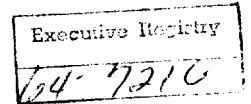




DEPARTMENT OF STATE
WASHINGTON



SECRET Enclosures

October 27, 1964

MEMORANDUM FOR MR. ~~L~~AYMAN B. KIRKPATRICK *LBK*

Subject: Memoranda of Conversation Between
Secretary Rusk and British Foreign
Secretary Patrick Gordon Walker

Enclosed for the information of Mr. McCone are
copies of the summary memoranda of Secretary Rusk's
conversations with British Foreign Secretary Patrick
Gordon Walker on October 26. These memoranda have
not been cleared by Secretary Rusk.

Benjamin H. Read
Benjamin H. Read
Executive Secretary

Enclosures:

As stated.

State Department review
completed

SECRET Enclosures

Summary Memorandum of Conversation Between
Secretary of State Rusk and British Foreign Secretary Gordon Walker
October 26, 1964, 10:00 a.m.

Scope

Secretary Rusk told Gordon Walker he thought the most important aspect of these talks, which necessarily would be of a preliminary nature, would be to leave the impression that U. S. - UK cooperation would be maintained. This relationship was an important stabilizing factor in the world today. It was agreed there should be no communique regarding the talks.

UK Balance of Payments

Mr. Gordon Walker went over the measures the British Government is taking to deal with the UK balance of payments crisis. The Secretary said we appreciated the new Government thought some action was necessary. We were pleased that the measures were non-discriminatory and that there had been no increase in the bank rate.

Southern Rhodesia

The Foreign Secretary explained what action HMG is taking to try to head off a unilateral declaration of independence by Southern Rhodesia. Unless the Southern Rhodesian Prime Minister agreed not to make a unilateral declaration, the British Government would tomorrow issue a strong statement warning the white Southern Rhodesians of the grave consequences. This would be an attempt to rally those elements of the white population opposed to unilateral action to resist Prime Minister Smith. Secretary Rusk told Gordon Walker that we would certainly support British policy in this case and would want to follow the British lead.

Cyprus

There was a review of the Cyprus situation, particularly in regard to the forthcoming UN consideration of the problem. The British agreed that the UN forces should be kept in Cyprus and that

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the General Assembly should not be used for the purpose of tearing up the treaty governing the relationship between the parties involved. Both the U.S. and the UK intend to talk with UN mediator Galo Plaza as it has been reported by the press that he intends to offer his recommendation for a solution to the Cyprus problem to the Security Council. This would be most unhelpful as he apparently sees the situation on the island as Makarios does.

Nasser

There was a preliminary review of Middle East questions. Gordon Walker said that the Labor Government would be closer to the U.S. on the question of how to deal with Nasser than had been the previous government. The British have made some overtures to Nasser but certain problems remain to be settled before there can be a real rapprochement. The Labor Government does not oppose our present policy of aid to the UAR.

Yemen - South Arabian Federation

Gordon Walker said he was still sorting out his thoughts on the Yemen problem but did not plan any immediate recognition of the Republican Government. He is considering what should be done with the South Arabian Federation which does not appear to him to have the makings of a viable state. His thought at the moment is that the British should try to keep their base at Aden.

Middle East - General

The British would like to come to terms with Arab nationalism but not at the expense of Israel. They would like to work out with us an absolute guarantee of the integrity of Saudi Arabia. In the Persian Gulf, they would not reduce their military presence but would like to alter their rather outdated relationships with the Sheikdoms. They are concerned at the bad state of their relations with the Shah of Iran and would like to have the U.S. join them for talks with the Shah regarding the threat he sees from the developing UAR-Iraq relationship.

Article 19

Secretary Rusk stressed the importance to us of Article 19 and our determination not to yield. He told Gordon Walker that he

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did not know if we could get an appropriation from Congress for the UN if the General Assembly did not support us on Article 19. The Foreign Secretary agreed to back the U. S. on this question and to approach the Soviets, either in London or in Moscow, to tell them the British were convinced that the Americans meant business. Gordon Walker also agreed to consider some British lobbying with countries waivering on the Article 19 question.

Chinese Representation

Gordon Walker said the British would continue to vote for the admission of the Chinese Communists to the UN but would not lobby in favor of admission this year. He gave no commitment regarding subsequent years. Gordon Walker said he was inclined to believe that Chinese representation was an "important question" requiring the two-thirds majority but he gave no firm commitment that this would continue to be the policy of HMG as it has been in the past.

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Summary Memorandum of Conversation Between
Secretary of State Rusk and British Foreign Secretary Gordon Walker
4:00 P.M., October 26, 1964

Libya

In response to a question from Mr. Gordon Walker, the Secretary said we were trying to hold on to Wheelus as long as possible. We were trying to delay and roll with the punch. Mr. Gordon Walker asked what we planned to do after 1971 when our base agreement expired. The Secretary replied that he didn't know if we could stay that long. In the meantime we were cutting down our activities in Wheelus as much as we could.

Iran

There was again a general discussion of the Shah's concern with the situation in Iraq and the Persian Gulf. Mr. Gordon Walker indicated, however, that he was not thinking of joint U.S.-UK talks with the Shah for the purpose of reassuring him but only UK talks which we would know about.

India-Pakistan

The Secretary said that our primary concern in the Middle East is with Pakistan. Mr. Gordon Walker thought that there was very little which could be done in the present situation except to lean a little towards India one day and a little toward Pakistan the next as we were now doing. We couldn't solve the Kashmir problem. Our basic trouble was that we were trying to keep on friendly relations with two countries which hated each other. Endless patience appeared to be needed.

Nasser and the Middle East

There was a further discussion of the problem of dealing with Nasser and Arab nationalism. Mr. Gordon Walker said he thought he would have to feel his way with Nasser. Nothing much could be done if Nasser kept putting his price up. Certainly the UK would not object to U.S. policy. He thought that the U.S. idea

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of giving Nasser economic aid and speaking to him sharply on political matters seemed about right. He thought economic aid could only give the U.S. limited leverage.

The Secretary said that the thing that bothers us most about Nasser are his efforts to use Arab nationalism to promote UAR interests in neighboring countries. He mentioned that we had tried to get Nasser interested in some form of de facto arms limitation agreement for the area but that Nasser hadn't responded. The Foreign Secretary said that if the Israelis were capable of blowing up the High Dam this would be a stabilizing factor. The Secretary doubted that this could be done without a nuclear bomb and noted that we should keep an eye on the Israeli nuclear capacity.

It was agreed following a suggestion by the Secretary that there should be at an appropriate time a country by country review of our respective Middle East policies. Mr. Gordon Walker suggested that this be extended to the Far East as well.

MLF

Assistant Secretary Tyler has given Mr. McGeorge Bundy an extensive summary of the discussion of this item.

Organization of NATO

The Secretary remarked that we had been giving some thought to the organization of NATO. He was not sure that the Council was functioning properly. Its deliberations should perhaps be at a higher level. Mr. Gordon Walker replied that he would be interested in hearing any proposals we had to put forward on the organization of NATO.

Common Market

Mr. Gordon Walker said that the Labor Government thought the Common Market was a good thing. Labor would like to see it go on. On the other hand Labor would not be prepared for another Brussels type negotiation. It would in the meantime try to improve relations

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with the Common Market countries and with the Common Market as a whole by ad hoc means.

European Political Unity

The British Foreign Secretary mentioned in passing that if the European countries were to hold any talks on political union, the Labor Government like its predecessor would like to be in on such talks from the beginning.

EUR/BNA:TJudd

10/26/64

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