they can get help, they can take over for themselves. If we help enough, the Communists can't take over. If we do cut back, it could stir insurrection; it will depend on the Nixon Doctrine. They need a lot of money, but that's cheaper than military involvement.



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Rogers then made the point that, of what would have happened if the President had not done what he did, their problems, and that their problems aren't as great as they indicate. Then there was some discussion about aid to North Vietnam.

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Duration: 57 seconds

At that point, the President came in and brought Christopher Soames in with him and let him speak for a moment. Soames emphasized that the European Community must come out politically right. And then explained that the UK got out of their adverse trade balanced by getting off their behinds and selling and doing better in the world markets. And the US, it all came too easy to you. Then he talked about how the Japs have moved into Europe. They take sections of the market in different countries. For example, they killed Zeiss in eighteen months. In Denmark, they moved in on heavy earth-moving equipment. Now they're moving in on autos in Britain. So we should move into the Japanese market and force them to enable us to do so. He hopes our attitude towards the trade bill is as a trade liberalization bill even though we have to have safeguards. Regarding Europe, we should think about the doors that are openable rather than those that have to be locked.

The President then said we have to recognize that political leaders have strengthened, have strong isolationist feelings to deal with; that we must not pander to that. Nothing would be more



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harmful than to allow an economic confrontation to become so violent as to deteriorate the political and military situation.

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Duration: 31 seconds

Shultz made the point regarding the international economy that in answering Soames' pitch that they have to unlock some of the doors—this was after Soames had left. The President said the fundamental problem is our companies, with, with a vigorous program of trade on a competitive basis, Japan, that's what we need to develop. Japan today is not being a good partner, and Tanaka is not being a good ally.

If we become the fortress America, economically, we would again become a fortress America, militarily and politically, and that would destroy us. There was considerable discussion then on the international economic situation. The President made an aside to Richardson as it was going on, “Isn't this a fascinating discussion?”

The President explained the importance of trade and said there's, we only have 4 percent exports, but those are the cream, and we need them. There was then some joke about haircuts and the fact that American barbers are in real economic trouble.



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The President made a pitch about the need for less sophisticated planes and so forth for the smaller countries to fight their limited wars, not just what we need to fight the Soviet Union. The President directed all this to the CIEP, that the highest priority and the whole question of how US companies can be encouraged to develop foreign trade. We're the only nation in the free world now that looks outward, while two major nations in the Communist world do this. The President made the point that our desire is not to build a protectionist wall, it's a freer flow of trade of investment, but we must not jeopardize American jobs and business, so we need the right of the President to go in and bargain, so that we get a fair shake abroad for American products and American labor.

The President then talked about aid to North Vietnam and amnesty, and told Rogers to circulate what he had said on the Hill. On aid, the President will probably have a press conference and cover that. The press says that it's a difficult sale to make, but there's no need to wring hands. Remember 27 years ago with the Marshall Plan, the conservatives opposed aid, and liberals supported it, now it's just the opposite. But the aid worked with the Japanese and the Germans. Now look at North Vietnam. The problem is 45,000 Americans killed, POW's mistreated, and so forth, so now the liberals are against aid for the same reason that the conservatives opposed it in '47. No foreign aid until we solve the problems in this country, no aid for North or South Vietnam unless we restore the budget cuts for the ghettos, and so on. The old Internationalists have become the new Isolationists; those who damned the US being in the war and supported North Vietnam in the war, are now opposing aid to North Vietnam, a curious switch. The only dollars we can justify abroad are where they serve the interests of the United States. An assistance program for Vietnam will be to serve US interests, to create a peace that can last awhile. It's not a question of reparations or humanitarian interests. The motivation is the same as after World War II; help our enemies, because it's better to do that than to leave them as Communist targets. We should help North Vietnam because the US is in a position to draw them inward and have influence on them in the future. If we have no leverage, we have no influence.



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The Russians and the Chinese can help, but we, they can't get caught at it. We'll have to tell them now not to make up their minds; they don't know what, or why we're asking for it—that is the Congress and the opponents. The Republican line is that we won't do it alone; we'll get the Japanese and so forth into it. The President asked all the Cabinet to take Rogers's line. Don't try to win them, because we hate North Vietnam, just sell our interest which is for peace.

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The Vice President questioned whether the Soviets could do aid for South Vietnam on a multilateral basis. Several countries will participate. But multilateral aid doesn't give the US the stroke which is our objective. We need the ability to influence North Vietnam. This is in the interest of the United States bilaterally and we don't want Soviets to help to South Vietnam, because there would, although there will be a lot of interest of other nations to help. We should think in terms of Indochina for all nations, but we need the stroke of North Vietnam ourselves. The President then said that we're dealing with a maniacal introverted bunch of people up there in North Vietnam.

LBJ and Rusk stated that the policy was we would assist, and Nixon did too. On where the money's coming from, we don't know the plan yet, but we have to say that the money for this is not going to shortchange American domestic programs in the United States. We can handle this in the national security complex.



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The Cabinet meeting adjourned at that point.

Roy Ash, earlier in the staff meeting, had raised some ideas on the whole budget thing. He says we can bring a group of factors together to put together a package. We have the problem of base closings, which are required by the Defense budget cuts; number two, the money for North Vietnam; number three, the problem is we can't make our budget; number four, that we've conceded on such things as veterans' emergency loans, and so on; and number five, we could get some help on the Hill if we go at things right. So we should package up the second round on the budget, bring in a few good Congressmen and Senators, and try to put the whole thing together.

We had a Brennan problem stirring today, as he is getting more and more frustrated on his personnel situation, and the President agreed to take him to Florida with him on his plane, so that helped. The President left right after the Cabinet meeting for Florida and stopped in Jacksonville to pick up Julie and David and get some public acclaim there.

End of February 16th.