

CONFIDENTIAL/SENSITIVE

Friday, September 15, 1967
10:30 a.m.

45

MR. PRESIDENT:

Pres file

Herewith Bill Leonhart proposes that the time has come to liquidate his shop.

He has quietly -- with the greatest discretion -- discussed this with Sect. Rusk, Sect. McNamara, and myself.

We all concur in his thoroughly objective analysis of the situation.

If you concur, the timing of the announcement deserves some thought, on which you will undoubtedly have a judgment.

My only recommendation with respect to timing is that it be accompanied by the announcement of a first-class appointment for Bill Leonhart.

Those of us who have worked with him -- including, I believe, Sect. McNamara -- have the highest regard for his effectiveness, experience, and judgment. He contributed vastly more to the Komer operation than is widely understood.

I knew him over a period of years at the State Department. I am sure he is one of the two or three best Foreign Service Officers of his generation. His preference would be to become Ambassador. He believes he could handle Australia, the Philippines, or Indonesia -- should Marshall Green's medical condition require that he return soon.

You may wish to discuss the matter of Leonhart's future assignment with Sect. Rusk.

W. W. R.

Attachment

DETERMINED TO BE AN ADMINISTRATIVE
MARKING CANCELLED PER E.O. 11352
SEC. 1.3 AND ARCHIVIST'S MEMO OF
MAR. 13, 1982.

By 1g on 10-3-71

September 14, 1967

MEMORANDUM FOR THE PRESIDENT

SUBJECT: Future of This Office

1. Eighteen months ago this office was established to help carry out your determination that Revolutionary Development/Pacification programs in Vietnam must be speeded up, given priority with military operations, and conducted with wartime urgency.
2. Under your direction, we moved on four fronts:
 - To energize pacification activities of the major departments and agencies.
 - To exert highest authority concern upon the Saigon Mission for integrated effort and maximum results.
 - To increase the resource and manpower flow into pacification programs.
 - To coordinate the Washington management of pacification programs in Vietnam.
3. I believe that the expediting functions of this office have contributed to the better grip Washington and Saigon now have on pacification management and have speeded up the increasing effectiveness of this crucial effort in the field. We now have the Vietnamese elections behind us. Their results reinforce the main directions of our pacification programs. For the period ahead, I feel that the question of how you may best be served requires a new look.

TODAY'S MANAGEMENT FRAMEWORK

4. The major departments and agencies are now deeply involved in pacification activities. Senior staff sections working exclusively on Vietnam and targetted on pacification are now operational where none existed eighteen months ago:

- AID has organized a special Vietnam Bureau; is better focused in its Revolutionary Development programs and CORDS-related activities; has new and vigorous leadership under Jim Grant.
- DOD has developed a new pacification back-up in its Office of Systems Analysis under Alain Enthoven and Vic Heyman. Its staff is organized to examine special Vietnam pacification problem areas. It publishes a monthly report which is a first-rate monitoring and analytic document. It is developing a computerized processing system, using data banks here, at CINCPAC and at MACV, to keep track of pacification progress.
- JCS have expanded their SACSA office under Major General Bill DePuy to provide a Vietnam section as a focal point for back-stopping CORDS field operations. DePuy's weekly reports on the military aspects of pacification are competently covering this earlier aspect of our work.
- CIA has established a new Situation Room for pacification operations. Its special Vietnam staff under George Carver monitors Revolutionary Development team activities and the anti-infrastructure effort. It is beginning a new monthly report which will measure and analyze progress in carrying out combined provincial Revolutionary Development plans.

5. In the Saigon Mission -- a new team, a new civil-military structure and an integrated pacification program. The Bunker-Locke-Westmoreland-Komer team has added strength and vigor to field operations. The CORDS organization enforces unified direction and single management. Three of the original members of our office now are in key jobs in Saigon -- Bob Komer, Charles Cooper, and Bob Montague. Eighteen months ago, separate US agencies operated separate field organizations, individual pacification programs, and independent management controls. There was then a need for detailed Washington direction of Saigon's non-military programs and for pressure to achieve integrated direction of pacification resources. Today, these requirements are much reduced.

6. In resource and manpower flow: -- pacification programs have risen from about \$130 million at the end of 1965 to an annual rate of \$360 million in mid-1967, and from five billion piasters in 1965 to 20 billions in 1967. Vietnamese nationals engaged in pacification work have gone up from 95,000 in 1965 to 315,000 in 1967. We are not yet at full capacity but further increases will be limited by Vietnamese manpower and resource scarcities. Recent economic negotiations, in which we were deeply involved,

have established the aid framework for Vietnam through 1968 and accomplished a piaster exchange rate unification which will save the US, on balance of payments account over the next 15 months, about \$120 million. Ahead, the main task is effective management of resources in being or now agreed. This is an operational job which can only be done in the field.

7. In inter-agency coordination -- State has moved effectively to integrate pacification backstopping with our total Vietnam program support. The main instruments are Under Secretary Katzenbach's informal group and a working level Committee chaired by Phil Habib which draws its membership from departments and agencies having pacification responsibilities. White House touch is maintained in both groups regularly by Walt Rostow and his staff and on an ad hoc basis by this office. This structure parallels, in the necessarily more sensitive Vietnam context, the Senior Interdepartmental Group pattern, and reflects the unified direction of pacification, political development, and security operations achieved in the field. In pacification matters, the present work projects of the Habib committee -- PsyOps, anti-infrastructure, AID-CORDS relationships and US leverage -- carry forward recommendations earlier pressed by this office, relate to staff sections of Komer's field organization, and are moving ahead well.

THE PERIOD AHEAD

8. These new arrangements -- in Washington and at Saigon -- necessarily affect White House staff roles. Clearly there remain important functions. At minimum, these seem to me:

- To protect your interest and the national interest when these diverge from the parochial interests of individual agencies. These differences of interest will arise if agencies try: to husband their funds, personnel, or information at the expense of other agencies or of the over-all effort in Vietnam -- or to separate out independent spheres of activity from an integrated Vietnam effort -- or to set for themselves attainable objectives, which may be easier to defend, as opposed to war-supporting objectives which may be harder to achieve.
- To maintain senior-level pressures on the Washington bureaucracy for sustained effort and maximum results.
- To keep you informed about what is actually happening in Vietnam, and about matters useful to you in dealing with the Congress, the press, and the public.

9. These tasks are accustomed White House functions and involve the whole range of our Vietnam policies. The first two at least require Presidential leverage. In major part, the three are performed by Walt Rostow and his staff.

10. With the major departments and agencies now tooled up on pacification, with the team at Saigon carrying out the pacification mission we have long urged, and with State discharging the Washington coordination role, I have real doubt whether there is sufficient need for the separate functions of this office to warrant maintaining a staff of 17 (plus three part-time consultants).

11. I believe that you would find advantages in establishing a single direction for White House staff tasks on pacification matters. A single focal point would, in my view, result in more precise monitoring, more effective pressure on the bureaucracy, and a better coordinated flow of information to you.

12. Accordingly, it is my recommendation that this office -- as a separate White House staff -- be abolished and that its pacification functions be integrated with Walt's Vietnam staff section.

13. If you approve, this streamlining operation could be timed as you think appropriate, taking into account post-election pacification arrangements which the new GVN will make. For public relations purposes, the change should be managed in low key and could be accomplished by routinely returning most of our staff -- including two RAND experts -- to their agencies. It might be useful for Walt to retain one of our economists and an AID liaison officer for his staff, and I would have no hesitation in strongly endorsing their qualifications to him.

14. In making this recommendation, Mr. President, I wish you to know my great sense of pride and satisfaction in serving as a member of your White House staff and in helping to carry forward your policies and our commitments for the defense of Vietnam and the security of freedom in Asia. Whatever your decision on this office, I have no desire but to serve and support your leadership and your policies.


William Leonhart

WmLeonhart:sc