EXCISE



Visit took place at 1:00 p.m. at Khrushchev's villa at Petsunda, Georgia. Formal talk by swimming pool lasted two hours, followed by swim in Black Sea and luncheon. Present for formal talk were Udall, Kamman (State Department interpreter), Smirnovsky (head of U. S. Section, Soviet Foreign Office), interpreter Vinogradov, Minister of Power Station Construction Novikov, and Chuprakov'of.same Ministry. Mikoyan and Secretary Georgian Com Party V. P. Mzhavanadze joined the luncheon on veranda Khrushchev villa.

Narration by Udall

Khrushchev met us at front of the building--swank by any standards--that houses his private indoor-outdoor swimming pool. He was gruff at first, but civil.

Acting on counsel of McSweeney and Clawson I took the initiative—to establi my personality and convictions—and did most of the talking during the first ten minutes while we walked to the far end of the ppol and got settled down a conference table. Outlined our itinerary, and gave some general impression of the Soviet Union: people were very friendly; we saw what we wanted to so our technicians got the answers they were after.

I compared the resources of our two countries: Soviet Union has larger coand petroleum reserves; U. S. has three great rivers. Soviet Union six; ultimate strength of a country rests on available natural resources. plus skill and competence of the people (i.e., education), plus the economic system itself.

Expressed admiration for the high level of competence of his engineers; the Bratsk hydroelectric dam will shortly be the largest in the world; Bratsk hydro turbines also largest; Russian work on Extra-High-Voltage Transmission and Direct-Current EHV transmission is well in advance of work of U. S. engineers. My experts much impressed by Soviet work in these fields.

Pointed out that U.S. and U.S.S.R. policies in river development very similar: rivers belong to the people, should be developed for the benefit of all of the people. In the U.S. nearly all hydro, power goes to farmers and people who live in the smaller cities and villages. Some in the United

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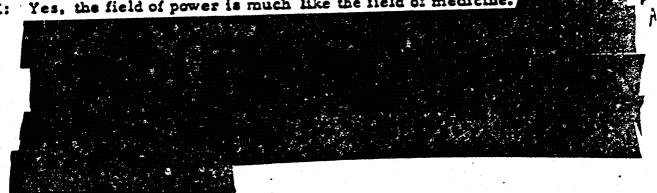
criticise this program and call it "socialistic".

Then asserted that U. S. has leadership in many power fields, but stressed value of exchanges of technical data so that each side can speed up its work -- and build, up the standard of living of its people.

Expressed opinion that mutual benefits had been substantial on both sides -- and that our exchange had produced a high degree of mutual respect between the engineers and technicians on both sides.

Narration by Kamman, with additions and corrections by Udall:

K: Yes, the field of power is much like the field of medicine.



I would agree with that, Mr. Chairman. You were very much behind, and you started late to catch up. From what I have seen your people are doing very well in the power field.

Frankly, I am here to find out some of your secrets! (Said with a broad smile.)

- (After a hearty laugh) Well, then, if that's the case, take off your coat K. and let's get down to business. (All participants remove coats)
- You know, Mr. Chairman, I suppose I am the "peasant" of President U. Kennedy's Cabinet. I was born and raised in a small town which had no electricity, and where we farmed with horses to pull our ploughs.



Sea and luncheon. Present for formal talk were Udall, Kamman (State Department interpreter), Smirnovsky (head of U. S. Section, Soviet Foreign Office), interpreter Vinogradov, Minister of Power Station Construction Novikov, and Chuprakov'of.same Ministry. Mikoyan and Secretary Georgian Com Party V. P. Mzhavanadze joined the luncheon on veranda Khrushchev villa.

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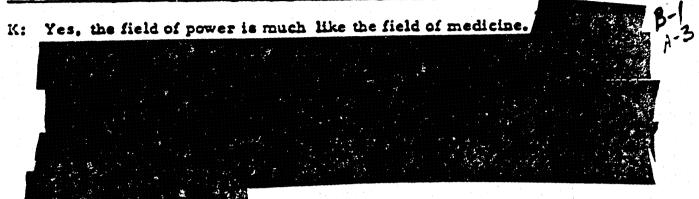
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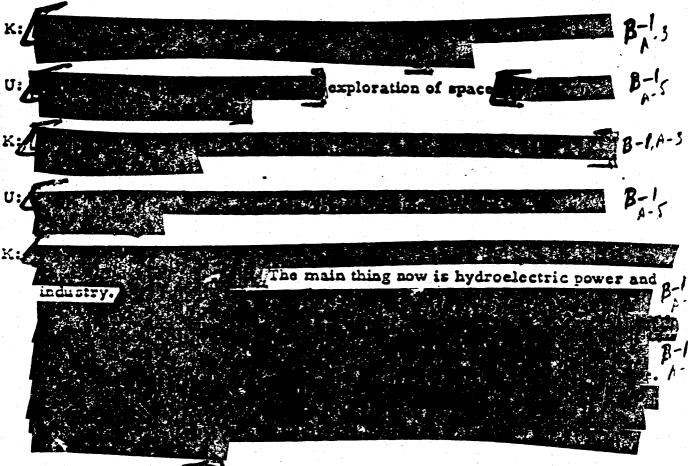
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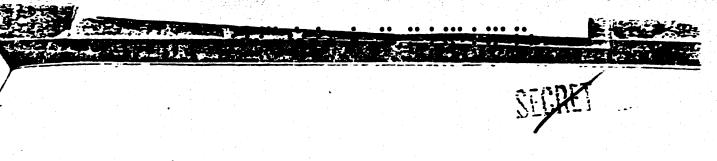


K: It's good that you went to Bratsk. Harriman was there, Eisler, and Schator Moss-they all visited Bratsk.

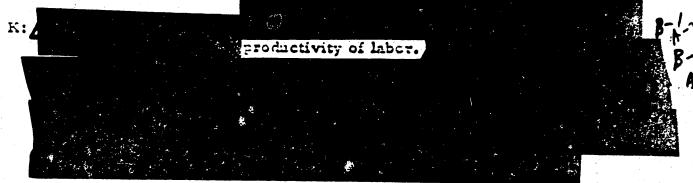
U: The pioneering spirit of the people of Bratsk impressed all of us very much. My own view is that competition in the power field between our two countries is the very best kind of peaceful competition. After all, we are the two richest countries in natural resources. I intend to make an honest and straight report of what I have seen to the American people. If you succeed in building the great dam proposed at the mouth of the Lena River, the whole world will talk about such an achievement, perhaps as much as feats in outer space. After all, the men who develop power stations create jobs, provide electricity for homes, and put food on the table.



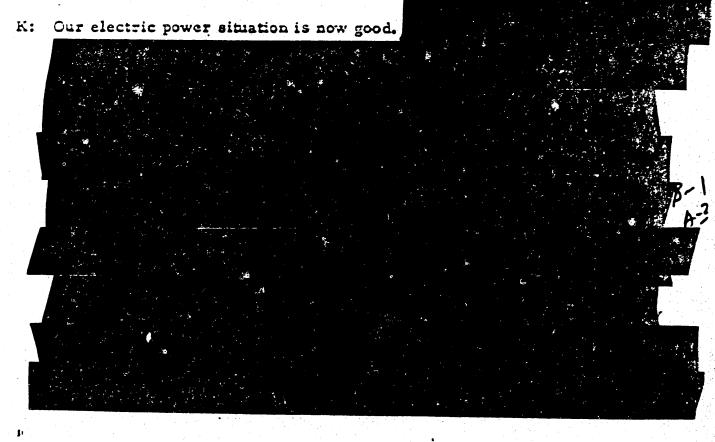




U: I wanted to say one further thing about energy development. I read your speech of November 1959 with great interest, and the most significant thing for me was your new plan to supply more power to the villages and farms. This, of course, has been a primary objective in the United States.



U: My delegation has come to your country to see what "big" means in dam construction.





The economy was an agricultural one, with peasants raising only what they need for their own use. Their cash purchases were only for matches, kerosene, and a few metal products. This was what we inherited. Now we are changing all of this. It is a long process.

K: We plan to strengthen the Ministry of Power Station Construction.

U: On the subject of dam construction, I have been much impressed with Deputy Minister Neporozhay's plan for continuous pouring of concrete by automation, and we have also admired the progress your people have made in using pre-fabricated reinforced concrete.

K: Yes, that was my proposal. I mean pre-fab concrete.

You apparently have chosen better engineers than Stalin. K: peaceful competition. I am confident President Kennedy would agree with you strongly on this point. your President President Kennedy has demonstrated his ability to lead. He has the people strongly behind him. man's personality can have a great influence Well, as you know, all of us will be campaigning hard in the next two months to win the contest. your comestic party K: [politics.

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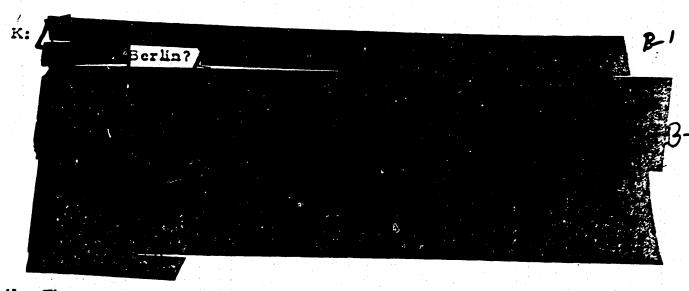
U: Under Democratic Presidents Roosevelt, Truman and Kennedy, there have been significant changes in our governmental system and its attitude toward the welfare of the people. The Democratic Party has come to stand for more government action to secure greater wellbeing for the working people. The economic system of my country has changed so much in the last lifty years, that if Karl Marx were alive today he would not recognize it. Mr. Chairman, in April the steel company managers raised the price of steel. The Labor Unions had just made an agreement for a new contract based on no price increase. President Kennedy stopped in and used his power to force the steel companies to retract their increase. Many businessmen (capitalists) didn't like this, and they still don't like it, but he did it nevertheless. He did it because in his opinion the welfare of the whole country required birn to act. You can always be sure that the Democratic Party will be more liberal -- (or to use your terminology, more "socialitic") and have greater concern for the working people.

President's announcement at his news conferent or at any rate, he announced a few days ago, that he was launching the campaign for the fall elections.

(): He's for the people.



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U: There are some who are demagogues in the negative sense.



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K:

President's explanation.

- U: The President is the commander of the military in our country, just as you are in the Soviet Union.
- K: It is true that irresponsible actions occasionally take place. It's up to me to make the decision on going to war, but fools in airplanes do exist, I realize. Now as to Cuba--here is an area that could really lead to some unexpected consequences. I have been reading what some irresponsible Senators have been saying on this. A lot of people are making a big fuss because we are giving aid to Cuba. But you are giving aid to Japan. Just recently I was reading that you have placed atomic warheads on Japanese territory, and surely this is not something the Japanese need. So when Castro comes to us for aid, we give him what he needs for defense. He hasn't much modern military equipment, so he asked us to supply some. But only for defense. However, if you attack Cuba, that would create an entirely different situation. And it is unthinkable, of course, that a tiny nation like Cuba would ever attack the United States.
- U: The responsible people prevail in our country unless intolerable provocations occur.
- K: You have surrounded us with military bases.

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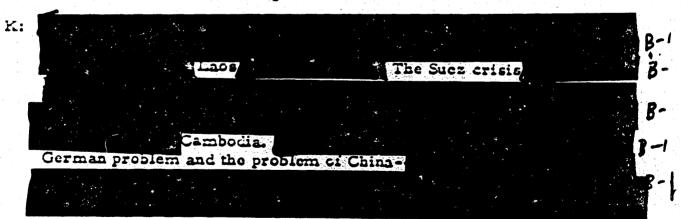
- U: The President has made his position on Caba clear. A few people in Congress may call for an invasion, but the President makes the policy.
- K: These Congressmen



U: Nevertheless, most Congressmen are responsible. I used to be a Congressman myself. But there are only a few who are irresponsible.

If your Congressmen want to attack Cuba, they are like Tolstoy's aging man. I have stated that we could support Cuba even from our own territory. So this shows that some of your Congressmen are

U: The irresponsible people have a right to speak out but they do not control policy. For example, one of the noisest Schators is Goldwater from my own state of Arizona. He's a Republican, while I'm a Democrat. He doesn't understand modern times. But the President does, and he makes our policies on foreign relations.



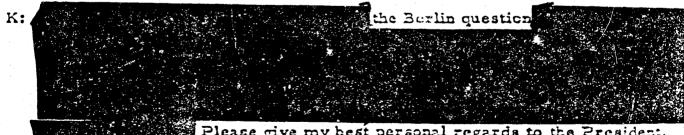
U: Things are quieter now in Asia.

K: Z

K: China



- U: Mr. Chairman, I want to thank you for the opportunity to meet with you. I will respect your request to keep these remarks off the record, and will convey your messages to President Kennedy.
- K: Yes -- tell the press we talked about electric power plants.
- U: Yes, I would like to tell them of our discussion of power stations and water development. On Berlin, the President has made his position very clear. He shares your views about the insanity, the suicide of nuclear war. He is a strong leader--a courageous man, a man of steel, just as you are. You, the President, and I myself were all participants in the last World War. The President respects your problems and your position, and you should attempt to understand his position on this grave question. I am sure the President has no greater ambition than to solve the Berlin problem peacefully, and to put an end to nuclear weapons testing, which has been the topic of discussion at Geneva. This is a time of dangers, and he will always do his best to find peaceful solutions to world problems.



Please give my best personal regards to the President, his family, and his daughter from me and my wife.

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