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MEMORANDUM OF CONVERSATION

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May 17, 1968

PARTICIPANTS:

Hayek

Czech Foreign Minister

R

Professor Henry A. Kissinger

PLACE:

Hotel Esplanade Mairanski Lazne

Rostow

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Hayek came to the conference to deliver a most subtle and ambiguous talk. Its highlights (including the question period) were an affirmation of the Warsaw pact as much on national as on ideological grounds; an insistence that Czech socialism had to be deepened by humanism and democracy; a reference to the Czech crise de conscience; some sarcastic remarks about "spectacular" plans for European security; a call for the broadest exchange between Western and Eastern intellectuals. After the talk, Snejdarek sought me out to say that Hayek wished to talk with me. We talked alone for about an hour though in a corner of the dining room in full view of the Soviet delegation. After telling me how pleased he had been by my talk with Snejdarek, Hayek covered the following items in this order:

Czech Internal Developments. Hayek gave an account of Czech internal developments very similar to Snejdarek though in much less detail. He stressed the importance of the May 31 meeting of the Central Committee. Czechoslovakia was determined to persevere on its course. The Soviet Union would not intervene for fear of worsening relations with the U.S. and the West.

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Soviet intervention would ruin the French and Italian Communist parties. Above all, Czechoslovakia would fight; I had to remember that 85% of the people supported the government.

I asked whether even without Soviet intervention, things in Czechoslovakia might not evolve as in Poland. Hayek rejected this possibility vigorously on two grounds: (1) Dubcek was a beau-vivant not an ascetic like Gomulka; (2) Democratization returned to the very basis of Czech tradition while the Poles had never had a second of democracy in their history. Hence the Czech people would defend their freedoms as the Poles had not done.

The War in Vietnam. Hayek said he wanted to underline what Snejdarek had told me: Prague was prepared to act as mediator at the proper moment. To be sure, it would not act simply as U.S. errand boy. But if it agreed with a U.S. formula, it would be happy to present it as its own. Similarly if it had any ideas for breaking a deadlock it would take the liberty of presenting them. However, he wished to emphasize more strongly than Snejdarek had done that it would avoid embarrassment all around if such proposals were first presented privately. Then if the recipient government thought them inopportune they could be withdrawn without embarrassment. He suggested an initial contact between Snejdarek and me. I replied, as in the case of Snejdarek, that it was too early in the Paris talks to speak of a deadlock but that I would always be pleased to hear from Snejdarek. However, I did not believe in private diplomacy. After the initial contact, all other communications would have to be in official channels. Hayek agreed. He said that he had great confidence in Ambassador Beam and that he had only wished to avoid embarrassment. (Note: Given the precarious state of Czech Soviet relations, I think Prague would be foolhearty to undertake mediation of the Vietnam conflict and we would be unwise to approach them.)

In response to my question, Hayek said that he was very optimistic about the Paris peace talks. Of course, the North Vietnamese were not easy to understand. Hanoi's ambassador in

Prague kept very much to himself and Prague's embassy staff in Hanoi had an "escort" wherever it went. Still he was convinced that Hanoi had not entered these talks lightly. Prague had "certain indications" that they had been prepared over a long period of time and through many channels. Having embarked on this course Hanoi would want to explore it to the fullest extent possible. He thought the analogy to Korea was very inappropriate. The big difference was that China had stood behind North Korea while it opposed North Vietnam. Hayek therefore expected major progress this year -- at a minimum he expected a cease-fire. In reply to a question, Hayek said that he thought a de facto cease-fire easier to accomplish than a negotiated one.

Hayek added that even a full settlement this year was not impossible. He said that Hanoi recognized it would not be able to humiliate the United States. He added that Hanoi would probably settle for a minimum NLF participation in a coalition government. It was easing our task by forming a new group which could replace the NLF. He refused to elaborate on what he meant by minimum participation. I told him that I knew nothing beyond our official position.

<u>U.S.-Czech Relations.</u> Hayek asked -- as Snejdarek had done -- whether the U.S. wanted Czechoslovakia to leave the Warsaw pact and whether we wanted Czechoslovakia to end its Socialist system. As in the case of Snejdarek I replied that the U.S. had no desire to change the balance of power in Central Europe and no wish to interfere in Czech internal affairs. Though he could not have had any doubt about my answer, Hayek seemed visibly pleased. He stressed that he appreciated the U.S. stance.

Hayek then said that the chief Czech complaint against the U.S. was the gold issue. Though \$22 million was not much by U.S. standards it meant a great deal to a hard pressed country like Czechoslovakia. He thought the tentative agreement of 1961 still acceptable to Prague. Even some modifications could be discussed as long as they were put on commercial and not on

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political grounds. He said that when the United States withdrew from the agreement it had mentioned two obstacles: Cuba and Vietnam. He thought that Cuba was losing interest for everybody, while Vietnam was being defused. Hence it should be possible to return the gold discussions to a commercial basis.

Hayek stressed the importance the Czech government attached to increased cultural exchanges with the U.S. He asked me to speak to the Ford Foundation about reinstituting their program as soon as possible. I promised him to do so. He added that this was strictly speaking the department of Academician Sorm, President of the Czech Academy of Science; he would see to it that Sorm supported him. (Note: As a matter of fact Sorm sought me out soon after to make the same request).

Miscellaneous

a. Middle East - Hayek said that he had recently had a visit from the Egyptian Foreign Minister who told him that Egypt would guarantee (Note: I suppose he meant accept) Israel's pre-war frontiers and free passage through Suez and the Straits of Iran in return for Israeli withdrawal from occupied territories. I said that I doubted Israel would go this far. Hayek replied that in his view Egyptian concessions were obtainable even for a partial withdrawal. (Note: I did not press him as I am too unfamiliar with the details of negotiations.) Hayek stressed that Czechoslovakia would welcome an arms embargo to the Middle East if the USSR agreed.

Central Europe. Hayek was virulent on East Germany. He said that their experiences had taught them that Germany should never be unified. He said that they wanted to recognize Bonn but could not go much further in present circumstances. Hayek foresaw no Berlin crisis this year much as the GDR wanted to provoke one. Moscow would simply not allow it.

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