

CONFIDENTIAL

THE VICE PRESIDENT

... general nature  
... that relative  
... detected, of  
... as a vital step  
... repeat  
... both of

New Developments

Let's call this "Operation S.A. All The Way."  
We're spoken to some of our key contacts in labor and  
broadly hinted (without any definite promise, although I believe that  
we will have to deliver eventually) that the administration will back  
protectionism, repudiate the substance of the Kennedy Rounds and  
give serious consideration to backing legislation on a number of  
... consider crucial. You will be glad to hear that Mitchell's  
plan of selective funding for certain types of public works construction  
by geographical area and political advantage has been noted and is  
beginning to pay dividends.

What we have proposed and they have substantially  
accepted is as follows:

In late April or early May a series of "spontaneous"  
demonstrations by labor groups publicizing their support of this  
administration's anti-China policies and their discontinuance of  
any silent indulgence of the excesses of peace groups will take place  
in the target cities of New York, Pittsburgh, Chicago, St. Louis,  
and Seattle.

In New York, Vic Borulla is coordinating. He assures  
us that one auxiliary result of the spontaneous confrontations of  
Brennan's people with the "loathings" will be the embarrassment of  
the Lindsay administration if development his boss will view with  
pleasure. Please note that in each aforespecified instance a peace-  
oriented Democratic official administration will be embarrassed  
by the demonstrations. Details on this aspect to follow on.

Borulla is working closely with the New York field  
office, reporting to our specialist, O'Neill.

On the question of funds, no commitment has been made.  
Waterman has assured us that we can tap into Rufus Taylor's un-  
audited "internal security" fund for this operation for whatever we feel

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